Single Audit Report
June 30, 2024

State of Nevada

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Independent Auditor's Report

The Honorable Andy Matthews
State Controller
Carson City, Nevada

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Nevada (the State), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the State's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the following:

- The financial statements of the Legislative internally designated fund, a part of the general fund, which represent 2.04 percent of the assets and deferred outflows of resources, 4.08 percent of fund balance, and less than one percent of the revenues of the general fund;
- the financial statements of the Colorado River Commission, a discretely presented component unit, which represent 1.49 percent of assets and deferred outflows of resources, less than one percent of net position, and 1.85 percent of revenues of the aggregate discretely presented component units;
- the financial statements of the Pension Trust Funds, a part of the Pension and Other Employee Benefits Trust Fund, which in the aggregate, represent 55.52 percent of the assets and deferred outflows of resources, 56.45 percent of the net position and 35.65 percent of the revenues of the aggregate remaining fund information;
- the financial statements of the Retirement Benefits Investment Fund – Investment Trust Fund, which represent less than one percent of the assets and deferred outflows of resources, net position, and revenues of the aggregate remaining fund information.

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- the financial statements of the Vanguard, Future Path, USAA, and Putnam Nevada College Savings Plans, a part of the Nevada College Savings Plan Private Purpose Trust Fund, which represent 37.14 percent of the assets and deferred outflows of resources, 37.85 percent of the net position and 30.45 percent of the revenues of the aggregate remaining fund information;
- the financial statements of the Insurance Premiums and Printing Internal Service Funds which represent less than one percent of the assets and deferred outflows of resources, net position and revenues of the aggregate remaining fund information.

Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for the above-mentioned funds and entities, are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the State, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Correction of Errors

As discussed in Note 19 to the financial statements, the State corrected errors related to capital assets and accounts payable. These errors resulted in a restatement of Governmental Activities net position as of July 1, 2023. Furthermore, the State's discretely presented component unit, the Nevada System of Higher Education, corrected errors related to its financial reporting entity. These errors resulted in a restatement of the aggregate discretely presented component units net position as of July 1, 2023. Our opinions are not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the State's ability to continue as a going concern for twelve months beyond the financial statement issuance date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the State's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, the notes to required supplementary information-budgetary reporting, the pension plan information, the postemployment benefits other than pensions (OPEB) information, and the schedule of infrastructure condition and maintenance data be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial

statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2026, on our consideration of the State's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control over financial reporting and compliance.

Reno, Nevada
June 26, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

State of Nevada (the State) management provides this discussion and analysis of the State's Annual Comprehensive Financial Report (ACFR) for readers of the State's financial statements. This narrative overview and analysis of the financial activities of the State is for the fiscal year ended June 30, 2024. Readers should consider this information in conjunction with the additional information furnished in the letter of transmittal.

HIGHLIGHTS

Government-wide:

- Total assets and deferred outflows of resources of the State exceeded liabilities and deferred inflows of resources by $18.3 billion (reported as net position). Of this amount, $10.8 billion is net investment in capital assets and $5.4 billion is restricted for specific uses, neither of which are available to meet the State's general obligations. In addition, $2.1 billion is reported as unrestricted, which may be used to meet the government's ongoing obligations.
- The State's total net position increased by $1.7 billion, or 10.5%, over the prior year, after restatement. Net position of governmental activities increased by $1.1 billion, or 8.0% after restatement. Net position of business-type activities increased by $619.0 million, or 25.0%. Beginning net position of governmental activities was restated for misstatements in the prior year. The decrease to beginning net position of governmental activities in the amount of $10.1 million was for an overstatement of capital assets and an overstatement of accounts payable. The restatements are discussed in more detail in Note 19 to the financial statements.

Fund-level:

- The State's governmental funds reported combined ending fund balances of $7.1 billion, an increase of $748.2 million from the prior year. Of the ending fund balance, $651.2 million is nonspendable, $1.4 billion is restricted, $5.7 billion is committed, and a deficit $674.8 million is unassigned.
- The State's enterprise funds reported combined ending net position of $3.1 billion, an increase of $619.1 million from the prior year. Of the ending net position, $1.9 million is net investment in capital assets, $3.0 billion is restricted, and $61.5 million is unrestricted.

Capital Assets and Long-term Liabilities:

- The State's total capital assets, net of depreciation and amortization, increased by $764.2 million or 6.3%, after restatement.
- The State's total non-current liabilities, including current portion, increased by $531.0 million or 7.6%.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the State's basic financial statements which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The ACFR also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements:

The *government-wide financial statements* are designed to provide readers with a broad overview of the State's finances in a manner similar to the private sector. They take into account all revenues and expenses connected with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The *statement of net position* presents all of the State's assets, liabilities, and deferred outflows/inflows of resources with the difference being reported as "net position". The statement combines and consolidates all of the State's current financial resources with capital assets and long-term obligations. Over time, increases and decreases in net position measure whether the State's financial position is improving or deteriorating.

The *statement of activities* presents information showing how the State's net position changed during the most recent fiscal year. The statement reveals how much it costs the State to provide its various services, and whether the services cover their own costs through

user fees, charges, grants, or are financed with taxes and other general revenues. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of cash flows. Therefore, some revenue and expenses reported in this statement will not result in cash flows until future fiscal periods (e.g., uncollected taxes earned and unused leave).

Both government-wide statements above report three types of activities:

Governmental Activities – Taxes and intergovernmental revenues primarily support these activities. Most services normally associated with State government fall into this category, including general government, health and social services, education, law, justice and public safety, regulation of business, transportation, recreation and resource development, interest on long-term debt and unallocated depreciation.

Business-type Activities – These activities are intended to recover all, or a significant portion, of the costs of the activities by charging fees to customers. The Housing Division and Unemployment Compensation are examples of the State's business-type activities.

Discretely Presented Component Units – Discrete component units are legally separate organizations for which their relationship with the primary government meets selected criteria. The State has three discretely presented component units – the Nevada System of Higher Education, the Colorado River Commission and the Nevada Capital Investment Corporation. Complete financial statements of the individual component units can be obtained from their respective administrative offices.

Fund Financial Statements:

A fund is an accounting entity consisting of a set of self-balancing accounts to track funding sources and spending for a particular purpose. The State's funds are broken down into three types:

Governmental funds – Most of the State's basic services are reported in governmental funds. These funds focus on short-term outflows and inflows of expendable resources as well as balances left at the end of the fiscal year available to finance future activities. These funds are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting.

The governmental fund financial statements focus on major funds and provide additional information that is not provided in the government-wide financial statements. It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. A reconciliation is provided between the governmental fund statements and the governmental activities in the government-wide financial statements.

Proprietary funds – When the State charges customers for the services it provides, whether to outside customers (enterprise funds) or to other State agencies (internal service funds), the services are generally reported in the proprietary funds. Proprietary funds apply the accrual basis of accounting utilized by private sector businesses, and there is a reconciliation between the government-wide financial statement business-type activities and the enterprise fund financial statements. Because internal service fund operations primarily benefit governmental funds, they are included with the governmental activities in the government-wide financial statements.

Fiduciary funds – These funds are used to account for resources held for the benefit of parties outside the state government. For instance, the State acts as a trustee or fiduciary for its employee pension plans, and it is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. Fiduciary funds are reported using the accrual basis of accounting. The government-wide statements exclude fiduciary fund activities and balances because these assets are restricted in purpose and do not represent discretionary assets of the State to finance its operations.

Notes to the Financial Statements:

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in both the government-wide and fund financial statements.

Required Supplementary Information:

The required supplementary information includes budgetary comparison schedules for the General Fund and major special revenue funds, along with notes and a reconciliation of the statutory and U.S. generally accepted accounting principles (GAAP) fund balances at fiscal year-end. This section also includes a schedule of pension plan information, a schedule of postemployment benefits other than pensions (OPEB) information and a schedule of infrastructure condition and maintenance data.

Other Supplementary Information:

Other supplementary information includes combining financial statements for non-major governmental, non-major enterprise, all internal service and all fiduciary funds. The non-major funds are added together, by fund type, and presented in single columns in the basic financial statements. Other supplementary information contains budgetary schedules of total uses for the General Fund and special revenue fund budgets, as well as a schedule of sources for non-major special revenue fund budgets.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The State's overall financial position and operations for the fiscal years ended June 30, 2024 and 2023, for the primary government are summarized in the following statements based on the information included in the government-wide financial statements.

State of Nevada's Net Position-Primary Government
(expressed in thousands)

	Governmental Activities		Business-type Activities		Total		Total Change
	2024	2023	2024	2023	2024	2023	2024-2023
Assets							
Current and other assets	$ 12,465,898	$ 12,201,787	$ 4,306,910	$ 3,465,055	$ 16,772,808	$ 15,666,842	$ 1,105,966
Capital assets	12,857,216	12,102,785	15,856	6,059	12,873,072	12,108,844	764,228
Total assets	25,323,114	24,304,572	4,322,766	3,471,114	29,645,880	27,775,686	1,870,194
Deferred outflows of resources	929,358	1,047,568	16,929	18,987	946,287	1,066,555	(120,268)
Liabilities							
Other liabilities	4,257,769	4,787,544	179,282	224,554	4,437,051	5,012,098	(575,047)
Non-current liabilities	6,502,643	6,246,676	1,063,259	788,205	7,565,902	7,034,881	531,021
Total liabilities	10,760,412	11,034,220	1,242,541	1,012,759	12,002,953	12,046,979	(44,026)
Deferred inflows of resources	290,374	238,234	5,033	4,265	295,407	242,499	52,908
Net position							
Net investment in capital assets	10,767,656	10,229,973	1,869	(1,654)	10,769,525	10,228,319	541,206
Restricted	2,391,497	2,628,202	3,029,612	2,412,206	5,421,109	5,040,408	380,701
Unrestricted (deficit)	2,042,533	1,221,511	60,640	62,525	2,103,173	1,284,036	819,137
Total net position	$ 15,201,686	$ 14,079,686	$ 3,092,121	$ 2,473,077	$ 18,293,807	$ 16,552,763	$ 1,741,044

2023 govermental actitivies was restated for error corrections. See Note 19, Accounting Changes and Restatements in the Notes to the Financial Statements.

Net Position:

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The State reported net position of $18.3 billion at the end of 2024, compared with $16.6 billion, after restated, at the end of the previous year.

The largest portion of the State's net position ($10.8 billion) reflects its investment in capital assets such as land, buildings, improvements other than buildings, equipment, software costs, construction in progress, infrastructure and rights-of-way, less any related debt still outstanding that was used to acquire those assets. The State uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the State's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the State's net position ($5.4 billion) represents resources that are subject to external restrictions on how they may be used. At the close of the fiscal year, the State reported an unrestricted net position of $2.1 billion as compared to a $1.3 billion in the prior year. The governmental activities and business-type activities components of the unrestricted net position are discussed below.

The unrestricted net position in governmental activities increased by $0.8 billion, after restatement; from a net position of $1.2 billion to a net position of $2.0 billion. Changes in governmental activities were a result of several factors, including an increase in the unrestricted fund balance of the General Fund and other governmental funds of $1.0 billion and 0.5 billion, respectively. In business-type activities, the unrestricted net position decreased by $1.9 million from a net position of $62.5 million to a net position of $60.6 million, which is a subtle change from the prior year.

Changes in State of Nevada's Net Position-Primary Government
(expressed in thousands)

	Governmental Activities		Business-type Activities		Total		Total Change
	2024	2023	2024	2023	2024	2023	2024-2023
Revenue							
Program revenue							
Charges for services	$ 1,119,388	$ 954,349	$ 126,160	$ 113,928	$ 1,245,548	$ 1,068,277	$ 177,271
Operating grants and contributions	8,988,073	9,529,957	183,434	109,376	9,171,507	9,639,333	(467,826)
Capital grants and contributions	69,984	22,968	-	-	69,984	22,968	47,016
General revenues:							
Gaming taxes	1,325,692	1,227,592	-	-	1,325,692	1,227,592	98,100
Sales and use taxes	4,131,637	3,898,789	-	-	4,131,637	3,898,789	232,848
Modified business taxes	805,021	832,989	-	-	805,021	832,989	(27,968)
Insurance premium taxes	611,448	548,440	-	-	611,448	548,440	63,008
Lodging taxes	278,115	256,328	-	-	278,115	256,328	21,787
Cigarette taxes	123,920	135,275	-	-	123,920	135,275	(11,355)
Commerce taxes	341,174	284,296	-	-	341,174	284,296	56,878
Property and transfer taxes	563,369	348,892	-	-	563,369	348,892	214,477
Motor and special fuel taxes	364,057	344,777	-	-	364,057	344,777	19,280
Other taxes	2,071,200	1,884,833	847,087	848,894	2,918,287	2,733,727	184,560
Unrestricted investment earnings (loss)	347,720	117,421	-	-	347,720	117,421	230,299
Other general revenues	472,239	346,109	24	5	472,263	346,114	126,149
Total revenue	21,613,037	20,733,015	1,156,705	1,072,203	22,769,742	21,805,218	964,524
Expenses							
General government	757,352	657,105	-	-	757,352	657,105	100,247
Health services	6,293,477	5,731,679	-	-	6,293,477	5,731,679	561,798
Social services	2,747,020	2,946,950	-	-	2,747,020	2,946,950	(199,930)
Education - K-12	6,828,480	5,801,195	-	-	6,828,480	5,801,195	1,027,285
Education - higher education	816,757	647,738	-	-	816,757	647,738	169,019
Law, justice and public safety	1,042,717	829,216	-	-	1,042,717	829,216	213,501
Regulation of business	672,907	548,118	-	-	672,907	548,118	124,789
Transportation	1,028,580	857,848	-	-	1,028,580	857,848	170,732
Recreation and resource development	259,944	228,469	-	-	259,944	228,469	31,475
Interest on long-term debt	62,623	53,966	-	-	62,623	53,966	8,657
Unallocated depreciation	3,968	3,396	-	-	3,968	3,396	572
Unemployment insurance	-	-	387,658	321,918	387,658	321,918	65,740
Housing	-	-	31,123	14,579	31,123	14,579	16,544
Water loans	-	-	11,040	7,451	11,040	7,451	3,589
Workers' compensation and safety	-	-	35,108	30,722	35,108	30,722	4,386
Higher education tuition	-	-	28,934	(9,028)	28,934	(9,028)	37,962
Other	-	-	36,188	33,924	36,188	33,924	2,264
Total expenses	20,513,825	18,305,680	530,051	399,566	21,043,876	18,705,246	2,338,630
Change in net position before contributions to permanent funds, special items and transfers	1,099,212	2,427,335	626,654	672,637	1,725,866	3,099,972	(1,374,106)
Contributions to permanent funds	15,178	14,986	-	-	15,178	14,986	192
Transfers	7,610	(8,560)	(7,610)	8,560	-	-	-
Change in net position	1,122,000	2,433,761	619,044	681,197	1,741,044	3,114,958	(1,373,914)
Net position - beginning, as restated	14,079,686	11,645,925	2,473,077	1,791,880	16,552,763	13,437,805	3,114,958
Net position - end of year	$ 15,201,686	$ 14,079,686	$ 3,092,121	$ 2,473,077	$ 18,293,807	$ 16,552,763	$ 1,741,044

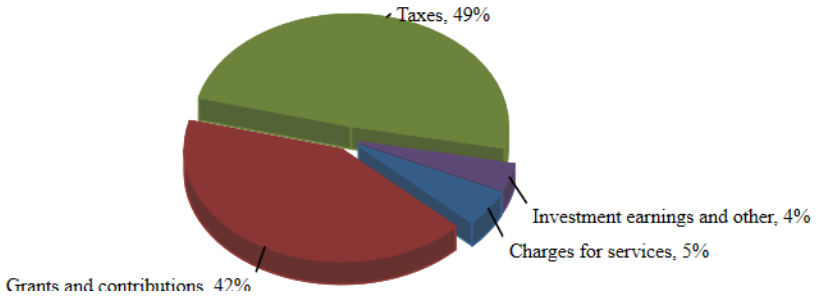
2023 governmental activities was restated for error corrections. See Note 19, Accounting Changes and Restatement in the Notes to the Financial Statements.

Changes in Net Position:

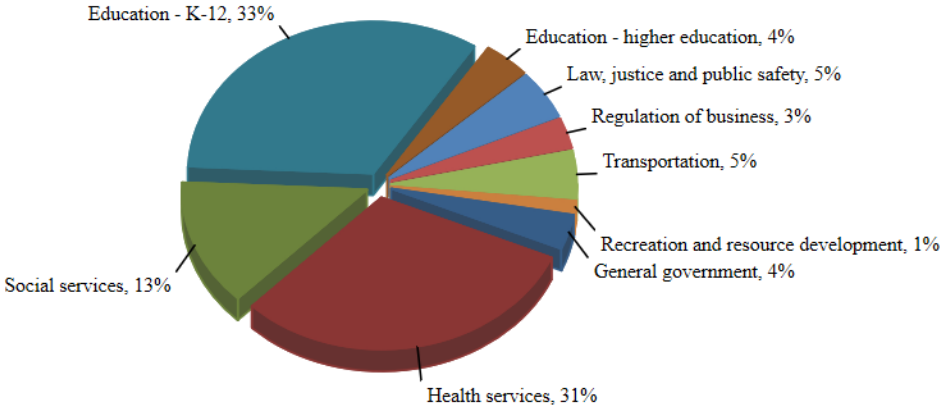
Total government-wide revenues increased by $964.5 million during the current year. The increase in revenues is a result of several factors, including increases of $232.8 million in sales and use taxes, $214.5 million in property and transfer taxes, and $230.3 million in unrestricted investment earnings, offset by a decrease of $467.8 million in operating grants and contributions.

Governmental activities – The current year net position increased by $1.1 billion. Approximately 49.1% of the total revenue came from taxes, while 41.9% was in the form of grants and contributions (including federal aid). Charges for various goods and services provided 5.2% of the total revenues (see chart following). The State's governmental activities expenses cover a range of services and the largest expenses were 30.8% for health services, 13.4% for social services, and 33.4% for K-12 education (see chart following). In 2024, governmental activities expenses exceeded program revenues, resulting in the use of $10.3 billion in general revenues, which were generated to support the government.

The following chart depicts the governmental activities revenues for the fiscal year:



The following chart depicts the governmental activities expenses for the fiscal year:



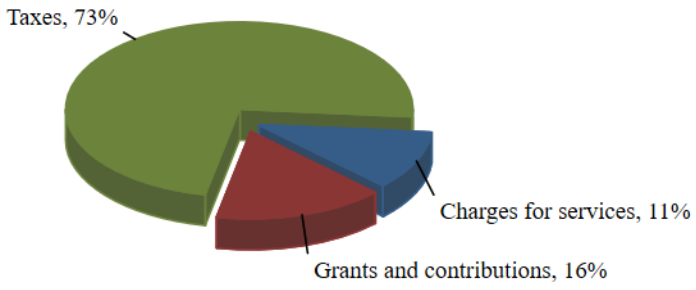
The following table depicts the total program revenues and expenses for each function of governmental activities:

Revenues and Expenses by Function: Governmental Activities
(expressed in thousands)

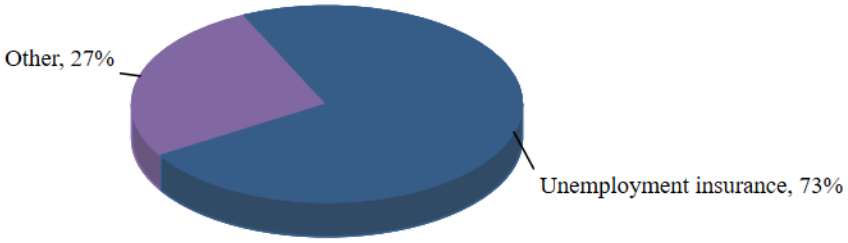
	Expenses	Revenues
General government	$ 757,352	$ 467,982
Health services	6,293,477	5,002,613
Social services	2,747,020	1,790,982
Education - K-12	6,828,480	1,031,101
Education - higher education	816,757	-
Law, justice and public safety	1,042,717	405,263
Regulation of business	672,907	611,642
Transportation	1,028,580	688,593
Recreation and resource development	259,944	179,269
Total	$ 20,447,234	$ 10,177,445

Business-type activities – The current year net position increased by $619.0 million. Approximately 73.2% of the total revenue came from taxes, while 15.9% was in the form of grants and contributions (including federal aid). Charges for various goods and services provided 10.9% of the total revenues (see chart following). The State's business-type activities expenses cover a range of services. The largest expenses were 73.1% for unemployment compensation (see chart following). In 2024, business-type activities expenses exceeded program revenues by $220.5 million. Of this amount, unemployment compensation was the largest, with net expenses of $316.9 million, resulting in the use of general revenues generated by and restricted to the Unemployment Compensation Fund.

The following chart depicts the business-type activities revenues for the fiscal year:



The following chart depicts the business-type activities expenses for the fiscal year:



The following table depicts the total program revenues and expenses for each function for business-type activities:

Revenues and Expenses by Function: Business-type Activities
(expressed in thousands)

	Expenses	Revenues
Unemployment insurance	$ 387,658	$ 70,773
Housing	31,123	41,808
Water loans	11,040	40,096
Workers' compensation and safety	35,108	54,638
Higher education tuition	28,934	59,975
Other	36,188	42,303
Total	$ 530,051	$ 309,593

The State's overall financial position improved over the past year. Current year operations resulted in a $1.1 billion increase in the net position of the governmental activities and a $619.0 million increase in the net position of the business-type activities. Key economic indicators from the State's sales and other taxes show positive growth. Tax revenues for governmental activities increased in the current fiscal year by $853.4 million, or 8.7%, compared to an increase of $0.3 billion, or 3.0%, in the prior fiscal year. Operating grants and contributions for governmental activities decreased by $541.9 million, primarily due to grant revenues.

FINANCIAL ANALYSIS OF THE STATE'S FUNDS

Governmental Funds:

As of the end of the current fiscal year, the State's governmental funds reported combined ending fund balances of $7.1 billion, an increase of $748.2 million from the prior year. Of these total ending fund balances, $651.2 million, or -%, is nonspendable, either due to its form or legal constraints, and $1.4 billion, or -%, is restricted for specific programs by external constraints, constitutional provisions, or contractual obligations. An additional $5.7 billion, or 80.0%, of total fund balance has been committed to specific purposes. Committed amounts cannot be used for any other purpose unless approved by the Legislature. NRS 353.288 provides for

the Account to Stabilize the Operation of the State Government (Stabilization Account) in the State General Fund. Additions to the stabilization arrangement are triggered at the end of a fiscal year if the General Fund unrestricted fund balance (budgetary basis) exceeds 7% of General Fund operating appropriations. Forty percent of the excess is deposited to the Stabilization Account, and is classified on the balance sheet as committed for fiscal emergency. In addition, 1% of the total anticipated revenue for the fiscal year, as projected by the Economic Forum, is deposited to the Stabilization Account. Expenditures may occur if actual revenues for the biennium fall short by 5% or more from anticipated revenues, if the Legislature and Governor declare that a fiscal emergency exists, or if the Legislature allocates it to be used for any other purpose. The balance in the Stabilization Account committed for fiscal emergency at June 30, 2024, is $1.6 billion. The remaining negative $674.8 million, or (9.5)%, of fund balance is unassigned. The major funds are discussed more fully below.

The *General Fund* is the chief operating fund of the State. At the end of the current fiscal year, the total General Fund fund balance was $4.1 billion compared to $3.2 billion in the prior fiscal year. The fund balance increased by $860.9 million, or 26.9%, over the previous year, after restatement.

The following schedule presents a summary of revenues of the General Fund for the fiscal years ended June 30, 2024 and 2023 (expressed in thousands). Other financing sources are not included.

General Fund Revenues *(expressed in thousands)*

	2024		2023		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
Gaming taxes, fees, licenses	$ 1,313,890	8.6 %	$ 1,220,119	8.1 %	$ 93,771	7.7 %
Sales taxes	1,863,105	12.2 %	1,791,687	11.8 %	71,418	4.0 %
Modified business taxes	788,987	5.2 %	846,498	5.6 %	(57,511)	(6.8)%
Insurance premium taxes	617,881	4.1 %	545,115	3.6 %	72,766	13.3 %
Cigarette taxes	123,920	0.8 %	135,275	0.9 %	(11,355)	(8.4)%
Commerce taxes	329,274	2.2 %	302,380	2.0 %	26,894	8.9 %
Property and transfer taxes	302,980	2.0 %	112,485	0.7 %	190,495	169.4 %
Motor and special fuel taxes	2,298	0.0 %	2,411	0.0 %	(113)	(4.7)%
Other taxes	352,340	2.3 %	509,479	3.4 %	(157,139)	(30.8)%
Intergovernmental	8,492,965	55.7 %	8,940,558	59.0 %	(447,593)	(5.0)%
Licenses, fees and permits	487,702	3.2 %	450,445	3.0 %	37,257	8.3 %
Sales and charges for services	78,437	0.5 %	72,479	0.5 %	5,958	8.2 %
Interest and investment income (loss)	361,795	2.4 %	113,564	0.7 %	248,231	(218.6)%
Settlement income	377	0.0 %	6,740	0.0 %	(6,363)	(94.4)%
Other	133,408	0.9 %	103,935	0.7 %	29,473	28.4 %
Total revenues	$ 15,249,359	100.0 %	$ 15,153,170	100.0 %	$ 96,189	0.6 %

The total General Fund revenues increased by $96.2 million, or 0.6%. The largest increases in revenue sources were $248 million, or 218.6%, in interest and investment revenue; $190 million, or 169.4%, in property and transfer tax; $94 million, or 7.7%, in gaming taxes, fees, licenses; $73 million, or 13.3%, in insurance premium taxes and $29 million, or 28.4%, in other revenue. The increase in interest and investment revenue was due to an increase in the general fund annualized interest rate year-over-year, from 2.48% to 3.93%, which was primarily due to rate increase by the federal reserve through fiscal year 2023 and once more in July of fiscal year 2024 and a small increase in the average daily balances of funds from $5.47 billion in fiscal year 2023 to $5.88 billion in fiscal year 2024. Many things enter into a change in asset size, such as, trends in revenues, expenses, covid funds, reinvestment of interest. The amount of bonds issued and the portion held for a long time versus being disbursed had a small impact. Revenue increase in property and transfer taxes was mainly due to the establishment of the Hospital Provider Tax Program, effective from the mid-fiscal year. This program requires all private hospitals to pay an annual assessment tax based on their inpatient and outpatient Net Patient Revenue. The monies from this program are then used to fund two programs, fee-for-service upper payment limit and Managed Care Organization state directed payments along with 15% of the monies is used for administrative expenses and behavioral health care services. Revenue increase in gaming tax, fees, licenses was due to 115 restricted and 17 non-restricted casinos activating their gaming licenses, included in these were change overs, brand-new casinos, such as Fontainebleau in Las Vegas and Durango Casino & Resort and 44 restricted locations that were brand-new. These increases in the number resulted in higher collections of gaming revenue, advance license fees, non-restricted slots quarterly license fees and table games quarterly license fees. Revenue increase in insurance premium tax was due to the Nevada Insurance Division's approval of insurance premium rate increase from 2023 to 2024. Insurance Division approved roughly 2.8% increase in health care rates as well as roughly 27% increase in auto insurance. Expected similar insurance premium in revenue movements in fiscal year 2025 and fiscal year 2026 as well. Revenue increase in other category was mainly due to Nevada Division of Health Authority having Katie Beckett premiums in fiscal year 2024. Center for Medicare & Medicaid Services (CMS) required that States begin billing families for premiums on Katie Beckett after Public Health Emergency (PHE). Premiums were not collected during PHE; establishment of Laura and John Arnold Foundation to support the Advancing Medicare-Medicaid Integration in Nevada Project, which aims to improve Dual Eligible Special Needs Plan program; and due to penalties collected through CMS requirement of Civil Monetary Penalties imposed on nursing homes for insubstantial compliance

with one or more Medicare and Medicaid participation requirements for long-term care facilities. The funds collected are to be reinvested to support activities that benefit nursing home residents and that protect or improve their quality of care or quality of life. As this depends on CMS assessment and collection, the division is unable to project for future years.

The largest decreases in revenue sources were $447 million, or 5.1%, in intergovernmental revenue; $157 million, or 30.8%, in other taxes and $57 million, or 6.8%, in modified business taxes. Revenue decrease in intergovernmental was due to COVID grants expiring in fiscal year 2024. This included Supplemental Discretionary American Rescue Plan Act funds within Child Care Program and Consolidated Appropriations Act within the Energy Assistance Program. Revenue decrease in other taxes consist of tobacco, liquor and cannabis related taxes that experiences mixed demand in fiscal year 2024 due to less post-covid demand. Tobacco related taxes have been forecast this way as well. Revenue decrease in modified business tax was a result of the lowered modified business tax rate in fiscal year 2024 pursuant of NRS 360.203.

The following schedule presents a summary of expenditures by function of the General Fund for the fiscal years ended June 30, 2024 and 2023 (expressed in thousands). Other financing uses are not included.

General Fund Expenditures *(expressed in thousands)*

	2024		2023		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
General government	$ 601,136	4.5 %	$ 443,061	3.6 %	$ 158,075	35.7 %
Health services	6,250,410	47.0 %	5,784,893	46.6 %	465,517	8.0 %
Social services	2,584,638	19.4 %	2,784,800	22.4 %	(200,162)	(7.2)%
Education - K-12	1,392,126	10.5 %	1,427,863	11.5 %	(35,737)	(2.5)%
Education - higher education	813,757	6.1 %	647,738	5.2 %	166,019	25.6 %
Law, justice and public safety	741,715	5.6 %	560,549	4.5 %	181,166	32.3 %
Regulation of business	644,109	4.8 %	527,454	4.3 %	116,655	22.1 %
Recreation and resource development	221,902	1.7 %	181,674	1.5 %	40,228	22.1 %
Debt service	53,470	0.4 %	47,340	0.4 %	6,130	12.9 %
Total expenditures	$ 13,303,263	100.0 %	$ 12,405,372	100.0 %	$ 897,891	7.2 %

The total General Fund expenditure increased by 7.2%. The largest increases in expenditures were $465 million, or 8.0%, in health services; $181 million, or 32.3%, in law, justice and public safety; $166 million, or 25.6%, in higher education; $158 million, or 35.7%, in general government; $117 million, or 22.1%, in regulation of business. Expenditure increase in health services included increase in prescription drug rebates, contract increases based on Consumer Price Index, Medicaid Part D prescription costs, new Hospital Provider Tax program that began on July 1, 2023, legislatively approved, in 2023 session, rate increase for Individuals with Intellectual Disabilities and for Physicians for Certified RN practitioners, and unmet free-care program in Clark County that covered indigent care obligations. According to the CMS Office of the Actuary, overall Medicaid spending is projected to grow at an average annual rate of 5.0% from 2022 through 2031. Within that, prescription drug spending is expected to increase at an average rate of 4.6% over the same period. In addition, Mercer Government's 2024 Drug Trend and Pipeline report anticipates continued growth in gross drug spending. This trend is driven by manufacturer price increases, rising utilization of brand-name medications, and the introduction of high-cost new therapies. The increased cost in Medicare Part D prescription costs was driven by increased caseload by 23.6% and the per-beneficiary monthly charge increasing 36% from fiscal year 2023 to fiscal year 2024. The increase in health services was also due to the increased Cost of Living Adjustment (COLA) in salaries. Expenditure increase in law, justice and public safety was mainly due to COLA increase and statewide standardization of correctional officer pay grades, which provided a two-step adjustment for each officer, and overtime associated with emergency and off-site medical coverage, staffing shortages, required training, mandated post-coverage and other essential operational needs. Expenditure increase in higher education was due mainly to legislative actions that implemented a 12% cost of living adjustment for employees as well as multiple onetime expenditures including grant programs to expand nursing programs and for enrollment recovery at five institutes. Expenditure increase was due to salary expenditures by legislature approved Department of Public Safety officers and sergeants to have two grade increases for 600 or so position, this increase led to successfully bringing more staff on board. Other items that increased costs in fiscal year 2024 vs fiscal year 2023 include a grant to install security cameras at several locations, State funded house arrest program was restarted in fiscal year 2024, one-shot funding was used to replace all law enforcement emergency radios with very high-level radios. Expenditure increase in general government included project named Modernize Your Nevada Tax (MYNT). MYNT is modernizing a twenty-year-old Unified Tax System aiming for a three-year implementation with an expected eighteen-year base life. The old legacy systems are being replaced by FAST Enterprises GenTax Integrated Tax System by MYNT. The new system is a modern, integrated solution that supports a wide range of tax administration functions. While initial funding was approved in fiscal year 2020, ARPA funds secured in fiscal year 2023 cover the first two years of implementation. Expenditure increases in regulation of business included department of agriculture expenditures increasing due to increase in food processing costs that increased year-over-year due to various vendors increasing their prices for their services. This increase was somewhat offset by the decreased expenditure that was driven by ARPA

reimbursement of school meals and discontinuation of universal school meals provided by USDA using ARPA funds that resulted in lower reimbursements to schools.

The largest decrease in expenditure were $200M or 7.2% in social services and $35M or 2.5% in education - K-12. Decrease in social services was due to decrease of COVID funding in fiscal year 2024 vs fiscal year 2023, Supplemental Nutritional Assistance Program (SNAP) benefits decreasing due to less monthly emergency allotment that was authorized at the start of the pandemic in fiscal year 2020 and continued through March of 2024. Expenditure decrease in social services also was due to the blended Federal Medical Assistance Percentage (FMAP) used for many funding sources sharply decreased due to final removal of the boosted Coronavirus FMAP that had been implemented in fiscal year 2020. Decrease in education was due to decrease in federal COVID-19 relief funding, including in Governor's Emergency Education Relief grant, Elementary and Secondary School Emergency Relief fund and Emergency Assistance to Non-Public Schools funds from fiscal year 2024 than fiscal year 2023. However this decrease was somewhat offset by increase in grants in charter school, which included more pass-through grant funds in fiscal year 2024 than fiscal year 2023. Some of the grants were, Individuals with Disabilities Education Act, Every Student Succeeds Act - a reauthorization of Elementary and Secondary Education Act, American Rescue Plan Act State and Local Fiscal Recovery Funds, Bipartisan Safer Communities Act, Early Childhood Innovative Learning Program. The overall decrease in expenditure in education was also due to State Education Fund processing many of the expenditures directly now instead of General Fund.

The *State Education Fund* is a special revenue fund used to account for a combination of State and local revenues to be used for the basic support guarantee per pupil that is established by the Legislature each biennium. Revenue sources for the State Education Fund include, but are not limited to, sales and use taxes, room taxes, net proceeds of minerals, gold and silver excise taxes, marijuana taxes, slot taxes and public school operating and local school support taxes. In addition, the Education Stabilization Account was created in the fund to allow the State to set aside surplus revenue designated for K-12 education, which may be utilized if the State experiences declining revenues or budget deficits during a fiscal year.

The ending fund balance of the State Education Fund was $918.8 million, which is a decrease of $214.2 million or 18.9% during the current fiscal year compared to an increase of $577.7 million, or 104.1%, in the prior year. Total revenues increased by $342.9 million, due primarily to sales taxes and lodging taxes, which increased due to high demand in Southern Nevada, combined with inflationary pressures and corporate strategies focusing on room revenue drove up lodging taxes, food and beverage across the State. Property tax is based on assessed valuation; and specifically for utility companies with valuations tied to asset valuations and income, there was an increase, which drove the overall increase in the property and transfer tax. For fiscal year 2024, State Education Fund also received mineral tax, and gold and silver excise tax, whereas in fiscal year 2023, these taxes were not allocated to State Education Fund. Interest and investment income also increased due to increase in rates due to monetary policy. Expenditures increased by $1.1 billion, or 25.2%, over the prior year. This was primarily due to increases in local government and non-government schools such as Carson City, Clark County, Elko County, Lyon County, Nye County, and Washoe County School Districts, as well as Pinecrest, Coral Las Vegas, Somerset Academy, Doral Academy and Mater. Other financing sources and uses decreased by $61.4 million, or 4.7%. Other financing sources were transfers-in from the General Fund and Permanent School Fund.

Proprietary Funds:

The State's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Proprietary funds are comprised of two types: enterprise funds and internal service funds. Enterprise funds are used when goods or services are provided primarily to parties outside of the State while internal service funds are used when goods or services are provided primarily to State agencies.

Enterprise Funds – There are four major enterprise funds: Housing Division Fund, Unemployment Compensation Fund, Water Projects Loans Fund and the Higher Education Tuition Trust Fund. The combined net position of the four major funds is $3.0 billion, the net position of the nonmajor enterprise funds is $89.4 million and the total combined net position of all enterprise funds is $3.1 billion. The combined net position of all enterprise funds increased by $619.1 million from the prior year. The major enterprise funds are discussed below:

The *Housing Division Fund* was created for the purpose of making available additional funds to assist private enterprise and governmental agencies in providing safe and sanitary housing facilities and provides low interest loans for first-time home buyers with low or moderate incomes. The net position increased by $10.7 million, or 4.1%, resulting in an ending net position of $271.8 million. Operating expenses increased by $16.6 million primarily due to interest expense on bonds issued. Operating revenues increased by $16.4 million due to higher returns on investments.

The *Unemployment Compensation Fund* accounts for the payment of unemployment compensation benefits to unemployed State citizens. The net position increased by $520.1 million from the prior year, resulting in an ending net position of $1.9 billion. The

current year increase in net position is primarily due to revenues exceeding expenses by $529.8 million. During fiscal year 2024, $387.7 million of unemployment compensation benefits was paid to unemployed State citizens compared to $321.9 million paid in fiscal year 2023, representing a 20.4% increase in claims expense.

The *Water Projects Loans Fund* issues loans to governmental and private entities for two programs: Safe Drinking Water and Water Pollution Control. The federal EPA matches the State's bond proceeds to make loans to governmental entities; only federal funds are loaned to private entities. The net position increased by $26.8 million during the current fiscal year, for a final net position of $580.1 million, which is a 4.8% increase from the prior year.

The *Higher Education Tuition Trust Fund* provides a simple and convenient way for Nevada families to save for a college education through the advance payment of tuition. A purchaser enters into a contract for the future payment of tuition for a specified beneficiary. The contract benefits are based on in-state rates for Nevada public colleges, but can be used towards costs at any accredited, nonprofit, private or out-of-state college. The Trust Fund completed its twenty-sixth enrollment period during the fiscal year with 296 new enrollments. The net position increased by $31.8 million, for an ending net position of $271.7 million, a 13.3% increase over last year. This change in net position is considered a normal fluctuation in current activity from contract purchases, benefit payments, and investment earnings.

Internal Service Funds – The internal service funds charge State agencies for goods and services such as building maintenance, purchasing, printing, insurance, data processing and fleet services in order to recover the costs of the goods or services. Rates charged to State agencies for the operations of internal service funds are adjusted in following years to offset gains and losses. Because these are allocations of costs to other funds, they are not included separately in the government-wide financial statements but are eliminated and reclassified as either governmental activities or business-type activities. In 2024, total internal service fund net position decreased by $45.0 million, for a final net position deficit of $35.8 million. The three largest funds are:

The *Self-Insurance Fund* accounts for group health, life and disability insurance for State employees and retirees and certain other public employees. Net position decreased by $44.1 million, or 61.2%, during the current year, for a final net position of $28.0 million. The decrease in net position is primarily due to the claims and benefits expense increasing by $39.7 million.

The *Information Services Fund* accounts for design, maintenance and operation of the State's central computer facility, radio communication, and telecommunication systems. The net position deficit increased by $2.3 million, or 19.5%, during the current year, for a final net position deficit of $14.1 million. The decrease in net position from current activity is considered a normal fluctuation in charges for services and expenses of the fund.

The *Insurance Premiums Fund* accounts for general, civil (tort), auto and property casualty liabilities of State agencies. The net position deficit decreased by $7.2 million, or 10.3%, during the current year, resulting in an ending net position deficit of $62.5 million. The increase in net position from current activity is primarily due to higher premium revenues and claims decreasing by $4.8 million from the prior year.

ANALYSIS OF GENERAL FUND BUDGET VARIATIONS

The General Fund budgetary revenues and other financing sources were $2.7 billion, or 10.6%, less than the final budget, primarily because actual intergovernmental revenues received were less than the final budgeted amount. Intergovernmental revenues represent federal grants, and there are timing differences arising from when grants are awarded, received and spent. The final budget can include grant revenue for the entire grant period, whereas the actual amount recorded represents grant revenue received in the current year.

The net increase in the General Fund expenditures and other uses budget from original to final was $3.8 billion. Some of the differences originate because the original budget consists only of those budgets subject to legislative approval through the General Appropriations Act and the Authorizations Bill. The non-executive budgets, not subject to legislative approval, only require approval by the Budget Division, and, if approved after July 1, are considered to be revisions. Increases due to the nonexecutive budgets approved after July 1 and increased estimated receipts were approximately $3.6 billion.

CAPITAL ASSETS AND LONG-TERM DEBT ADMINISTRATION

Capital Assets:

The State's capital assets for governmental and business-type activities as of June 30, 2024, amount to $15.0 billion, net of accumulated depreciation and amortization of $2.2 billion, resulting in a net book value of $12.8 billion. This investment in capital assets includes land, buildings, improvements other than buildings, equipment, software costs, infrastructure, rights-of-way, construction in progress, and right to use leased buildings and equipment, and subscription based software. Infrastructure assets are items that are normally immovable, such as roads and bridges.

At June 30, 2024, the State had construction contract commitments of approximately $581.3 million in the Highway Fund for construction of various highway projects, and $331.2 million in other non-highway capital projects funds. Funding for the commitments will come from existing resources in these funds and from future appropriations and bond proceeds.

As allowed by GASB Statement No. 34, the State has adopted an alternative process for recording depreciation expense on elected infrastructure assets. Under this alternative method, referred to as the modified approach, the State expenses certain maintenance and preservation costs and does not report depreciation expense on infrastructure. Utilization of this approach requires the State to: 1) commit to maintaining and preserving affected assets at or above a condition level established by the State; 2) maintain an inventory of the assets and perform periodic condition assessments to ensure that the condition level is being maintained; and 3) make annual estimates of the amounts that must be expended to maintain and preserve assets at the predetermined condition levels. To monitor the condition of the roadways the State uses the International Roughness Index (IRI). The State has set a policy that it will maintain a certain percentage of each category of its roadways with an IRI of less than 95 and will also maintain its bridges so that not more than 7 percent are structurally deficient. The following table shows the State's policy and the condition level of the roadways and bridges:

Condition Level of the Roadways

	Percentage of roadways with an IRI of less than 95 Category				
	I	II	III	IV	V
State Policy-minimum percentage	70%	65%	60%	40%	10%
Actual results of 2023 condition assessment	91%	88%	80%	61%	23%
Actual results of 2022 condition assessment	91%	88%	80%	64%	21%
Actual results of 2021 condition assessment	90%	88%	81%	64%	21%

Condition Level of the Bridges

	Percentage of substandard bridges		
	2024	2023	2022
State Policy-minimum percentage	7%	7%	7%
Actual results condition assessment	1%	1%	1%

The estimated amount necessary to maintain and preserve infrastructure assets at target condition levels was less than the actual amounts of expense incurred for fiscal year 2024 by $74.3 million. Condition levels are expected to approximately meet or exceed the target condition levels for the roadway category. Additional information on the State's infrastructure can be found in the schedule of Infrastructure Condition and Maintenance Data in the Required Supplementary Information section to the financial statements.

Additional information on the State's capital assets can be found in Note 7 to the financial statements.

Long-term Debt Administration:

As of year-end, the State had $3.1 billion in bonds and certificates of participation outstanding, compared to $2.4 billion last year, an increase of $682.1 million, or 28.4%, during the current fiscal year. This increase was primarily due to the issuance of additional bonds.

The most current bond ratings for the State's general obligation debt were AA+ from Fitch Ratings, Aa1 from Moody's Investors Service, and AA+ from S&P Global Ratings. These ratings are an indication of high-quality obligations and a reflection of sound financial management. The Constitution of the State limits the aggregate principal amount of the general obligation debt to 2% of the total reported assessed property value of the State. Exempt from this limitation are debts authorized by the Legislature that are incurred for the protection and preservation of, or for obtaining the benefits of, any property or natural resources within the State.

Additional information on the State's long-term debt obligations can be found in Note 9 to the financial statements and in the Statistical Section.

Requests for Information

This financial report is designed to provide a general overview of the State's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: State of Nevada, Office of the State Controller, 101 N. Carson Street, Suite 5, Carson City, NV 89701, or visit our website at: www.controller.nv.gov.

Statement of Net Position

June 30, 2024 (Expressed in Thousands)

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
Assets				
Cash and pooled investments	$ 8,230,925	$ 2,007,941	$ 10,238,866	$ 321,997
Investments	478,654	1,121,165	1,599,819	1,883,044
Internal balances	(15,894)	15,894	-	-
Due from component unit	17,752	-	17,752	-
Due from primary government	-	-	-	53,659
Accounts receivable	547,123	9,137	556,260	100,513
Taxes/assessments receivable	1,874,168	343,279	2,217,447	-
Intergovernmental receivables	716,959	3,124	720,083	116,628
Accrued interest and dividends	70,812	11,587	82,399	365
Contracts receivable	-	25,113	25,113	-
Mortgages receivable	-	12,283	12,283	-
Notes/loans receivable	51,725	492,994	544,719	4,970
Finance agreements receivable	37,160	-	37,160	-
Leases receivable	6,229	-	6,229	66,612
Other receivables	-	4,834	4,834	5,685
Inventory	56,515	1,681	58,196	7,254
Prepaid expenses	58,360	469	58,829	23,217
Restricted assets:				
Cash	335,406	64,339	399,745	30,131
Investments	-	193,065	193,065	16,497
Other assets	4	5	9	259,182
Capital assets:				
Land, infrastructure and construction in progress	10,862,906	3,212	10,866,118	284,856
Other capital assets, net	1,994,311	12,644	2,006,955	2,560,200
Total assets	25,323,115	4,322,766	29,645,881	5,734,810
Deferred Outflows of Resources				
Deferred charge on refunding	11,061	90	11,151	2,547
Pension related amounts	857,943	15,661	873,604	194,482
OPEB related amounts	60,354	1,178	61,532	44,543
Total deferred outflows of resources	929,358	16,929	946,287	241,572
Liabilities				
Accounts payable	1,493,317	119,001	1,612,318	67,654
Accrued payroll and related liabilities	120,875	1,856	122,731	118,693
Intergovernmental payables	647,095	34,643	681,738	-
Interest payable	8,392	8,209	16,601	11,298
Due to component units	53,659	-	53,659	-
Due to primary government	-	-	-	17,752
Contracts/retentions payable	128,863	-	128,863	-
Unearned revenues	1,552,773	15,571	1,568,344	133,702
Assets held for others	-	-	-	13,890
Other liabilities	252,796	2	252,798	91,017
Long-term liabilities:				
Portion due or payable within one year:				
Reserve for losses	103,275	-	103,275	-
Finance agreements	1,767	-	1,767	1,083
Leases	37,357	1,780	39,137	8,635
Software subscriptions	91,494	-	91,494	14,824
Compensated absences	92,833	1,604	94,437	50,771
Tuition benefits payable	-	17,152	17,152	-
Net OPEB liability	29,443	-	29,443	35,978
Bonds payable	246,074	34,169	280,243	33,134
Certificates of participation payable	3,998	-	3,998	-
Pollution remediation obligations	526	-	526	-
Portion due or payable after one year:				
Federal advances	-	-	-	3,027
Reserve for losses	63,053	-	63,053	-
Finance agreements	192	-	192	36,564
Leases	160,287	6,410	166,697	38,813
Software subscriptions	95,155	-	95,155	55,802
Net pension liability	2,700,832	49,968	2,750,800	516,319

Statement of Net Position

June 30, 2024 (Expressed in Thousands)

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
Net OPEB liability	797,481	16,185	813,666	564,466
Compensated absences	38,937	761	39,698	24,792
Tuition benefits payable	-	173,615	173,615	-
Bonds payable	1,982,968	761,615	2,744,583	612,614
Certificates of participation payable	55,937	-	55,937	-
Unearned revenue	-	-	-	34,425
Pollution remediation obligations	1,034	-	1,034	-
Total liabilities	10,760,413	1,242,541	12,002,954	2,485,253
Deferred Inflows of Resources				
Pension related amounts	198,997	3,695	202,692	56,588
OPEB related amounts	68,351	1,338	69,689	49,632
Taxes	15,960	-	15,960	-
Fines and forfeitures	1,212	-	1,212	-
Lease related amounts	5,854	-	5,854	92,279
Split-interest agreements	-	-	-	8,728
Gain on refunding	-	-	-	7,599
Total deferred inflows of resources	290,374	5,033	295,407	214,826
Net Position				
Net investment in capital assets	10,767,656	1,869	10,769,525	2,188,113
Restricted for:				
Unemployment compensation	-	1,880,029	1,880,029	-
Tuition contract benefits	-	271,710	271,710	-
Security of outstanding obligations	-	213,544	213,544	-
Workers' compensation	-	37,773	37,773	-
Capital projects	-	-	-	36,396
Debt service	31,902	-	31,902	32,499
Education - K to 12	1,067,746	-	1,067,746	3,306
Transportation	98,435	-	98,435	-
Recreation and resource development	57,406	-	57,406	-
Law, justice and public safety	28,470	-	28,470	-
Health services	218,321	-	218,321	-
Social services	285,293	-	285,293	-
Regulation of business	73,530	2	73,532	-
Scholarships	-	-	-	758,782
Loans	-	626,554	626,554	7,973
Research and development	-	-	-	13,845
Funds held as permanent investments:				
Nonexpendable	530,371	-	530,371	604,707
Expendable	23	-	23	-
Unrestricted (deficit)	2,042,533	60,640	2,103,173	(369,318)
Total net position	$ 15,201,686	$ 3,092,121	$ 18,293,807	$ 3,276,303

The notes to the financial statements are an integral part of this statement.

Statement of Activities

For the Year Ended June 30, 2024 (Expressed in Thousands)

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
					Primary Government			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units
Function/Programs								
Primary Government								
Governmental activities:								
General government	$ 757,350	$ 250,186	$ 202,627	$ 15,169	$ (289,368)	$ -	$ (289,368)	$ -
Health services	6,293,477	313,923	4,688,690	-	(1,290,864)	-	(1,290,864)	-
Social services	2,747,020	57,061	1,729,539	4,382	(956,038)	-	(956,038)	-
Education - K-12	6,828,480	3,438	1,027,663	-	(5,797,379)	-	(5,797,379)	-
Education - higher education	816,757	-	-	-	(816,757)	-	(816,757)	-
Law, justice and public safety	1,042,717	293,648	111,615	-	(637,454)	-	(637,454)	-
Regulation of business	672,907	102,783	501,549	7,310	(61,265)	-	(61,265)	-
Transportation	1,028,580	30,951	650,414	7,228	(339,987)	-	(339,987)	-
Recreation and resource development	259,944	67,398	75,977	35,894	(80,675)	-	(80,675)	-
Interest on long-term debt	62,623	-	-	-	(62,623)	-	(62,623)	-
Unallocated depreciation	3,968	-	-	-	(3,968)	-	(3,968)	-
Total governmental activities	20,513,823	1,119,388	8,988,074	69,983	(10,336,378)	-	(10,336,378)	-
Business-type activities:								
Unemployment insurance	387,657	18,704	52,069	-	-	(316,884)	(316,884)	-
Housing	31,123	7,598	34,210	-	-	10,685	10,685	-
Water loans	11,040	9,108	30,988	-	-	29,056	29,056	-
Workers' compensation and safety	35,108	46,476	8,162	-	-	19,530	19,530	-
Higher education tuition	28,934	6,994	52,981	-	-	31,041	31,041	-
Other	36,189	37,279	5,024	-	-	6,114	6,114	-
Total business-type activities	530,051	126,159	183,434	-	-	(220,458)	(220,458)	-
Total primary government	$ 21,043,874	$ 1,245,547	$ 9,171,508	$ 69,983	(10,336,378)	(220,458)	(10,556,836)	-
Total component units	$ 2,603,261	$ 855,808	$ 729,544	$ 1,851	-	-	-	(1,016,058)

General Revenues:				
Taxes:				
Gaming taxes	1,325,692	-	1,325,692	-
Sales and use taxes	1,874,380	-	1,874,380	-
Modified business taxes	805,021	-	805,021	-
Insurance premium taxes	611,448	-	611,448	-
Cigarette taxes	123,920	-	123,920	-
Commerce taxes	341,174	-	341,174	-
Property and transfer taxes	133,364	-	133,364	-
Lodging taxes	33,110	-	33,110	-
Motor and special fuel taxes	2,298	-	2,298	-
Other taxes	547,747	383	548,130	-
Restricted for unemployment compensation:				
Other taxes	-	846,705	846,705	-

Restricted for general government purposes:				
Restricted for health services purposes:				
Other taxes	46,284	-	46,284	-
Restricted for social services purposes:				
Other taxes	39,123	-	39,123	-
Restricted for educational purposes:				
Sales and use taxes	2,257,257	-	2,257,257	-
Other taxes	1,419,294	-	1,419,294	-
Lodging taxes	245,005	-	245,005	-
Restricted for law, justice and public safety:				
Other	4,136	-	4,136	-
Other taxes	10,154	-	10,154	-
Restricted for regulation of business:				
Other taxes	4,760	-	4,760	-
Restricted for transportation purposes:				
Motor and special fuel taxes	283,855	-	283,855	-
Other taxes	2,857	-	2,857	-
Restricted for recreation and resources development:				
Other taxes	981	-	981	-
Settlement income	377	-	377	-
Restricted for debt service purposes:				
Property and transfer taxes	430,005	-	430,005	-
Motor and special fuel taxes	77,903	-	77,903	-
Other	1,929	-	1,929	-
Settlement income	238,027	-	238,027	-
Unrestricted investment earnings (loss)	347,720	-	347,720	200,180
Gain on sale of assets	-	24	24	(1,827)
Other general revenues	227,769	-	227,769	20,881
Contributions to permanent funds	15,178	-	15,178	21,309
Payments from State of Nevada	-	-	-	866,871
Transfers	7,610	(7,610)	-	-
Total general revenues, contributions, payments and transfers	11,458,378	839,502	12,297,880	1,107,414
Change in net position	1,122,000	619,044	1,741,044	91,356
Net position - beginning, as originally reported	14,089,825	2,473,077	16,562,902	3,042,258
Prior period adjustment - error correction and change in reporting entity	(10,139)	-	(10,139)	142,689
Net position - beginning, as restated	14,079,686	2,473,077	16,552,763	3,184,947
Net position - ending	$ 15,201,686	$ 3,092,121	$ 18,293,807	$ 3,276,303

The notes to the financial statements are an integral part of this statement.

Balance Sheet
Governmental Funds

June 30, 2024

	General Fund	State Education Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and pooled investments:				
Cash with treasurer	$ 5,974,262,913	$ 585,021,935	$ 1,422,980,420	$ 7,982,265,268
Cash in custody of other officials	17,369,667	-	59,342,521	76,712,188
Investments	19,863,461	-	458,790,790	478,654,251
Receivables:				
Accounts receivable	175,073,621	-	341,665,652	516,739,273
Taxes receivable	1,672,152,993	151,578,460	50,436,321	1,874,167,774
Intergovernmental receivables	656,611,797	14,035,911	45,154,257	715,801,965
Accrued interest and dividends	68,105,334	-	2,707,099	70,812,433
Notes/loans receivable	12,517,513	117,598	39,050,000	51,685,111
Finance agreements receivable	-	-	37,160,000	37,160,000
Leases receivable	-	-	6,228,843	6,228,843
Due from other funds	97,518,092	681,606,077	237,282,246	1,016,406,415
Due from fiduciary funds	355,549	-	942,457	1,298,006
Due from component units	4,968	-	17,741,767	17,746,735
Inventory	28,369,355	-	27,854,798	56,224,153
Advances to other funds	2,373,654	-	1,487,100	3,860,754
Restricted assets:				
Cash	108,689,601	-	226,715,941	335,405,542
Prepaid items	48,090,951	-	1,879,261	49,970,212
Total assets	$ 8,881,359,469	$ 1,432,359,981	$ 2,977,419,473	$13,291,138,923
Liabilities				
Accounts payable and accruals:				
Accounts payable	$ 824,283,989	$ 642,269	$ 81,293,396	$ 906,219,654
Accrued payroll and related liabilities	92,031,133	-	26,093,905	118,125,038
Intergovernmental payables	298,741,233	291,252,045	56,805,500	646,798,778
Contracts/retentions payable	1,423,682	-	127,439,816	128,863,498
Due to other funds	798,456,274	58,332,728	180,365,794	1,037,154,796
Due to fiduciary funds	575,387,287	-	2,366,311	577,753,598
Due to component units	50,367,391	-	3,285,723	53,653,114
Unearned revenues	1,536,102,765	14,577,396	1,943,673	1,552,623,834
Other liabilities	215,814,299	-	25,339,413	241,153,712
Total liabilities	4,392,608,053	364,804,438	504,933,531	5,262,346,022
Deferred Inflows of Resources				
Unavailable revenue:				
Taxes	94,917,066	147,216,624	8,472,957	250,606,647
Intergovernmental	193,463,278	-	-	193,463,278
Licenses, fees and permits	3,702,576	-	2,223,360	5,925,936
Sales and charges for services	17,170,743	-	248,288	17,419,031
Settlement income	-	-	310,299,196	310,299,196
Note principal payments	-	-	37,160,000	37,160,000
Interest	19,183,561	1,559,415	4,062,501	24,805,477
Other	83,215,557	-	1,127,452	84,343,009
Taxes	15,960,412	-	-	15,960,412
Fines and forfeitures	1,211,631	-	-	1,211,631
Lease related	-	-	5,854,074	5,854,074
Total deferred inflows of resources	428,824,824	148,776,039	369,447,828	947,048,691
Fund Balances				
Nonspendable	91,230,856	-	560,016,159	651,247,015
Restricted	178,144,375	918,779,504	345,752,815	1,442,676,694
Committed	4,465,304,781	-	1,197,269,140	5,662,573,921
Unassigned	(674,753,420)	-	-	(674,753,420)
Total fund balances	4,059,926,592	918,779,504	2,103,038,114	7,081,744,210
Total liabilities, deferred inflows of resources and fund balances	$ 8,881,359,469	$ 1,432,359,981	$ 2,977,419,473	$13,291,138,923

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

June 30, 2024

Total fund balances - governmental funds		$ 7,081,744,210
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:		
Land	$ 243,407,394	
Construction in progress	3,275,796,019	
Infrastructure assets	6,362,031,558	
Rights-of-way	980,638,229	
Buildings	2,333,300,403	
Improvements other than buildings	201,368,386	
Furniture and equipment	527,936,438	
Software costs	326,186,493	
Accumulated depreciation/amortization	(1,792,678,032)	
Right to use leased buildings	264,182,078	
Right to use leased equipment	4,529,141	
Right to use software	352,189,936	
Accumulated amortization for right to use assets	(251,476,067)	
Total capital assets		12,827,411,976
Some of the State's revenues collected after year-end are not available soon enough to pay for the current period's expenditures and, therefore, are reported as unavailable deferred inflows of resources in the funds.		924,022,574
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the statement of net position.		(34,916,699)
The loss on early retirement of debt is reported as a deferred outflow of resources on the statement of net position and is amortized over the original remaining life of the old debt, or the life of the new debt, whichever is less.		11,061,193
Deferred outflow of resources related to pensions are not reported in the governmental funds.		836,258,607
Deferred outflow of resources related to other post-employment benefits are not reported in the governmental funds.		58,719,379
Deferred inflow of resources related to pensions are not reported in the governmental funds.		(194,028,960)
Deferred inflow of resources related to other post-employment benefits are not reported in the governmental funds.		(66,500,646)
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Net pension liability	(2,632,509,181)	
Net OPEB liability	(804,478,763)	
Bonds payable	(2,228,354,440)	
Accrued interest on bonds	(8,392,238)	
Certificates of participation	(59,934,618)	
Finance agreements	(1,319,481)	
Lease liabilities	(191,845,632)	
Right to use software liabilities	(186,580,210)	
Compensated absences	(127,111,908)	
Pollution remediation liability	(1,560,450)	
Total long-term liabilities		(6,242,086,921)
Net position of governmental activities		$ 15,201,684,713

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds

For the Fiscal Year Ended June 30, 2024

	General Fund	State Education Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Gaming taxes, fees, licenses	$ 1,313,890,025	$ 26,177,826	$ 12,794,457	$ 1,352,862,308
Sales taxes	1,863,105,429	2,257,257,330	-	4,120,362,759
Modified business taxes	788,986,753	-	-	788,986,753
Insurance premium taxes	617,880,621	-	-	617,880,621
Lodging taxes	-	245,004,523	-	245,004,523
Cigarette taxes	123,919,876	-	-	123,919,876
Commerce taxes	329,274,151	-	-	329,274,151
Property and transfer taxes	302,980,002	1,037,676,931	260,388,562	1,601,045,495
Motor and special fuel taxes	2,298,297	-	371,912,948	374,211,245
Other taxes	352,339,519	360,692,687	262,729,925	975,762,131
Intergovernmental	8,492,964,738	6,740,004	777,170,829	9,276,875,571
Licenses, fees and permits	487,702,261	-	270,270,759	757,973,020
Sales and charges for services	78,436,790	-	39,543,386	117,980,176
Interest and investment income (loss)	361,795,454	30,670,791	122,229,255	514,695,500
Settlement income	377,200	-	110,246,164	110,623,364
Land sales	-	-	9,727,165	9,727,165
Other	133,408,097	433,626	41,505,127	175,346,850
Total revenues	15,249,359,213	3,964,653,718	2,278,518,577	21,492,531,508
Expenditures				
Current:				
General government	601,135,694	-	38,858,886	639,994,580
Health services	6,250,410,176	-	9,005	6,250,419,181
Social services	2,584,638,123	-	136,587,365	2,721,225,488
Education - K-12	1,392,125,870	5,432,908,114	72,854	6,825,106,838
Education - higher education	813,756,650	-	52,430,083	866,186,733
Law, justice and public safety	741,715,035	-	221,268,586	962,983,621
Regulation of business	644,109,101	-	23,362,792	667,471,893
Transportation	-	-	1,424,335,829	1,424,335,829
Recreation and resource development	221,901,645	-	38,496,331	260,397,976
Capital outlay	-	-	373,366,647	373,366,647
Debt service:				
Principal	47,477,798	-	282,631,291	330,109,089
Interest, fiscal charges	5,310,206	-	91,623,657	96,933,863
Debt issuance costs	682,293	-	2,416,679	3,098,972
Total expenditures	13,303,262,591	5,432,908,114	2,685,460,005	21,421,630,710
Excess (deficiency) of revenues over (under) expenditures	1,946,096,622	(1,468,254,396)	(406,941,428)	70,900,798
Other Financing Sources (Uses)				
Lease/subscription liabilities incurred	24,861,434	-	6,279,739	31,141,173
Bonds issued	136,015,001	-	474,054,999	610,070,000
Refunding bonds issued	-	-	53,725,000	53,725,000
Premium on bonds issued	7,992,558	-	41,099,591	49,092,149
Payment to refunded bond agent	-	-	(58,473,338)	(58,473,338)
Sale of capital assets	81,099	-	1,914	83,013
Transfers in	116,537,245	1,254,098,449	550,489,932	1,921,125,626
Transfers out	(1,370,699,273)	-	(558,784,248)	(1,929,483,521)
Total other financing sources (uses)	(1,085,211,936)	1,254,098,449	508,393,589	677,280,102
Net change in fund balances	860,884,686	(214,155,947)	101,452,161	748,180,900
Fund balances - beginning	3,199,041,906	1,132,935,451	2,001,585,953	6,333,563,310
Fund balances - ending	$ 4,059,926,592	$ 918,779,504	$ 2,103,038,114	$ 7,081,744,210

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Fiscal Year Ended June 30, 2024

Net change in fund balances - total governmental funds		$ 748,180,900
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation or amortization expense. In the current period, the amounts are:		
Capital outlay	$ 984,564,991	
Depreciation/amortization expense	(243,552,648)	
Excess of capital outlay over depreciation/amortization expense		741,012,343
Debt proceeds provide current financial resources to governmental funds; however, issuing debt increases long-term liabilities in the statement of net assets. In the current period, proceeds were received from:		
Bonds issued	(610,070,000)	
Refunding certificates of participation issued	(53,725,000)	
Premiums on debt issued	(49,092,149)	
Leases	(29,393,208)	
Software subscriptions	(1,747,965)	
Total bond proceeds		(744,028,322)
Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current year, these amounts consist of:		
Bond principal retirement	198,247,959	
Certificates of participation retirement	3,802,190	
Payments to the bond refunding agent	58,473,338	
Finance agreement payments	1,862,816	
Lease payments	38,975,794	
Software subscription payments	87,342,145	
Total long-term debt repayment		388,704,242
Internal service funds are used to charge the costs of certain activities to individual funds. The change in net position of the internal service funds is reported with governmental activities.		(44,958,813)
Because some revenues will not be collected for several months after the State's fiscal year end, they are not considered "available" and are not reported as revenues in the governmental funds. Unavailable deferred inflows of resources changed by this amount		71,374,836
In the statement of activities, the gain or loss on the sale of assets is reported, whereas in the governmental funds, only the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the asset sold.		(1,199,419)
Amortization of deferred loss on early retirement of debt is reported as an expense for the statement of activities.		(5,998,464)
Amortization of premiums on bonds and certificates of participation is reported as a reduction of interest expense for the statement of activities.		28,174,588
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of the net change in:		
Pension costs, net	(73,773,335)	
Other post-employment benefit costs, net	24,157,800	
Accrued interest payable	3,062,450	
Compensated absences	(15,836,756)	
Pollution remediation liability	3,126,550	
Total additional expenditures		(59,263,291)
Net change in net position - governmental activities		$ 1,121,998,600

The notes to the financial statements are an integral part of this statement.

Statement of Net Position
Proprietary Funds

June 30, 2024

	Enterprise Funds						
	Housing Division	Unemployment Compensation	Water Projects Loans	Higher Education Tuition Trust	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Assets							
Current assets:							
Cash and pooled investments:							
Cash with treasurer	$ 1,894,704	$ -	$ 217,459,277	$ 6,628,703	$ 125,169,934	$ 351,152,618	$ 171,947,143
Cash in custody of other officials	84,080	1,655,808,014	-	697,515	199,072	1,656,788,681	-
Investments	92,657,136	-	-	430,366,477	-	523,023,613	-
Receivables:							
Accounts receivable	-	-	-	-	9,127,046	9,127,046	-
Assessments receivable	-	343,278,892	-	-	-	343,278,892	12,265,877
Intergovernmental receivables	-	2,049,473	372,401	-	701,882	3,123,756	1,157,462
Contracts receivable	-	-	-	5,980,804	-	5,980,804	-
Mortgages receivable	271,816	-	-	-	-	271,816	-
Accrued interest and dividends	6,600,455	-	4,336,508	649,698	-	11,586,661	-
Notes/loans receivable	-	-	36,684,692	-	8,121	36,692,813	5,000
Other receivables	-	4,834,223	-	-	-	4,834,223	-
Due from other funds	846,635	-	3,553,583	163,501	17,646,953	22,210,672	11,995,556
Due from fiduciary funds	-	-	-	-	9,803	9,803	16,819,714
Due from component units	-	-	-	-	-	-	5,253
Inventory	-	-	-	-	1,681,294	1,681,294	291,123
Prepaid items	-	-	2,578	1,289	465,010	468,877	8,390,051
Restricted assets:							
Cash	-	-	1,567,935	-	62,770,638	64,338,573	-
Investments	101,412,050	-	-	-	-	101,412,050	-
Total current assets	203,766,876	2,005,970,602	263,976,974	444,487,987	217,779,753	3,135,982,192	222,877,179
Noncurrent assets:							
Investments	598,140,988	-	-	-	-	598,140,988	-
Receivables:							
Contracts receivable	-	-	-	19,131,739	-	19,131,739	-
Mortgages receivable	12,011,055	-	-	-	-	12,011,055	-
Notes/loans receivable	56,721,096	-	384,532,751	-	15,046,879	456,300,726	35,000
Restricted assets:							
Investments	91,652,797	-	-	-	-	91,652,797	-
Other assets	-	-	-	-	5,000	5,000	3,761
Capital assets:							
Land	-	-	-	-	588,475	588,475	1,032,737
Buildings	-	-	-	-	1,406,840	1,406,840	20,392,485
Improvements other than buildings	-	-	-	-	5,838,790	5,838,790	3,839,621
Furniture and equipment	805,175	-	33,190	168,025	6,537,979	7,544,369	68,166,073
Software costs	-	-	-	-	-	-	16,134,510
Construction in progress	-	-	-	-	2,623,890	2,623,890	-
Right to use leased buildings	-	-	-	-	9,458,515	9,458,515	7,584,401
Right to use leased equipment	-	-	-	6,753	57,930	64,683	6,040,759
Subscription based software	-	-	-	-	-	-	1,889,509
Less accumulated depreciation/amortization	(800,762)	-	(22,733)	(172,216)	(10,673,050)	(11,668,761)	(95,276,348)
Total noncurrent assets	758,530,349	-	384,543,208	19,134,301	30,891,248	1,193,099,106	29,842,508
Total assets	962,297,225	2,005,970,602	648,520,182	463,622,288	248,671,001	4,329,081,298	252,719,687
Deferred Outflows of Resources							
Deferred charge on refunding	-	-	12,046	-	77,681	89,727	-
Pension related amounts	969,664	-	332,647	127,329	14,231,196	15,660,836	21,684,022
OPEB related amounts	70,483	-	23,233	8,601	1,075,489	1,177,806	1,634,484
Total deferred outflows of resources	1,040,147	-	367,926	135,930	15,384,366	16,928,369	23,318,506

(continued)

	Enterprise Funds						
	Housing Division	Unemployment Compensation	Water Projects Loans	Higher Education Tuition Trust	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Liabilities							
Current liabilities:							
Accounts payable and accruals:							
Accounts payable	$ 1,985,096	$ 91,303,247	$ 96,755	$ 123,553	$ 24,940,617	$ 118,449,268	$ 7,900,290
Accrued payroll and related liabilities	-	-	40,384	17,325	1,798,727	1,856,436	2,750,306
Interest payable	6,709,369	-	1,225,966	-	273,799	8,209,134	-
Intergovernmental payables	-	34,616,953	-	-	25,908	34,642,861	295,941
Bank overdraft	-	-	-	-	-	-	1,422,964
Pending trades payable	-	-	-	482,792	-	482,792	-
Due to other funds	32,604	21,811	238,382	42,566	5,046,973	5,382,336	8,075,509
Due to fiduciary funds	-	-	-	-	66,141	66,141	18,156
Due to component units	-	-	-	-	-	-	5,452
Unearned revenues	-	-	-	-	15,571,083	15,571,083	11,776,357
Other liabilities	-	-	-	-	2,050	2,050	14,817
Short-term portion of long-term liabilities:							
Reserve for losses	-	-	-	-	-	-	103,274,772
Compensated absences	109,380	-	43,428	18,516	1,432,743	1,604,067	3,185,016
Benefits payable	-	-	-	17,152,449	-	17,152,449	-
Bonds payable	8,746,325	-	10,028,462	-	15,394,415	34,169,202	456,035
Finance agreements	-	-	-	-	-	-	448,002
Lease liability	-	-	-	1,442	1,778,602	1,780,044	2,252,364
Software subscriptions	-	-	-	-	-	-	69,344
Net OPEB liability	-	-	-	-	-	-	58,104
Total current liabilities	17,582,774	125,942,011	11,673,377	17,838,643	66,331,058	239,367,863	142,003,429
Noncurrent liabilities:							
Advances from other funds	-	-	-	-	41,340	41,340	3,819,414
Reserve for losses	-	-	-	-	-	-	63,053,047
Net pension obligation	3,143,953	-	1,097,199	422,183	45,305,046	49,968,381	68,323,223
Net OPEB liability	968,507	-	319,259	118,190	14,778,714	16,184,670	22,387,697
Compensated absences	68,536	-	27,966	12,649	651,794	760,945	1,472,720
Benefits payable	-	-	-	173,614,618	-	173,614,618	-
Bonds payable	669,505,199	-	55,517,300	-	36,592,090	761,614,589	230,912
Finance agreements	-	-	-	-	-	-	191,550
Lease liability	-	-	-	1,236	6,409,104	6,410,340	3,546,363
Total noncurrent liabilities	673,686,195	-	56,961,724	174,168,876	103,778,088	1,008,594,883	163,024,926
Total liabilities	691,268,969	125,942,011	68,635,101	192,007,519	170,109,146	1,247,962,746	305,028,355
Deferred Inflows of Resources							
Pension related amounts	232,515	-	81,145	31,223	3,350,602	3,695,485	4,968,466
OPEB related amounts	80,054	-	26,389	9,770	1,221,571	1,337,784	1,850,815
Total deferred inflows of resources	312,569	-	107,534	40,993	4,572,173	5,033,269	6,819,281
Net Position							
Net investment in capital assets	4,413	-	10,457	(116)	1,854,519	1,869,273	22,609,781
Restricted for:							
Unemployment compensation	-	1,880,028,591	-	-	-	1,880,028,591	-
Tuition contract benefits	-	-	-	271,709,822	-	271,709,822	-
Security of outstanding obligations	213,543,997	-	-	-	-	213,543,997	-
Workers' compensation	-	-	-	-	37,772,723	37,772,723	-
Revolving loans	-	-	580,135,016	-	46,419,223	626,554,239	-
Regulation of business	-	-	-	-	2,000	2,000	-
Unrestricted (deficit)	58,207,424	-	-	-	3,325,583	61,533,007	(58,419,224)
Total net position	$ 271,755,834	$1,880,028,591	$ 580,145,473	$ 271,709,706	$ 89,374,048	$ 3,093,013,652	$ (35,809,443)

Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time.	(892,744)
Net position of business-type activities	$ 3,092,120,908

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds

For the Fiscal Year Ended June 30, 2024

	Enterprise Funds						
	Housing Division	Unemployment Compensation	Water Projects Loans	Higher Education Tuition Trust	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating Revenues							
Net premium income	$ -	$ -	$ -	$ -	$ -	$ -	$ 410,581,478
Sales	-	-	-	6,932,688	6,534,139	13,466,827	2,350,003
Assessments	-	846,704,676	-	-	382,500	847,087,176	-
Charges for services	-	-	183,859	61,600	13,635,146	13,880,605	65,075,718
Rental income	-	-	-	-	182,013	182,013	26,020,621
Interest income on loans/notes	1,493,217	-	8,924,417	-	-	10,417,634	-
Interest and investment income (loss)	34,210,216	-	-	-	-	34,210,216	-
Federal government	-	3,184,654	20,745,670	-	-	23,930,324	-
Licenses, fees and permits	-	-	-	-	49,625,910	49,625,910	-
Fines	-	-	-	-	10,318,626	10,318,626	-
Other	6,105,193	28,204,479	-	-	3,483,457	37,793,129	470,496
Total operating revenues	41,808,626	878,093,809	29,853,946	6,994,288	84,161,791	1,040,912,460	504,498,316
Operating Expenses							
Salaries and benefits	2,171,895	-	1,024,299	261,735	44,929,028	48,386,957	52,626,392
Operating	390,249	-	8,433,742	643,198	15,294,799	24,761,988	50,590,517
Claims and benefits expense	-	387,658,271	-	28,027,223	4,276,338	419,961,832	384,011,097
Interest on bonds payable	19,547,629	-	1,452,816	-	1,747,272	22,747,717	-
Materials or supplies used	-	-	-	-	3,404,737	3,404,737	722,188
Servicers' fees	3,370	-	-	-	-	3,370	-
Depreciation	1,324	-	6,834	-	479,854	488,012	5,350,838
Amortization	-	-	-	1,397	853,429	854,826	5,403,865
Bond issuance costs	8,999,497	-	119,328	-	-	9,118,825	-
Insurance premiums	-	-	-	-	-	-	73,285,550
Total operating expenses	31,113,964	387,658,271	11,037,019	28,933,553	70,985,457	529,728,264	571,990,447
Operating income (loss)	10,694,662	490,435,538	18,816,927	(21,939,265)	13,176,334	511,184,196	(67,492,131)
Nonoperating Revenues (Expenses)							
Interest and investment income (loss)	-	39,383,663	10,242,401	52,981,010	9,944,110	112,551,184	7,208,663
Interest expense	-	-	-	-	(246,812)	(246,812)	(254,455)
Federal grant revenue	-	-	-	-	3,241,684	3,241,684	-
Gain (loss) on disposal of assets	-	-	-	-	-	-	(465,625)
Total nonoperating revenues (expenses)	-	39,383,663	10,242,401	52,981,010	12,938,982	115,546,056	6,488,583
Income (loss) before transfers	10,694,662	529,819,201	29,059,328	31,041,745	26,115,316	626,730,252	(61,003,548)
Transfers							
Transfers in	-	-	1,432	794,905	20,736,990	21,533,327	15,967,841
Transfers out	-	(9,703,695)	(2,234,230)	(28,194)	(17,177,154)	(29,143,273)	-
Change in net position	10,694,662	520,115,506	26,826,530	31,808,456	29,675,152	619,120,306	(45,035,707)
Net position - beginning	261,061,172	1,359,913,085	553,318,943	239,901,250	59,698,896		9,226,264
Net position - ending	$ 271,755,834	$1,880,028,591	$ 580,145,473	$ 271,709,706	$ 89,374,048		$ (35,809,443)

Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds.	(76,894)
Change in net position of business-type activities	$ 619,043,412

The notes to the financial statements are an integral part of this statement.

Statement of Cash Flows
Proprietary Funds

For the Fiscal Year Ended June 30, 2024

	Enterprise Funds						
	Major Funds						
	Housing Division	Unemployment Compensation	Water Projects Loans	Higher Education Tuition Trust	Nonmajor Enterprise Funds	Totals	Internal Service Funds
Cash flows from operating activities							
Receipts from customers and users	$ 5,960,683	$ 777,910,059	$ 185,192	$ 10,064,108	$ 99,946,348	$ 894,066,390	$ 88,675,093
Receipts for interfund services provided	801,671	-	-	24,666	344,993	1,171,330	273,787,738
Receipts from component units	-	-	-	-	1,856,280	1,856,280	156,883,028
Receipts of principal on loans/notes	1,931,978	-	39,725,263	-	-	41,657,241	5,000
Receipts of interest on loans/notes	-	-	9,152,356	-	-	9,152,356	-
Receipts from Federal government	-	3,741,828	20,807,623	-	-	24,549,451	183,057
Payments to suppliers, other governments and beneficiaries	(8,867)	(439,392,147)	(8,331,849)	(9,326,459)	(49,098,220)	(506,157,542)	(491,475,196)
Payments to employees	-	-	(745,956)	(274,411)	(43,801,389)	(44,821,756)	(48,849,433)
Payments for interfund services	(344,450)	-	(187,795)	(476,848)	(7,312,799)	(8,321,892)	(23,658,860)
Payments to component units	-	-	-	(7,788,939)	(3,303)	(7,792,242)	(278,095)
Purchase of loans and notes	(5,666,141)	-	(17,458,292)	-	-	(23,124,433)	-
Net cash provided by (used for) operating activities	2,674,874	342,259,740	43,146,542	(7,777,883)	1,931,910	382,235,183	(44,727,668)
Cash flows from noncapital financing activities							
Grant receipts	-	-	-	-	3,279,393	3,279,393	-
Proceeds from sale of bonds	297,982,685	-	5,910,000	-	-	303,892,685	-
Transfers and advances from other funds	-	-	(204,446)	782,484	20,867,697	21,445,735	44,120,299
Principal paid on noncapital debt	(20,545,364)	-	(8,252,396)	-	(14,550,000)	(43,347,760)	-
Interest paid on noncapital debt	(15,867,246)	-	(2,690,175)	-	(1,811,894)	(20,369,315)	-
Transfers and advances to other funds	-	(9,862,525)	(2,066,523)	-	(14,796,643)	(26,725,691)	(2,083,558)
Bond issuance costs	(3,235,076)	-	(119,328)	-	-	(3,354,404)	-
Net cash provided by (used for) noncapital financing activities	258,334,999	(9,862,525)	(7,422,868)	782,484	(7,011,447)	234,820,643	42,036,741
Cash flows from capital and related financing activities							
Proceeds from sale of capital assets	-	-	-	-	-	-	457,299
Purchase of capital assets	-	-	-	-	(3,567,812)	(3,567,812)	(11,145,449)
Principal paid on capital debt	-	-	-	-	(381,000)	(381,000)	(1,012,595)
Interest paid on capital debt	-	-	-	-	(220,715)	(220,715)	-
Principal received on leases	-	-	-	-	-	-	3,654
Interest received on leases	-	-	-	-	-	-	1,408
Principal paid on leases	-	-	-	(1,300)	(857,511)	(858,811)	(5,286,540)
Interest paid on leases	-	-	-	(99)	(76,707)	(76,806)	(254,455)
Net cash provided by (used for) capital and related financing activities	-	-	-	(1,399)	(5,103,745)	(5,105,144)	(17,236,678)
Cash flows from investing activities							
Proceeds from sale of investments	241,234,361	-	-	10,912,674	-	252,147,035	-
Purchase of investments	(532,078,391)	-	-	(7,500,000)	-	(539,578,391)	-
Interest, dividends and gains (losses)	29,531,056	39,383,663	9,293,870	7,950,085	10,685,959	96,844,633	8,257,820
Net cash provided by (used for) investing activities	(261,312,974)	39,383,663	9,293,870	11,362,759	10,685,959	(190,586,723)	8,257,820
Net increase (decreases) in cash	(303,101)	371,780,878	45,017,544	4,365,961	502,677	421,363,959	(11,669,785)
Cash and cash equivalents, July 1	2,281,885	1,284,027,136	174,009,668	2,960,257	187,636,967	1,650,915,913	183,616,928
Cash and cash equivalents, June 30	$ 1,978,784	$ 1,655,808,014	$ 219,027,212	$ 7,326,218	$ 188,139,644	$ 2,072,279,872	$ 171,947,143

(continued)

	Enterprise Funds						
	Major Funds						
	Housing Division	Unemployment Compensation	Water Projects Loans	Higher Education Tuition Trust	Nonmajor Enterprise Funds	Totals	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities							
Operating income (loss)	$ 10,694,662	$ 490,435,538	$ 18,816,927	$ (21,939,265)	$ 13,176,334	$ 511,184,196	$ (67,492,131)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities							
Depreciation and amortization	5,765,745	-	6,834	1,397	1,333,283	7,107,259	10,754,703
Investment income/loss	(34,210,216)	-	-	-	-	(34,210,216)	-
Interest paid on noncapital debt	19,547,629	-	1,452,816	-	1,747,272	22,747,717	-
Debt issuance costs	3,235,076	-	119,328	-	-	3,354,404	-
Decrease (increase) in loans and notes receivable	(5,225,156)	-	22,266,971	-	(15,055,000)	1,986,815	5,000
Decrease (increase) in accrued interest and receivables	3,002,247	(96,441,922)	291,225	3,094,486	(2,752,402)	(92,806,366)	11,758,833
Decrease (increase) in inventory, deferred charges, other assets	-	-	310	(201)	207,373	207,482	(7,291,743)
Decrease (increase) in deferred outflow of resources	123,109	-	(44,400)	22,298	1,932,704	2,033,711	2,222,319
Increase (decrease) in accounts payable, accruals, other liabilities	(217,505)	(51,733,876)	(76,366)	11,069,964	3,274,772	(37,683,011)	3,120,765
Increase (decrease) in unearned revenues	-	-	-	-	(555,158)	(555,158)	2,104,301
Increase (decrease) in net pension liability	(36,694)	-	328,194	(12,115)	(2,063,738)	(1,784,353)	(1,193,888)
Increase (decrease) in net OPEB liability	(52,207)	-	(45,150)	(19,531)	2,076	(114,812)	254,560
Increase (decrease) in deferred inflows of resources	48,184	-	29,853	5,084	684,394	767,515	1,029,613
Total adjustments	(8,019,788)	(148,175,798)	24,329,615	14,161,382	(11,244,424)	(128,949,013)	22,764,463
Net cash provided by (used for) operating activities	$ 2,674,874	$ 342,259,740	$ 43,146,542	$ (7,777,883)	$ 1,931,910	$ 382,235,183	$ (44,727,668)
Noncash investing, capital and financing activities							
Gain (loss) on disposal of assets	$ -	$ -	$ -	$ -	$ -	$ -	$ 235
Increase (decrease) in fair value of investments	-	-	-	45,434,633	-	45,434,633	-
Lease liability for a right to use leased asset	-	-	-	-	-	-	2,005,219
Liability for subscription based software	-	-	-	-	-	-	642,087

The notes to the financial statements are an integral part of this statement.

Statement of Fiduciary Net Position
Fiduciary Funds

June 30, 2024

	Pension and Other Employee Benefits Trust Funds	Investment Trust Funds	Private purpose trust funds	Custodial Funds
Assets				
Cash and pooled investments:				
Cash with treasurer	$ 2,803,704	$ -	$ 12,142,224	$ 97,272,899
Cash in custody of other officials	102,230,267	111,150,681	29,244,673	3,033,535
Investments	63,946,224,601	3,104,034,500	44,010,905,122	-
Receivables:				
Taxes receivable	-	-	-	150,881,687
Intergovernmental receivables	206,445,108	-	126,511	268
Accrued interest and dividends	315,178,617	13,123,565	436,775	-
Other receivables	4,264	-	-	353,072,588
Contributions receivables	-	-	39,313,034	-
Pending trades receivable	260,375,694	5,890,902	4,510,228	-
Due from other funds	34,764,331	-	174,002	542,899,563
Due from fiduciary funds	15,248	-	-	118,223
Other assets	5,752,941	-	-	-
Furniture and equipment	66,986,489	-	48,222	-
Less accumulated depreciation/amortization	(44,517,153)	-	(48,222)	-
Total assets	64,896,264,111	3,234,199,648	44,096,852,569	1,147,278,763
Liabilities				
Accounts payable and accruals:				
Accounts payable	18,314,905	75,182	4,982,841	2,662,731
Intergovernmental payables	-	68,490	21,663	675,878,332
Redemptions payable	-	-	25,696,344	-
Pending trades payable	205,129,895	1,437,022	11,732,898	-
Bank overdraft	-	-	3,407,000	-
Due to other funds	16,953,352	7,296	1,166,876	-
Due to fiduciary funds	15,248	-	118,222	-
Other liabilities:				
Other liabilities	-	40,297	-	-
Total liabilities	240,413,400	1,628,287	47,125,844	678,541,063
Net Position				
Restricted for:				
Pension benefits	64,669,820,256	-	-	-
Pool participants	-	3,232,571,361	-	-
Individuals and other governments	-	-	44,049,726,725	468,737,700
Unrestricted (deficit)	(13,969,545)	-	-	-
Total net position	$ 64,655,850,711	$ 3,232,571,361	$ 44,049,726,725	$ 468,737,700

The notes to the financial statements are an integral part of this statement.

Statement of Changes in Fiduciary Net Position
Fiduciary Funds

For the Fiscal Year Ended June 30, 2024

	Pension and Other Employee Benefits Trust Funds	Investment Trust Funds	Private purpose trust funds	Custodial Funds
Additions				
Contributions:				
Employer	$ 1,530,211,080	$ -	$ -	$ -
Plan members	1,458,095,259	-	-	-
Participants	-	-	3,579,067,658	-
Repayment and purchase of service	72,023,340	-	-	-
Total contributions	3,060,329,679	-	3,579,067,658	-
Investment income:				
Net increase (decrease) in fair value of investments	5,551,049,146	100,571,356	3,965,700,329	-
Interest, dividends	1,322,167,967	125,958,984	1,143,145,105	18,274
Other	165,299,464	-	-	-
	7,038,516,577	226,530,340	5,108,845,434	18,274
Less investment expense:				
Other	(81,190,549)	(123,625)	-	-
Net investment income (loss)	6,957,326,028	226,406,715	5,108,845,434	18,274
Other:				
Investment from local governments	-	1,387,499,898	-	-
Taxes and fees collected for other governments	-	-	-	4,316,328,926
Child support collections	-	-	-	207,279,621
Other	5,321,182	1,092	-	191,097,766
Total other	5,321,182	1,387,500,990	-	4,714,706,313
Total additions	10,022,976,889	1,613,907,705	8,687,913,092	4,714,724,587
Deductions				
Principal redeemed	-	994,297,374	2,969,877,429	-
Benefit payments	3,781,618,880	-	30,097,353	276,516
Refunds	43,656,008	-	-	-
Contribution distributions	-	3,530,000	-	-
Administrative expense	16,341,493	624,764	47,367,182	-
Payment of taxes and fees to other governments	-	-	-	4,316,447,421
Child support payments	-	-	-	207,466,267
Restitution payments	-	-	-	2,089,114
Total deductions	3,841,616,381	998,452,138	3,047,341,964	4,526,279,318
Change in net position	6,181,360,508	615,455,567	5,640,571,128	188,445,269
Net position - beginning	58,474,490,203	2,617,115,794	38,409,155,597	280,292,431
Net position - ending	$ 64,655,850,711	$ 3,232,571,361	$ 44,049,726,725	$ 468,737,700

The notes to the financial statements are an integral part of this statement.

Combining Statement of Net Position
Discretely Presented Component Units

June 30, 2024

	Major Component Units		Nonmajor Component Unit	
	Colorado River Commission	Nevada System of Higher Education	Nevada Capital Investment Corporation	Total
Assets				
Cash and pooled investments	$ 20,026,976	$ 301,970,000	$ -	$ 321,996,976
Investments	-	1,862,557,000	20,486,668	1,883,043,668
Due from primary government	352,378	53,306,187	-	53,658,565
Accounts receivable	2,957,600	97,554,970	-	100,512,570
Intergovernmental receivables	-	116,627,843	-	116,627,843
Accrued interest and dividends	352,378	-	12,500	364,878
Notes/loans receivable	-	4,970,000	-	4,970,000
Leases receivable	-	66,612,000	-	66,612,000
Other receivables	-	5,685,000	-	5,685,000
Inventory	-	7,254,000	-	7,254,000
Prepaid expenses	23,217,496	-	-	23,217,496
Restricted assets:				
Cash	2,443,405	27,688,000	-	30,131,405
Investments	-	16,497,000	-	16,497,000
Other assets	-	259,182,000	-	259,182,000
Capital assets:				
Land, infrastructure and construction in progress	-	284,856,000	-	284,856,000
Other capital assets, net	37,064,303	2,523,136,000	-	2,560,200,303
Total assets	86,414,536	5,627,896,000	20,499,168	5,734,809,704
Deferred Outflows of Resources				
Deferred charge on refunding	-	2,547,000	-	2,547,000
Pension related amounts	2,235,412	192,247,000	-	194,482,412
OPEB related amounts	156,408	44,387,000	-	44,543,408
Total deferred outflows of resources	2,391,820	239,181,000	-	241,572,820
Liabilities				
Accounts payable	2,751,427	64,903,057	-	67,654,484
Accrued payroll and related liabilities	249,937	118,443,000	-	118,692,937
Interest payable	239,709	11,058,000	-	11,297,709
Due to primary government	4,254	554,943	17,192,791	17,751,988
Unearned revenues	3,937,660	129,764,000	-	133,701,660
Assets held for others	-	13,890,000	-	13,890,000
Other liabilities	3,573,982	87,443,000	-	91,016,982
Long-term liabilities:				
Portion due or payable within one year:				
Finance agreements	-	1,083,000	-	1,083,000
Leases	-	8,635,000	-	8,635,000
Software subscriptions	-	14,824,000	-	14,824,000
Compensated absences	229,727	50,541,000	-	50,770,727
Net OPEB liability	-	35,978,000	-	35,978,000
Bonds payable	835,000	32,299,000	-	33,134,000
Portion due or payable after one year:				
Federal advances	-	3,027,000	-	3,027,000
Finance agreements	-	36,564,000	-	36,564,000
Leases	-	38,813,000	-	38,813,000
Software subscriptions	-	55,802,000	-	55,802,000
Net pension liability	7,343,797	508,975,000	-	516,318,797
Net OPEB liability	2,156,674	562,309,000	-	564,465,674
Compensated absences	204,976	24,587,000	-	24,791,976
Bonds payable	22,651,098	589,963,000	-	612,614,098
Unearned revenue	34,425,331	-	-	34,425,331
Total liabilities	78,603,572	2,389,456,000	17,192,791	2,485,252,363
Deferred Inflows of Resources				
Lease related amounts	-	92,279,000	-	92,279,000
Split-interest agreements	-	8,728,000	-	8,728,000
Gain on refunding	-	7,599,000	-	7,599,000
Pension related amounts	543,122	56,045,000	-	56,588,122
OPEB related amounts	178,265	49,454,000	-	49,632,265
Total deferred inflows of resources	721,387	214,105,000	-	214,826,387
Net Position				
Net investment in capital assets	37,064,303	2,151,049,000	-	2,188,113,303
Restricted for:				
Capital projects	-	36,396,000	-	36,396,000
Debt service	-	32,499,000	-	32,499,000
Scholarships	-	758,782,000	-	758,782,000
Loans	-	7,973,000	-	7,973,000
Education - K to 12	-	-	3,306,377	3,306,377
Research and development	13,845,049	-	-	13,845,049
Funds held as permanent investments:				
Nonexpendable	-	604,707,000	-	604,707,000
Unrestricted (deficit)	(41,427,955)	(327,890,000)	-	(369,317,955)
Total net position	$ 9,481,397	$ 3,263,516,000	$ 3,306,377	$ 3,276,303,774

The notes to the financial statements are an integral part of this statement.

Combining Statement of Activities
Discretely Presented Component Units

For the Fiscal Year Ended June 30, 2024

	Major Component Units		Nonmajor Component Unit	
	Colorado River Commission	Nevada System of Higher Education	Nevada Capital Investment Corporation	Total
Expenses	$ 49,246,999	$ 2,553,674,000	$ 338,728	$ 2,603,259,727
Program revenue:				
Charges for services	48,553,556	807,254,000	-	855,807,556
Operating grants and contributions	-	729,544,000	-	729,544,000
Capital grants and contributions	-	1,851,000	-	1,851,000
Total program revenue	48,553,556	1,538,649,000	-	1,587,202,556
General revenues:				
Unrestricted investment earnings (loss)	1,082,605	199,545,000	(447,555)	200,180,050
Gain on sale of assets	-	(1,827,000)	-	(1,827,000)
Other general revenues	265,837	20,615,000	-	20,880,837
Contributions to permanent funds	-	21,309,000	-	21,309,000
Payments from State of Nevada	-	866,871,000	-	866,871,000
Total general revenues, contributions and payments	1,348,442	1,106,513,000	(447,555)	1,107,413,887
Change in net position	654,999	91,488,000	(786,283)	91,356,716
Net position - beginning	8,826,398	3,029,339,000	4,092,660	3,042,258,058
Prior period adjustment - change in reporting entity	-	142,689,000	-	142,689,000
Net position - beginning, as restated	8,826,398	3,172,028,000	4,092,660	3,184,947,058
Net position - ending	$ 9,481,397	$ 3,263,516,000	$ 3,306,377	$ 3,276,303,774

The notes to the financial statements are an integral part of this statement.

Note 1. Summary of Significant Accounting Policies

The accompanying financial statements of the State of Nevada (the State) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

A. Description of Government-wide Financial Statements

The government-wide financial statements, which consist of the statement of net position and the statement of activities, report information on all non-fiduciary activities of the primary government and its component units. All fiduciary activities, including component units that are fiduciary in nature, are reported only in the fund financial statements. Primary government activities are distinguished between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Reporting Entity

For financial reporting purposes, the State's reporting entity includes the "primary government" and its "component units". The primary government includes all funds, departments, agencies, and those authorities that are considered an integral part of the State's activities. Component units are legally separate organizations for which the State's elected officials are financially accountable. The State's component units have a June 30 year-end.

The GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and either: 1) the ability of the State to impose its will on that organization; or 2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the State. When the State does not appoint a voting majority of an organization's governing body, GASB requires inclusion in the reporting entity based on financial accountability if: 1) the organization is both fiscally dependent on the State and there is the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the State; or 2) it would be misleading to exclude the organization.

Fiduciary Component Units: The following fiduciary component units are legally separate from the State. The State is financially accountable for these organizations since it appoints the voting majority of the boards and is able to impose its will on them through the ability to remove appointed members of the organization's governing board. Since these component units are fiduciary in nature, they are included only in the fund financial statements with the primary government's fiduciary funds. Therefore, these component units are excluded from the government-wide financial statements.

The *Public Employees' Retirement System* (PERS), the *Legislators' Retirement System* (LRS), and the *Judicial Retirement System* (JRS) are administered by a seven-member board appointed by the Governor. PERS is the administrator of a cost-sharing, multiple-employer, defined benefit public employees' retirement system established to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earning capacities have been removed or substantially impaired by age or disability. LRS is the administrator of a single-employer public employees' defined benefit retirement system established to provide a reasonable base income to Legislators at retirement. JRS is the administrator of an agent multiple-employer public employees' defined benefit retirement system established to provide a reasonable base income to justices of the Supreme Court, district judges, municipal court judges, and justices of the peace at retirement.

The *State Retirees' Health and Welfare Benefits Fund* is administered by an eleven-member board appointed by the Governor. The Public Employees Benefits Program is the administrator of a multiple-employer, cost-sharing defined postemployment benefits plan established to account for the financial assets designated to offset the portion of current and future costs of health and welfare benefits paid on behalf othe State retirees.

The *Retirement Benefits Investment Fund* (RBIF) was created for the sole purpose of providing an investment vehicle for monies belonging to either the State or local government other post employment benefit trust funds. RBIF is administered by the Retirement Benefits Investment Board, which consists of the same members as the Public Employees' Retirement Board.

Blended Component Unit: The *Nevada Real Property Corporation* (NRPC) is a legally separate organization. The State is financially accountable for NRPC since it appoints the board of directors, and NRPC provides a financial benefit to the State by providing financing services. NRPC was incorporated to finance certain construction projects which include office buildings, a transitional residential facility and a warehouse, all financed by the issuance of certificates of participation. Upon completion of construction, the NRPC leases the facilities to the State. Since the NRPC provides financing services solely to the State, these financial transactions are reported as part of the primary government using the blended method.

Discretely Presented Component Units: A component unit should be included in the reporting entity financial statements using the discrete presentation method if the component unit's governing body is not substantively the same as the governing body of the primary government, the component unit does not provide services entirely or almost entirely to the primary government, and the component unit's total debt outstanding is not expected to be repaid entirely or almost entirely with resources of the primary government. The following discretely presented component units meet these criteria and are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the State.

The *Nevada System of Higher Education* (NSHE) is a legally separate organization consisting of the institutions of public higher education in Nevada, the NSHE Administration entity, and their component units. NSHE is governed by a Board of Regents elected by the voters. NSHE is considered to be fiscally dependent on the primary government since the State can modify and approve their budgets. In addition, NSHE imposes a financial burden on the primary government since the State provides financial support to NSHE through annual operating and capital appropriations.

The *Colorado River Commission* (CRC) is a legally separate organization responsible for managing Nevada's interests in the water and power resources available from the Colorado River. It is governed by seven commissioners, a majority of whom are appointed by the State: four are appointed by the Governor and three are appointed by the board of directors of the Southern Nevada Water Authority. The State is financially accountable for CRC since bonds issued by the CRC are backed by the full faith and credit of the State of Nevada, which creates the potential for a financial burden to the State. CRC provides services to citizens through the distribution and sale of electric power.

The *Nevada Capital Investment Corporation (*NCIC) is a legally separate organization whose board of directors consists of the State Treasurer, who serves as the chair; five members that are appointed by the primary government; and the Chancellor of NSHE, or his designee. Up to five additional members of the board may be chosen who are direct investors of the corporation. The NCIC is an independent corporation for public benefit, the general purpose of which is to act as a limited partner, shareholder or member to provide private equity funding to businesses located in or seeking to locate in Nevada, and engage in certain industries. The amount invested in the NCIC is not to exceed $50 million from the State Permanent School Fund. The State is financially accountable for NCIC since it is able to impose its will through veto power by the State Treasurer.

Complete financial statements for each of the individual component units, with the exception of the NRPC, which has no other financial activity than that previously described, may be obtained at that organization's administrative offices:

Public Employees' Retirement System
Carson City, NV
Legislators' Retirement System
Carson City, NV
Judicial Retirement System
Carson City, NV
State Retirees' Health and Welfare Benefits Fund
Carson City, NV
Retirement Benefits Investment Fund
Carson City, NV
Nevada System of Higher Education
Reno, NV
Colorado River Commission
Las Vegas, NV
Nevada Capital Investment Corporation
Carson City, NV

Related Organizations: The Governor is responsible for appointing the members of many boards and commissions. The State's accountability for these entities does not extend beyond making the appointments and thus these entities are excluded from this report. The State does not exercise financial or administrative control over the excluded boards and commissions.

C. Basis of Presentation

Government-wide Financial Statements: While separate government-wide and fund financial statements are presented, they are interrelated. On the government-wide financial statements, the governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. As discussed earlier, the State has three discretely presented component units which are shown in a single column in the government-wide financial statements.

In general, the effect of interfund activity has been removed from the government-wide financial statements. Overhead costs have been removed to minimize the double counting of internal activities, but interfund services provided and used have been retained, as their elimination would distort the measurement of the cost of individual functional activities. Internal activities of a reimbursement type nature reduce the expenses of the reimbursed programs. Certain centralized costs have been included as part of the program expenses reported for the various functions and activities. The net amount of interfund receivables and payables between governmental activities and business-type activities are reported as internal balances on the government-wide statement of net position. The net amount of transfers between governmental activities and business-type activities are reported as transfers on the government-wide statement of activities.

Fund Financial Statements: The fund financial statements provide information about the government's funds, including its fiduciary and blended component units. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

The State reports the following major governmental funds:

General Fund – this is the State's primary operating fund. It accounts for all financial resources of the general government except those accounted for in another fund.

State Education Fund – accounts for a combination of State and local revenues to be used for the basic support guarantee per pupil that is established by the Legislature each biennium.

Nonmajor governmental funds – the State's nonmajor governmental funds include special revenue funds, capital projects funds, debt service funds, and permanent funds. The nonmajor special revenue funds account for specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The debt service funds account for resources used for the payment of principal and interest on the State's bonds issued in support of governmental activities. The capital project funds account for resources used for capital outlays. The permanent funds account for resources that were restricted to the extent that only earnings, and not principal, may be used for purposes that support certain State programs.

The State reports the following major enterprise funds:

Higher Education Tuition Trust Fund – accounts for the State program to assist Nevada residents in locking in the cost of future higher education expenses for Nevada colleges and universities. This program is financed through the sale of prepaid tuition contracts.

Housing Division Fund – accounts for the State program to assist private lenders in providing low interest housing loans to low- and moderate-income households. This program is financed through the sale of bonds.

Unemployment Compensation Fund – accounts for the payment of unemployment compensation benefits.

Water Projects Loans Fund – accounts for revenues and expenses associated with operating a revolving fund to finance local government pollution control projects, and with operating revolving and set-aside program funds to finance local public water systems' safe drinking water projects.

Nonmajor enterprise funds – the State's nonmajor enterprise funds account for the State's business type operations for which a fee is charged to external users for goods or services including: Workers' Compensation and Safety, Insurance Administration and Enforcement, Gaming Investigative, Forestry Nurseries, Prison Industry, Nevada Magazine, Marlette Lake Water System and State Infrastructure Bank.

Additionally, the State reports the following fund types:

Internal Service Funds – provides goods or services primarily to other agencies or funds of the State rather than to the general public. These goods and services include accounting, communications, information technology, fleet services, personnel, printing, property management, purchasing and risk management. In the government-wide statements, internal service funds are included with governmental activities.

Pension and Other Employee Benefit Trust Funds – report resources that are required to be held in trust for the members and beneficiaries of the State's defined benefit pension plans and other post-employment benefit plans.

Investment Trust Funds – report resources received from local governments that are either pooled in an external investment portfolio for the benefit of all participants or separated into subaccounts of identified investments allocated to specific participating local governments. Examples include the Local Government Investment Pool, the Nevada Enhanced Savings Term and the RBIF.

Private Purpose Trust Funds – report resources of all other trust arrangements in which principal and income benefit individuals, private organizations, or other governments. Examples include the Prisoners' Personal Property and the Nevada College Savings Plan.

Custodial Funds – report fiduciary activities not held in a trust or equivalent arrangement. Examples include motor vehicle and child support disbursement.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual; that is, when they become both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The State considers revenues to be available if they are collected within 60 days after year-end. Those revenues susceptible to accrual are gaming revenues, sales taxes, other taxes as described in Note 14, interest revenue, charges for services, intergovernmental revenues, and settlement income. Fines and permit revenues are not susceptible to accrual because they are generally not measurable until received in cash.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments are recorded only when payment is due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under finance agreements, leases and software subscriptions are reported as other financing sources.

The proprietary, pension and other employee benefit trust, investment trust, private-purpose trust and custodial funds are reported using the economic resources measurement focus and the accrual basis of accounting.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

Cash and Pooled Investments – The State Treasurer manages a cash pool where all temporary surplus cash is invested. These

investments are reported on the statement of net position and balance sheet as cash and pooled investments. Earnings from these pooled investments are credited to the General Fund and certain other funds that have specific statutory authority to receive a prorated share based on daily cash balances. Also included in this category is cash held by departments as petty cash funds and in bank accounts, outside the Treasurer's cash management pool. The operations and investments of the cash pool are described in Note 3.

Cash and cash equivalents are defined as bank accounts, petty cash, money market demand accounts and certificates of deposit with original maturities of three months or less. Cash and cash equivalents are reported in the statement of cash flows for proprietary fund types.

Investments – Investments are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Short-term investments are generally reported at cost, which approximates fair value, except for the short-term investments of the Nevada College Savings Plan that are valued at amortized cost, which approximates fair value. Securities, traded on a national or international exchange, are valued at the last reported sale price at current exchange rates. Fixed income securities are valued based on yields currently available on comparable securities of issuers with similar credit ratings. The fair value of real estate investments is established by independent third party valuation firm in conjunction with Member Appraisal Institute independent appraisals. Investments that do not have an established market are reported at estimated fair value.

The Local Government Investment Pool, the Nevada Enhanced Savings Term Investment Trust and the RBIF are reported as investment trust funds. The investments of the Local Government Investment Pool and the Nevada Enhanced Savings Term Investment Trust are subject to the general limitations of NRS 355.170. The investments of the RBIF are governed by the prudent person standard, as set forth by NRS 286.682. Security transactions are accounted for on the trade date (the date the order to buy or sell is executed). Interest income is determined on an accrual basis with discounts earned and premiums paid being amortized. Realized gains and losses, if any, on sales of securities are calculated using the amortized cost basis at the date of sale. The fair value of the position in the pool is the same as the value of the pool shares. The Bank of New York Mellon is the custodian and transfer agent for the Local Government Investment Pool, the Nevada Enhanced Savings Term Investment Trust and the RBIF.

Receivables - Receivables represent amounts due to the State at June 30, which will be collected sometime in the future. In the government-wide financial statements, a corresponding amount is recorded as revenue. In the governmental fund financial statements, the portions considered "available" (i.e., received by the State within approximately 60 days after year-end) are recorded as revenue; the remainder is recorded as deferred inflows of resources, unavailable revenue. Receivables in proprietary fund types have arisen in the ordinary course of business. All receivables are shown net of an allowance for uncollectible accounts. Significant governmental fund receivable balances not expected to be collected within one year are presented in Note 4.

Lease Receivables – Lease receivables are recorded by State at the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received are discounted based on the interest rate that the State charges the lessee. Lease receivables are presented in Note 4 and 8.

Interfund Transactions – The State has two types of interfund transactions:

1. Services rendered and employee benefit contributions are accounted for as revenues, expenditures/expenses in the funds involved.
2. Operating appropriations and subsidies are accounted for as transfers in the funds involved.

Due from/due to other funds and transfers are presented in Note 5.

Inventories – In general, inventories in governmental funds are recorded as expenditures when purchased; however, certain inventories in the General Fund, the Highway Fund, and nonmajor governmental funds are recorded as expenditures at the time individual inventory items are consumed. Inventories are stated at cost on the first-in, first-out basis. Inventory items in the governmental funds are offset by nonspendable fund balance to indicate that they will not be converted to cash.

Prepaid Items – Prepaid items reflect payments for costs applicable to future accounting periods and are recorded in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when

consumed rather than when purchased. Prepaid items in the governmental funds are offset by nonspendable fund balance to indicate that they will not be converted to cash.

Advances to Other Funds – Long-term interfund advances are recorded by the advancing fund as a receivable. These amounts are reported in the nonspendable fund balance in the General Fund to maintain the accountability and to disclose properly the amount available for appropriation. In other governmental funds this amount will be reported in restricted, committed, or assigned fund balances. Repayments are credited to the receivable and corresponding reductions are made in the appropriate fund balance. A summary of interfund advances is presented in Note 5.

Capital Assets and Depreciation – An inventory of State-owned land, buildings and equipment was developed in 1985. All capital assets are recorded in the statement of net position at historical cost or estimated historical cost, based on acquisition of comparable property or agency records, if actual historical cost is not available. Donated capital assets are stated at acquisition value at time of donation. The government defines capital assets as assets with a unit cost of $5,000 or more for furniture and equipment, or $500,000 or more for buildings and improvements or $1,000,000 or more for internally generated software, and an estimated useful life in excess of one year. Interest incurred during construction is only capitalized in proprietary funds.

Most capital assets are depreciated principally on a straight-line basis over estimated useful lives of 40 years for structures and 3 to 30 years for improvements, furniture and equipment. The State's significant infrastructure assets utilize the modified approach in which costs to maintain and preserve these assets are expensed and no depreciation expense is recorded. This approach is discussed further in the Required Supplementary Information portion of this report.

In the NSHE, capital assets are defined as assets with an initial unit cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are stated at cost at the date of acquisition. Collections are capitalized at the acquisition value at the date of donation. Depreciation is computed on a straight-line basis over estimated useful lives of 40 years for buildings, 10 to 15 years for land improvements and 3 to 5 years for library books, machinery and equipment, and 10 years for intangible assets. Additional disclosure related to capital assets is provided in Note 7.

Intangible right to use assets include lease assets and subscription-based software and represent the State's right to use an underlying asset for the lease/subscription term. The intangible right to use assets are measured at the initial value of the lease/subscription liability, plus any payments made to the lessor/vendor before commencement of the lease/subscription term, plus any capitalizable implementation costs, less any incentives received from the lessor/vendor at or before commencement of the lease/subscription term. Intangible right to use assets are amortized over the shorter of the lease/subscription term or useful life of the underlying asset using the straight-line method.

Compensated Absences – A liability for compensated absences relating to services already rendered and that are not contingent on a specified event is accrued as employees earn the rights to the benefits. Compensated absences relating to future services or that are contingent on a specified event will be accounted for in the period those services are rendered or those events take place. Proprietary fund types report accrued compensated absences as liabilities in the appropriate funds. Governmental funds report a liability and expenditure for compensated absences only if the liability has matured as a result of employee resignations or retirements. Thus no expenditure would be recognized in governmental funds for the unpaid balance of compensated absences for employees still in active service at the end of the reporting period. On the statement of net position, the accrued compensated absences for both proprietary and governmental fund types is reported.

Long-Term Obligations – In the government-wide statements and proprietary fund financial statements, long-term debt and other long-term liabilities are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures. Long-term obligations are more fully described in Note 9.

Lease liabilities and software subscription liabilities represent the State's obligation to make lease payments arising from the lease/subscription contract. The liabilities are recognized at the lease/subscription commencement date based on the present value of future lease payments expected to be made during the lease/subscription term. The present value of lease/subscription payments are discounted based on a borrowing rate determined by the State. Additional disclosure related to lease liabilities and software subscription liabilities are provided in Note 9.

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources, which represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. An example is the deferred charge on refunding which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources, which represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. An example is unavailable revenue, reported in the governmental funds balance sheet when revenue is measurable but not available. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Deferred inflows of resources related to leases where the State is the lessor are reported in the governmental funds balance sheet and statement of net position. The deferred inflows of resources related to leases are recognized as an inflow of resources (revenue) on the straight-line basis over the term of the lease.

Net Position/Fund Balance – The difference between fund assets, deferred outflows of resources, liabilities and deferred inflows of resources is "Net Position" on the government-wide, proprietary and fiduciary fund statements, and "Fund Balance" on governmental fund statements.

In governmental fund financial statements, fund balances are classified based primarily on the extent to which the State is bound to observe constraints imposed upon the use of the resources in the fund as follows:

1. Nonspendable fund balance includes items that cannot be spent because they are either not in spendable form (such as inventories, prepaid amounts and the long-term portion of loans/notes receivables) or legally or contractually required to be maintained intact (such as the principal of a permanent fund).
2. Restricted fund balances have constraints placed upon the use of the resources either by an external party or imposed by law through constitutional provisions or enabling legislation.
3. Committed fund balances can be used only for specific purposes pursuant to constraints imposed by a formal action of the government's highest level of decision-making authority, the Nevada Legislature, through legislation passed into law. The commitment remains in place until the Legislature changes or eliminates the State Law.
4. Assigned fund balance includes amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Assignments of fund balance are created by the executive branch.
5. Unassigned fund balance is the residual amount of the General Fund not included in the four categories above. Also, any deficit fund balances within the other governmental fund types are reported as unassigned.

Each fund has been analyzed for proper classification of fund balance. Funds are created by the Legislature and money is authorized to be transferred to the fund for a particular purpose. Balances in the Legislatively created funds are at least committed, and may be further restricted depending on whether there is an external party, constitutional provision, or enabling legislation constraint involved. Note 13 provides a disaggregation of governmental fund balances, nonspendable, restricted, committed, and unassigned.

Net Position/Fund Balance Flow Assumptions – The State's policy is to spend restricted amounts first when an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available. Therefore, restricted net position/fund balance is depleted before using unrestricted net position/fund balance. In governmental funds, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, the assumed order of spending is first committed, assigned and then unassigned.

Minimum Fund Balance Policy – NRS 353.213(3) requires that the proposed budget for each fiscal year of the biennium provide for a reserve of not less than 5% or more than 10% of the total of all proposed appropriations from the State General Fund for the operation of all departments, institutions and agencies of the State and authorized expenditures from the State General Fund for the regulation of gaming for that fiscal year.

Stabilization Arrangement – NRS 353.288 provides for the Account to Stabilize the Operation of the State Government (Stabilization Account) in the State General Fund. Additions to the stabilization arrangement are triggered at the end of a fiscal year if the General Fund unrestricted fund balance (budgetary basis) exceeds 7% of General Fund operating appropriations. Forty percent of the excess is deposited to the Stabilization Account, and is classified on the balance sheet as committed for

fiscal emergency. Additionally, commencing with the fiscal year that began on July 1, 2017, 1% of the total anticipated revenue for the fiscal year in which the transfer will be made as projected by the Economic Forum for that fiscal year, is also deposited to the Stabilization Account. Expenditures may occur if actual revenues for the biennium fall short by 5% or more from anticipated revenues, if the Legislature and Governor declare that a fiscal emergency exists or if the Legislature allocates it to be used for any other purpose. The balance in the Stabilization Account committed for fiscal emergency at June 30, 2024 is $1,589,470,227.

Pensions – For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS, LRS and JRS and additions to/deductions from the plans fiduciary net position have been determined on the same basis as they are reported by PERS, LRS and JRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other than Pensions (OPEB) – For purposes of measuring the State's net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State's OPEB plan and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Plan assets are reported at fair value.

F. Revenues and Expenditures/Expenses

Program Revenues – In the government-wide statement of activities, program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not meeting the definition of program revenues are instead reported as general revenues.

Property Taxes – Property taxes are recognized as revenues in the year for which they are levied. Property taxes are levied July 1 on property values assessed by the prior January 1. Property tax billings are payable in quarterly installments on the third Monday in August and the first Monday in October, January and March, after which time the bill is delinquent.

Grants – The State participates in various federal award programs which are received in both cash and noncash forms. Grants and other entitlements are recognized as revenues when all eligibility requirements are met, including any time requirements, and the amount is received within 60 days after year-end. Federal reimbursement type grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received within 60 days after year-end. Certain grants have matching requirements in which the State must contribute a proportionate share of the total costs of a program. Use of grant resources is conditioned upon compliance with terms of the grant agreements and applicable federal regulations, which include subjecting grants to financial and compliance audits.

Proprietary Funds Operating and Nonoperating Revenues and Expenses – Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal, ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

G. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2. Budgetary and Legal Compliance

Budgetary Process and Control

The Governor must submit his proposed budget for the Executive Branch to the State Legislature not later than 14 calendar days before each regular session, which convenes every odd-numbered year. The presented budget spans the next two fiscal

years and contains the detailed budgetary estimates of revenues and expenditures. The Legislature enacts the budget through passage of the General Appropriations Act, which allows expenditures from unrestricted revenues, and the Authorized Expenditures Act, which allows expenditures from revenues collected for specific purposes. Once passed and signed, the budget becomes the State's financial plan for the next two fiscal years.

The legal level of budgetary control, the level at which appropriations are approved and the level at which over-expenditure of appropriations or transfers of appropriated amounts may not occur without Legislative action, is at the total program level within each department or agency.

Limited budgetary revisions may be made without Legislative action through the following management/administrative procedures. After obtaining the approval of the Governor, or his designee, the Budget Director, Legislative Interim Finance Committee (LIFC) approval is required of those revisions in excess of $75,000 which have the effect, when taken into consideration with all other changes during the fiscal year, of increasing or decreasing any legislatively approved expenditure level by 20% or $350,000, whichever is less. Revisions not exceeding this threshold require only Budget Director approval. The LIFC approval is not equivalent to governing body approval, as total appropriations for a program may not be increased except as follows.

The Legislature appropriates limited funds to the Contingency Account, in the General Fund, which may be allocated to programs by the LIFC upon recommendation of the Board of Examiners. Allocations totaling $322,155,230 were made in the 2024 fiscal year. Unencumbered appropriations lapse at the end of each fiscal year unless specific authority to carry forward is granted in the Appropriations Act. Unexpended authorized resources, under the Authorized Expenditures Act, are carried forward for expenditure in the next fiscal period.

Budgets are legally adopted for the General Fund and Special Revenue Funds, except for the Nevada Real Property Corporation special revenue fund. In addition, certain activity within such funds may be unbudgeted. The State's budget is prepared principally on a modified accrual basis with the following exceptions:

1. Cash placed in petty cash funds or outside bank accounts is considered expended for budgetary purposes.
2. Advances to other funds are considered expenditures. Repayments of such advances are considered revenues.
3. Certain assets, such as prepaid items, are considered expended for budgetary purposes. Inventory is an expenditure for budgetary purposes. Certain unearned revenue is considered revenue for budgetary purposes.
4. Expenditures are only recognized if the liability is liquidated within 45 days after the fiscal year end.
5. Revenue from grants is only recognized when it is received in cash.
6. Encumbrances for goods or services not received by fiscal year-end are considered an expenditure of the current period if received and paid within 45 days.

The Budgetary Comparison Schedule is presented as Required Supplementary Information (RSI) in this report. Actual amounts in this schedule are presented on a budgetary basis. Because this basis differs from accounting principles generally accepted in the United States of America (GAAP), a reconciliation between the budgetary and GAAP basis is presented in the RSI.

Note 3. Deposits and Investments

The Nevada Revised Statutes (NRS) and Nevada Administrative Code, as well as procedures approved by the State Board of Finance, govern deposits and investing activities for the primary government, fiduciary funds and its discretely presented component units which are not expressly required by law to be received and kept by another party. NRS 226.110(3) further requires that the Office of the State Treasurer shall establish the policies to be followed in the investment of money of the State of Nevada.

A. Deposits

Primary Government and Fiduciary Funds – The State minimizes its custodial credit risk by legislation establishing a program to monitor a collateral pool for public deposits. Custodial credit risk for deposits is the risk that in the event of a bank failure, the State's deposits may not be recovered. NRS 356 directs the Office of the State Treasurer to deposit funds into any state, or national bank, credit union or savings and loan association covered by the Federal Depository Insurance Corporation (FDIC) insurance. For those deposits over and above the federal depository insurance maximum balance, sufficient collateral must be

held by the financial institution to protect the State against loss. The pooled collateral for deposits program maintains a 102% pledged collateral for all public deposits. As of June 30, 2024, cash in bank was $1,906,535,909 of which $1,782,056,242 was collateralized and $121,415,129 was uncollateralized and uninsured. In addition, some cash in bank was insured by other insurances that are not FDIC, including $170,710 insured by American Share Insurance, $133,552 insured by National Credit Union Administration, and $9,618 insured by Securities Investor Protection Corporation. Furthermore, $1,611,219,311of the State's pro rata share of the U.S. Treasury Trust is collateralized by special issue bonds and certificates of indebtedness, which are not marketable, and are special obligations of the federal government issued to the U.S. Treasury Trust Fund.

Component Units – Cash and cash equivalents of the Nevada System of Higher Education (NSHE) are stated at cost, which approximates market, and consist of deposits in money market funds, which are not federally insured, and cash in the bank. At June 30, 2024 NSHE's deposits in money market funds totaled $193,437,000 and cash in bank was $398,000. Of these balances, $1,000,000 and $250,000 per account are covered by FDIC. For those deposits over and above FDIC maximum balance, sufficient collateral must be held by the financial institution to protect NSHE against loss. The Nevada pooled collateral for deposits program maintains a 102% pledged collateral for all public deposits.

B. Investments

NRS 355.140 details the types of securities in which the State may invest. In general, authorized investments include: certificates of deposit, asset-backed securities, bankers' acceptances and commercial paper, collateralized mortgage obligations, corporate notes, municipal bonds, money market mutual funds whose policies meet the criteria set forth in the statute, United States treasury securities, and specific securities implicitly guaranteed by the federal government. Additionally, the State may invest in limited types of repurchase agreements; however, statutes generally prohibit the State from entering into reverse-repurchase agreements. The State's Permanent School Fund is further limited by statute as to the types of investments in which it may invest (NRS 355.060).

Cash and Investments are also discussed in Note 1 under Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance.

The State Board of Finance reviews the State's investment policies at least every four months. The Board is comprised of the Governor, the State Controller, the State Treasurer and two members appointed by the governor, one of which must be actively engaged in commercial banking in the State.

Investments held in the Local Government Investment Pool (LGIP), Retirement Benefits Investment Fund (RBIF), and Nevada Enhanced Savings Term (NVEST) are specifically identifiable investment securities and are included in the following tables. LGIP, RBIF, and NVEST are investment trust funds and discussed further in Note 1, Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance. LGIP and NVEST are governed by the Nevada State Board of Finance and administered by the Nevada State Treasurer. Complete financial statements for LGIP may be obtained from the State Treasurer's Office, 101 N. Carson Street, Suite 4, Carson City, NV 89701. RBIF is administered by the Retirement Benefits Investment Board. The audited financial statements of RBIF may be obtained from the Public Employees' Retirement System, 693 West Nye Lane, Carson City, Nevada 89703.

The College Savings Plan of Nevada was created under Title 31, Chapter 353B of the Nevada Revised Statutes, as amended, to encourage individuals and families to save for future costs of higher education. The plan is designed to qualify for treatment as a qualified tuition program under Section 529 of the Internal Revenue Code of 1986, as amended, and any regulations and other guidance issued thereunder. Plan assets are held for the benefit of account owners and their designated beneficiaries in the Nevada College Savings Trust. The Board of Trustees is responsible for the overall administration of the program, subject to implementing regulations set forth in the Nevada Administration Code. Pursuant to NRS 353B.005 the Board of Trustees consists of five members, the State Treasurer, who may name a designee to serve on the Board on his or her behalf; the Director of the Office of Finance, or designee; the Chancellor of the System, or a designee; and two members appointed by the Governor. The State, acting through the Board of the College Savings Plan, and acting by and through its Administrator, the State Treasurer, offers and administers the various plans. Complete financial statements for the College Savings Plans may be obtained from the State Treasurer's Office, 101 N. Carson Street, Suite 4, Carson City, NV 89701.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

Primary Government and Fiduciary Funds – The State minimizes interest rate risk by maintaining an effective duration of less than 1.5 years and holding at least 25% of the portfolio's total market value in securities with a maturity of 12 months or less.

However, the benchmark used by the State Treasurer to determine whether competitive market yields are being achieved is the 90 day U.S. Treasury Bill's average over the previous three month period (Rolling 90 day T-Bill). Investment policies for the pension and other employee benefit trust funds authorize all securities within the Barclays Aggregate Index benchmark. If securities are purchased outside the Barclays U.S. Treasury Index, they must be of investment grade rating by at least two of the following: Moody's, Standard & Poor's or Fitch (BBB- or better by Standard & Poor's/Fitch, Baa3 or better by Moody's) except those issued or guaranteed by the U.S. Government or its agencies. The following table provides information about the interest rate risks associated with the State's investments as of June 30, 2024 (expressed in thousands):

		Maturities in Years			
	Fair Value	Less Than 1	1-5	6-10	More Than 10
Asset backed corporate securities	$ 82,259	$ -	$ 35,215	$ 46,460	$ 584
Collateralized mortgage obligations	1,310,768	-	75,736	47,395	1,187,637
Commercial paper	1,588,138	1,588,138	-	-	-
Corporate bonds and notes	1,373,607	356,930	1,008,675	8,002	-
Negotiable certificate of deposit	605,853	605,216	637	-	-
Other investments	332,662	155,838	136,720	40,104	-
Repurchase agreements	800,000	800,000	-	-	-
Short-term investments	15,214	15,214	-	-	-
U.S. agencies	2,913,290	1,174,516	892,532	787,251	58,991
U.S. Treasury securities	28,006,257	8,367,408	12,798,706	3,114,782	3,725,361
Total	$ 37,028,048	$ 13,063,260	$ 14,948,221	$ 4,043,994	$ 4,972,573

Private Purpose Trust Fund - Nevada College Savings Plan, a private purpose trust, currently has no formal investment policy with regard to interest rate risk for the investments. Account owners do not own the underlying securities within the portfolios. Rather, account owners have a fractional interest in an investment option that is evidenced by a unit. The underlying security portfolios held by Vanguard, USAA, Future Path, Putnam and Wealthfront have various maturities from 41 days to 13.09 years and are not included in the table above. More descriptive information regarding the underlying security portfolios can be obtained from the separately issued financial statments for each of the savings plans.

Component Unit – The Nevada System of Higher Education's (NSHE) policy for reducing its exposure to interest rate risk is to have an average investment life of at least two years for fixed income securities within both the endowment and operating investment pools. With regard to the trusts included in endowment investments, NSHE is not the trustee of these investments and, therefore, currently has no policies with regard to interest rate risk for these investments. Investments having interest rate risk are principally invested in mutual funds and private commingled funds. The following table provides the segmented time distribution for these investments at June 30, 2024 (expressed in thousands):

1 to 5 years	$ 43,412
6 to 10 years	185,164
Total	$ 228,576

Credit Risk: Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the State and custodial credit risk for investments is the risk that, in the event of failure of the counterparty to a transaction, the State will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

Primary Government and Fiduciary Funds – NRS 355.140, the State Treasurer's investment policy, and investment policies of the pension and other employee benefit trust and investment trust funds all address credit risk. A summary of the policies is presented as follows:

- Commercial paper, negotiable certificates of deposit, and bankers' acceptances are rated by a nationally recognized rating service as "A-1," "P-1" or its equivalent, or better,
- Notes, bonds and other unconditional obligations issued by corporations in the U.S. and municipal bonds (effective September 2011) are rated by a nationally recognized rating service as "A" or its equivalent, or better,
- Money market mutual funds are SEC registered 2(A)7 and rated by a nationally recognized rating service as "AAA" or its equivalent,
- Collateralized mortgage obligations and asset-backed securities are rated by a nationally recognized rating service as

"AAA" or its equivalent,

- Repurchase agreements with banks or registered broker-dealers provided the agreement is collateralized by 102% with U.S. Treasuries or U.S. government agency securities on a delivery basis.

In addition to the above provisions, investment policies for the pension and other employee benefit trust funds allow investment in corporate bonds, assets related instruments, and foreign debt issued in the U.S. rated by at least two of the following: Moody's, Standard & Poor's, or Fitch (BBB- or better by Standard & Poor's/Fitch, Baa3 or better by Moody's). Investments having credit risk are included in the table below.

The State's investments as of June 30, 2024 were rated by Standard & Poor's and/or an equivalent national rating organization, and the ratings are presented below using the Standard & Poor's rating scale (at fair value, expressed in thousands):

	Quality Rating							
	AAA	AA	A	BBB	BB	B	CCC	Unrated
Asset backed corporate securities	$ 71,590	$ -	$ -	$ -	$ -	$ -	$ -	$ 10,669
Commercial paper	-	-	-	-	-	49,585	84,196	934,131
Corporate bonds and notes	32,490	278,230	837,127	152,231	-	-	-	73,529
Equity securities	-	-	-	-	-	-	-	31,978,429
Money market mutual funds	219,881	-	-	-	-	-	-	502,952
Mutual funds and ETFs	-	-	-	-	-	-	-	589,175
Negotiable certificate of deposit	-	478	-	-	-	-	-	475,325
Other investments	114,048	62,978	45,300	-	-	-	-	89,826
Private equity	-	-	-	-	-	-	-	4,935,555
Real estate	-	-	-	-	-	-	-	2,787,600
Repurchase agreements	-	-	-	-	-	-	-	800,000
Short-term investments	193,280	235	525	-	-	-	-	-
U.S. agencies	18,433	2,155,068	-	-	-	-	-	640,786
529 pools	-	-	-	-	-	-	-	44,010,905
Total	$ 649,722	$ 2,496,989	$ 882,952	$ 152,231	$ -	$ 49,585	$ 84,196	$ 87,828,882

Short-term ratings are generally assigned to securities that originally mature within 365 days. A short-term rating of A-1 is rated in the highest category by Standard and Poor with a plus sign (+) indicating that the obligor's capacity to meet its financial commitment is extremely strong. In general, an A-1+ rating is equivalent to AA - AAA long-term ratings, whereas an A-1 rating is generally equivalent to an A long-term rating. The State has short-term ratings that are not included in the Quality Rating table above, as follows (at fair value, expressed in thousands):

	Short-term Ratings			
	A-1+	A-1	A-3	P-1
Commercial paper	$ 98,880	$ 421,346	$ -	$ -
Negotiable certificates of deposit	55,039	75,011	-	-
Other investments	27,310	-	-	-
U.S. agencies	99,003	-	-	-
Total	$ 280,232	$ 496,357	$ -	$ -

The primary government holds $29,367,024 in U.S. Treasuries and guaranteed collaterallized mortgages. There is no credit risk assigned to these securities as these are explicitly guaranteed by the U.S. Government.

Component Unit – The NSHE's policy for reducing its exposure to credit risk is to maintain a weighted average credit rating of AA or better, and never below A, for investments with credit risk within both the endowment and operating investment pools. With regard to the trusts included in endowment investments, NSHE is not the trustee of these investments and therefore, it currently has no policies with regard to credit risk for these investments. The credit risk profile for NSHE operating and endowment investments at June 30, 2024 is as follows (at fair value, expressed in thousands):

	AAAm	Unrated
Mutual funds publicly traded	$ 443,166	$ -
Partnerships	-	116,726
Operating cash/cash equivalents	-	181,938
Endowment cash/cash equivalents	-	6,318
Cash held by State Treasurer	-	84
Restricted cash/cash equivalents	-	12,847
Trust(s)	-	4,488
Private commingled funds	-	353,890
	443,166	676,291
Less: GBC Foundation Endowments	-	(10,121)
Total	$ 443,166	$ 666,170

Custodial Credit Risk: Custodial credit risk is the risk that in the event of the failure of the custodian, the investment may not be returned.

Primary Government and Fiduciary Funds – The Office of the State Treasurer's Office's investment policies do not contain any specific language regarding custodial credit risk. As of June 30, 2024, $137,467 of long-term time deposits in the outside bank accounts of the primary government is uninsured and uncollateralized, therefore, exposed to custodial credit risk.

The Housing Division has investments exposed to custodial credit risk. These investments may be uninsured and unregistered investments for which the securities are held by a counterparty or by its agent or trust department, but not in the Housing Division's name. The Housing Division's policy limits the risk by diversifying the number of money market funds utilized. No securities backing money market funds, into which the Housing Division invests, are currently held by the agency's bond trustee.

Private Purpose Trust Fund – Nevada College Savings Plan, a private purpose trust, currently has no formal investment policy with regard to custodial credit risk for the investments. The investments in the Vanguard Short-Term Reserves Account include $4,447,000,000 related to funding agreements with insurance companies that are uncollateralized and, therefore, exposed to custodial credit risk. Vanguard mitigates the risk by monitoring the credit quality of each counterparty throughout the term of the investment. More information related to custodial credit risk may be obrtained from the separately issued financial statements for each of the savings plans, but generally the investment options represent shares of underlying mutual funds and are not subject to custodial credit risk.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issuer.

Primary Government and Fiduciary Funds – The NRS 355.140, 355.060, and the State Treasurer's investment policy limit the investing in any one issuer to 5% of the total par value of the portfolio. At June 30, 2024, no individual investment exceeded 5% of the total portfolio of the primary government.

At June 30, 2024, the following investments exceeded 5% of the Higher Education Tuition Trust's total investments (expressed in thousands):

	Fair Value	Percentage
Federal National Mortgage Association - Mortgage Backed Security	$ 35,373	8.22%
Federal Home Loan Mortgage Corp - Mortgage Backed Security	23,618	5.49%

At June 30, 2024, no investment issuers exceeded 5% of the LGIP's total investments, which excludes invetments issued or explicitly guaranteed by the U.S. government and investments in mutual funds.

The Housing Division currently places no limit on the amount it may invest in any one issuer provided their ratings are in the highest two general rating categories. However, the Housing Division monitors rating changes on all issuers. If warranted, more concentrated investments may have to be diluted to alternative investment providers. As of June 30, 2024, the Housing Division's investment in the Federal National Mortgage Association (FNMA) and the Government National Mortgage Association (GNMA) are 5.51% and 59.54%, respectively, of the Housing Division's total investments. The FNMA and GNMA are in mortgage backed securities matched to the interest rate and maturity of the underlying bonds. Because such investments are matched to concomitant liabilities, the Housing Division is less concerned about a concentration risk on these

investments.

Component Unit – The Nevada Capital Investment Corporation (NCIC) owns 99% equity interest in Silver State Opportunities Fund LLC (SSOF), a Nevada limited liability company, and 99.9% equity interest in Accion 2017G, LLC, (which later changed its name to Dreamspring 2017G, LLC), a New Mexico limited liability company, for the purpose of obtaining income. At June 30, 2024 the investment in equity interest of SSOF and Dreamspring exceeded 5% of NCIC's total investments.

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit.

Primary Government and Fiduciary Funds – The primary government does not have a policy regarding foreign currency risk; however, the State Treasurer's office does not have any deposits or investments in foreign currency. The PERS, LRS, JRS, and RBIF do have foreign currency policies for deposit and investments, which may be used for portfolio diversification and hedging. Highly speculative positions in currency are not permitted. LRS and JRS had no exposure to foreign currency risk as of June 30, 2024. The following table summarizes the pension and investment trust funds' exposure to foreign currency risk in U.S. dollars as of June 30, 2024 (expressed in thousands):

	Currency by Investment and Fair Value				
	Equity	Private Equity	Pending Transactions	Cash	Total
Australian Dollar	$ 599,190	$ -	$ (230)	$ 733	$ 599,693
British Pound Sterling	1,180,568	67,400	(32)	3,654	1,251,590
Canadian Dollar	935,661	-	(18)	1,131	936,774
Danish Krone	318,667	-	(14)	15	318,668
Euro	2,650,927	428,500	(134)	680	3,079,973
Hong Kong Dollar	136,635	-	(114)	1,016	137,537
Israeli Shekel	27,563	-	(16)	219	27,766
Japanese Yen	1,817,768	-	(1,269)	11,774	1,828,273
New Zealand Dollar	14,343	-	(24)	226	14,545
Norwegian Krone	48,017	-	(16)	317	48,318
Singapore Dollar	92,884	-	(13)	317	93,188
Swedish Krona	268,344	-	(14)	16	268,346
Swiss Franc	775,613	-	(11)	116	775,718
Total	$ 8,866,180	$ 495,900	$ (1,905)	$ 20,214	$ 9,380,389

Component Unit – The NSHE does not directly invest in foreign currency investments and is therefore not subject to foreign currency risk. However, it has $223,082,000 in mutual funds and commingled funds in both the operating and endowment pools that are primarily invested in international equities at June 30, 2024.

Fair Value of Investments: The State uses the market approach to determine the fair value of its investments. The State categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are valued using quoted prices for identical securities in markets that are not active; Level 3 inputs are significant unobservable inputs. The following table summarizes the fair value measurements of the primary government and fiduciary funds investments as of June 30, 2024 (expressed in thousands):

	Fair Value Measurements Using					
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	NAV	Amortized Cost	Total
Asset backed corporate securities	$ -	$ 82,259	$ -	$ -	$ -	$ 82,259
Collateralized mortgage	-	711,415	-	-	599,353	1,310,768
Commercial paper	-	1,588,138	-	-	-	1,588,138
Corporate bonds & notes	6,839	1,366,768	-	-	-	1,373,607
Equity securities	31,941,358	-	-	37,071	-	31,978,429
Money market mutual funds	722,833	-	-	-	-	722,833
Mutual funds and ETFs	589,175	-	-	-	-	589,175
Negotiable certificates of deposit	-	605,021	832	-	-	605,853
Other investments	-	332,662	-	-	6,800	339,462
Private equity	-	-	-	4,935,555	-	4,935,555
Real estate	-	-	-	2,787,600	-	2,787,600
Repurchase agreements	-	800,000	-	-	-	800,000
Short-term investments	190,948	3,121	-	-	-	194,069
U.S. agencies	-	2,913,290	-	-	-	2,913,290
U.S. Treasury securities	28,006,257	-	-	-	-	28,006,257
529 pools	-	44,010,905	-	-	-	44,010,905
Total	$ 61,457,410	$ 52,413,579	$ 832	$ 7,760,226	$ 606,153	$ 122,238,200

The following table represents investments in the pension trust funds (PERS, LRS, JRS) measured at the net asset value (NAV) as of June 30, 2024 (expressed in thousands):

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Commingled funds	$ 37,071	$ -	Daily	Trade date minus two business days
Private equity	4,935,600	1,822,600	N/A	N/A
Real estate separate accounts	2,787,600	-	N/A	N/A
Total	$ 7,760,271	$ 1,822,600		

Investment types in the pension trust funds measured at NAV in the table above are as follows:

Commingled Funds – this type includes investment in a commingled fund that invests primarily in stocks found in the MSCI World ex USA Index. The fair values of the investments in this type have been determined using the NAV per share of the fund.

Real Estate Separate Accounts – this type includes two core real estate separate accounts that invest in U.S. industrial, multi-family, office, and retail properties. The fair values of the investments in this type have been determined based on third-party appraisals net of outstanding debt. The property values are managed by the Altus Group which values the real estate assets on a quarterly basis and oversees the engagement of and management of third-party appraisers who value the properties annually. PERS owns each property through 501(c)(25) holding corporations or limited liability companies with PERS as sole shareholder. The properties can be put up for sale at any time.

Private Equity – this type includes a single portfolio investing in and acquiring private equity investment partnerships located in the United States and Europe. PERS does not have the ability to withdraw its investments from these investment partnerships. Interest in an investment partnership can be transferred or sold only upon the approval of the general partner of the respective investment partnership.

For private equity investment partnerships, fair value considers, among other factors, the reported net NAV of the investment as determined in good faith by the general partner of the respective investment partnership. Because of the inherent uncertainty in valuing investments in investment partnerships for which no active, public market exists, or where the net realizable value may be significantly affected by a lack of liquidity or other market conditions, the fair value reported is an estimate and could

significantly differ from the value that could be realized in a secondary market transaction and/or from the amounts ultimately realized.

The general partners of the investment partnerships generally report NAV on the fair value of the underlying portfolio companies, as well as the other assets and liabilities held by the investment partnership. Investments that have a negative fair value have losses allocated to the portfolio that exceed the amounts invested. Owing to the general partners' expertise and proprietary knowledge of the portfolio company investments, PERS generally utilizes the NAV as the basis for the reported investment values. PERS may, in good faith, apply an appropriate adjustment to the NAV reported by the general partner of the respective investment partnership, if deemed necessary.

*Component Unit*s – The fair value measurements of NSHE's investment holdings as of June 30, 2024 are summarized in the following table (expressed in thousands):

	Fair Value Measurements Using				
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	NAV	Total
Operating cash/cash equivalents	$ 181,938	$ -	$ -	$ -	$ 181,938
Endowment cash/cash equivalents	6,318	-	-	-	6,318
Cash held by State Treasurer	84	-	-	-	84
Restricted cash/cash equivalents	12,847	-	-	-	12,847
Charitable trusts	4,488	-	-	-	4,488
Domestic equity	179,740	-	-	138,140	317,880
Emerging market equity	-	-	-	16,028	16,028
Fixed income	225,954	2,621	-	3,559	232,134
International equity	96,243	-	-	110,673	206,916
Marketable alternatives	1,031	-	-	48,030	49,061
Private growth	-	-	-	77,507	77,507
Real assets	3,531	-	-	10,725	14,256
	712,174	2,621	-	404,662	1,119,457
Less: GBC Foundation Endowments	(10,121)	-	-	-	(10,121)
Total	$ 702,053	$ 2,621	$ -	$ 404,662	$ 1,109,336

Assets included in the net asset value (NAV) column in the above table represent assets held in the System's Operating and Endowment Fund and are classified as either private partnerships or marketable alternatives. Investment strategies within these classifications can be broken down into eight major investment categories:

Private Growth – Strategies consist of private equity, private venture capital, and private natural resources. Assets in this category are either illiquid or have significant redemption restrictions. Unfunded commitments of $33,480,000 to private equity/venture capital funds are outstanding as of June 30, 2024.

Marketable Alternatives – Assets in the marketable alternatives category have a broad mandate and/or incorporate hedging strategies and have significant redemptions restrictions.

Real Assets – NSHE's holding in the real assets valued at NAV consists of funds which primarily invest in securities of publicly traded C-corporations, master limited partnerships and certain private placement transactions.

Fixed Income – NSHE's fixed income holdings valued at NAV consist of private and commingled funds with core fixed and short duration strategies.

Domestic Equity – NSHE's holdings valued at NAV within the domestic equity category consist of one commingled fund with a broad mandate which seeks to outperform the S&P 500 index.

Multi-Strategy – Assets in the multi-strategy category valued at NAV consist of one fund which seeks to provide long-term capital growth by investing in domestic and foreign stocks, real assets and bonds.

International Equity – NSHE's holdings at NAV within the international equity category consist of private commingled funds primarily focused on value.

Emerging Market Equity – NSHE's holdings at NAV within the emerging market equity category consist of private commingled funds which look to achieve long-term capital appreciation while investing in equity securities or equity-linked instruments of companies located in emerging market countries.

The table below summarizes redemption restrictions for investments valued at NAV:

	Redemption Frequency	Days' Notice (if applicable)	Remaining life for Partnership
Marketable alternatives	Daily, Monthly, Quarterly, Semi-Annually, Annually	90	N/A
Private equity/venture capital	Illiquid	N/A	7 to 12 years
Domestic equity	Daily, Monthly, Quarterly	0-3	N/A
Fixed income	Daily, Monthly	Same Day	N/A
Emerging market equity	Daily, Weekly, Monthly	N/A	N/A
International equity	Daily, Monthly	N/A	N/A
Real assets	Daily, Monthly, Quarterly	0-110 days	N/A
Multi-strategy	Daily	N/A	N/A

The Nevada Capital Investment Corporation (NCIC) has total investment holdings as of June 30, 2024 of $20,486,668. For fair value measurement purposes $955,700 is valued using Level 3 inputs and the remaining $19,530,968 is measured using net asset value and have not been classified in the fair value hierarchy.

C. Securities Lending

Primary Government and Investment Trust Funds – NRS 355.135 authorizes the State Treasurer to lend securities from the investment portfolio of the State if collateral received from the borrower is at least 102% of fair value of the underlying securities and the value of the securities borrowed is determined on a daily basis. There were no securities on loan at June 30, 2024.

D. Derivative Instruments

Primary Government – The Office of the State Treasurer's investment policies do not contain any specific language regarding derivative instruments other than prohibiting certain types of derivative instruments such as option contracts, futures contracts, and swaps in the General Portfolios and the Local Government Investment Pool effective June 2012 and August 2019 respectively. The primary government has no exposure to derivative instruments as of June 30, 2024.

Note 4. Receivables

Receivable balances are disaggregated by type and presented separately in the financial statements. Significant receivable balances not expected to be collected within one year and not already classified in the fund financials are presented below (expressed in thousands):

	General Fund	State Education Fund	Nonmajor Governmental Funds	Total
As shown on financial statements:				
Accounts receivable	$ 175,074	$ -	$ 341,666	$ 516,740
Intergovernmental receivables	656,612	14,036	45,154	715,802
Notes/loans receivable	12,518	118	39,050	51,686
Finance agreements receivable	-	-	37,160	37,160
Leases receivable	-	-	6,229	6,229
Due from component units	5	-	17,742	17,747
Total	$ 844,209	$ 14,154	$ 487,001	$ 1,345,364
Classified:				
Current portion:	$ 829,849	$ 14,154	$ 109,881	$ 953,884
Noncurrent portion:				
Accounts receivable	-	-	279,921	279,921
Intergovernmental receivables	1,963	-	-	1,963
Notes/loans receivable	12,397	-	37,760	50,157
Finance agreements receivable	-	-	36,315	36,315
Leases receivable	-	-	5,931	5,931
Due from component units	-	-	17,193	17,193
Total noncurrent portion	14,360	-	377,120	391,480
Total	$ 844,209	$ 14,154	$ 487,001	$ 1,345,364

Not included in the receivable balances are amounts considered to be uncollectible. In the governmental funds, uncollectible taxes receivable are estimated at $290.8 million, and uncollectible accounts receivable are estimated at $152.8 million. The proprietary funds have $555.6 million in uncollectible accounts receivable of which $8.4 million are from the fines and penalties of Workers Compensation and Safety, and $536.6 million are from unemployment contributions and benefit overpayments.

Accounts receivable of $299.3 million, $9.4 million and $353.0 million in the Resilient Nevada special revenue fund, the Attorney General Settlement special revenue fund and the Intergovernmental Custodial Fund, respectively, are for settlements receivable deriving from the National Opioid Settlement and Litigation lawsuit. The receivables in the Intergovernmental custodial fund are restricted specifically for disbursements to local governments per the One Nevada Agreement on Allocation of Opioid Recoveries.

Note 5. Interfund Transactions

A. Interfund Advances

A summary of interfund advances at June 30, 2024, follows (expressed in thousands):

	Advances From		
	General Fund	Nonmajor Governmental	Total
Advances To			
Nonmajor Enterprise	$ 41	$ -	$ 41
Internal Service Funds	2,332	1,487	3,819
Total other funds	$ 2,373	$ 1,487	$ 3,860

Interfund advances are the portions of interfund balances that are *not* expected to be repaid within one year. The interfund balances that are expected to be repaid within one year are shown in the Due From/Due To summary following.

Advances are generally made to finance capital expenditures or as a loan for operating purposes.

B. Due From/Due To Other Funds and Component Units

A summary of due from and due to other funds and component units at June 30, 2024, follows (expressed in thousands):

	Due To			
	Major Governmental Funds			
	General Fund	State Education Fund	Nonmajor Governmental	Total Governmental
Due From				
Major Governmental Funds:				
General	$ -	$ 618,443	$ 148,517	$ 766,960
State Education	55,499	-	2,834	58,333
Nonmajor Governmental	31,190	63,163	84,598	178,951
Total Governmental	86,689	681,606	235,949	1,004,244
Major Enterprise Funds:				
Housing Division	25	-	-	25
Unemployment Comp	-	-	22	22
Water Projects Loans	210	-	28	238
Higher Education Tuition Trust	42	-	-	42
Nonmajor Enterprise	4,845	-	1	4,846
Total Enterprise	5,122	-	51	5,173
Internal Service	5,707	-	1,283	6,990
Total other funds	$ 97,518	$ 681,606	$ 237,283	$ 1,016,407
Fiduciary	$ 356	$ -	$ 942	$ 1,298
Component Units:				
Nevada System of Higher Education	$ 5	$ -	$ 549	$ 554
Nevada Capital Investment Corporation	-	-	17,193	17,193
Total Component Units	$ 5	$ -	$ 17,742	$ 17,747

	Due To							
	Major Enterprise Funds							
	Housing Division	Water Projects Loans	Higher Education Tuition Trust	Nonmajor Enterprise	Total Enterprise	Internal Service	Total Other Funds	Fiduciary
Due From								
Major Governmental Funds:								
General	$ 847	$ 3,554	$ 164	$ 17,603	$ 22,168	$ 9,329	$ 798,456	$ 575,387
State Education	-	-	-	-	-	-	58,333	-
Nonmajor Governmental	-	-	-	9	9	1,406	180,366	2,366
Total Governmental	847	3,554	164	17,612	22,177	10,735	1,037,155	577,753
Major Enterprise Funds:								
Housing Division	-	-	-	-	-	8	33	-
Unemployment Comp	-	-	-	-	-	-	22	-
Water Projects Loans	-	-	-	-	-	1	238	-
Higher Education Tuition Trust	-	-	-	-	-	1	42	-
Nonmajor Enterprise	-	-	-	14	14	186	5,047	66
Total Enterprise	-	-	-	14	14	196	5,382	66
Internal Service	-	-	-	21	21	1,065	8,076	18
Total other funds	$ 847	$ 3,554	$ 164	$ 17,647	$ 22,212	$ 11,996	$ 1,050,613	$ 577,837
Fiduciary	$ -	$ -	$ -	$ 10	$ 10	$ 16,820	$ 18,128	$ 133
Component Units:								
Colorado River Commission	$ -	$ -	$ -	$ -	$ -	$ 4	$ 4	$ -
Nevada System of Higher Education	-	-	-	-	-	1	555	-
Nevada Capital Investment Corporation	-	-	-	-	-	-	17,193	-
Total Component Units	$ -	$ -	$ -	$ -	$ -	$ 5	$ 17,752	$ -

	Due To		
	Component Units		
	Colorado River Commission	Nevada System of Higher Education	Total Component Units
Due From			
Major Governmental Funds:			
General	$ 352	$ 50,015	$ 50,367
Nonmajor Governmental	-	3,286	3,286
Total Governmental	352	53,301	53,653
Major Enterprise Funds:			
Internal Service	-	5	5
Total	$ 352	$ 53,306	$ 53,658

The balances result primarily from timing differences between the date goods and services are provided or reimbursable expenses occur, and the date the transactions are recorded in the accounting system and payment is made.

C. Transfers From/Transfers To Other Funds

A summary of transfers between funds for the year ended June 30, 2024, follows (expressed in thousands):

	Transfers Out/To		
	Major Governmental Funds		
	General Fund	Nonmajor Governmental	Total Governmental
Transfers In/From			
Major Governmental Funds:			
General	$ -	$ 97,145	$ 97,145
State Education	1,219,825	34,273	1,254,098
Nonmajor Governmental	134,044	406,707	540,751
Total Governmental	1,353,869	538,125	1,891,994
Major Enterprise Funds:			
Higher Education Tuition Trust	795	-	795
Water Project Loans	1	-	1
Nonmajor Enterprise	66	20,659	20,725
Total Enterprise	862	20,659	21,521
Internal Service	15,968	-	15,968
Total other funds	$ 1,370,699	$ 558,784	$ 1,929,483

	Transfers Out/To								
	Major Enterprise Funds								
	Housing Division	Unemployment Compensation	Higher Education Tuition Trust	Water Projects Loans	Nonmajor Enterprise Funds	Total Enterprise	Internal Service	Total Other Funds	Fiduciary
Transfers In/From									
Major Governmental Funds:									
General	$ -	$ -	$ 28	$ 2,234	$ 17,130	$ 19,392	$ -	$ 116,537	$ -
State Education	-	-	-	-	-	-	-	1,254,098	-
Nonmajor Governmental	-	9,704	-	-	35	9,739	-	550,490	-
Total Governmental	-	9,704	28	2,234	17,165	29,131	-	1,921,125	-
Major Enterprise Funds:									
Higher Education Tuition Trust	-	-	-	-	-	-	-	795	-
Water Project Loans	-	-	-	-	-	-	-	1	-
Nonmajor Enterprise	-	-	-	-	12	12	-	20,737	-
Total Enterprise	-	-	-	-	12	12	-	21,533	-
Internal Service	-	-	-	-	-	-	-	15,968	-
Total other funds	$ -	$ 9,704	$ 28	$ 2,234	$ 17,177	$ 29,143	$ -	$ 1,958,626	$ -

The general purpose for transfers is to move monies from funds required by statute to collect them to the funds required by statute or budget to expend them, and to move monies collected for debt service purposes to the debt service fund required to make the payment.

Note 6. Restricted Assets

Various debt service, operation and maintenance, capital improvement and construction (acquisition) funding requirements of bond covenants, and trust indentures are recorded as restricted assets on the statement of net position. The components of restricted assets at June 30, 2024 are as follows (expressed in thousands):

	Primary Government		
	Governmental Activities	Business-Type Activities	Component Units
Restricted:			
Cash	$ 335,406	$ 64,339	$ 30,131
Investments	-	193,065	16,497
Total	$ 335,406	$ 257,404	$ 46,628
Restricted for:			
Debt service	$ -	$ 193,065	$ 1,152
Capital projects	-	-	27,688
Capital projects -unspent bond proceeds	332,402	64,339	-
Regulation of business	343	-	-
Other purposes	2,661	-	17,788
Total	$ 335,406	$ 257,404	$ 46,628

Note 7. Capital Assets

Capital asset activity of the primary government for the year ended June 30, 2024, was as follows (expressed in thousands):

	Beginning Balance (Restated)*	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated				
Land	$ 184,996	$ 59,444	$ -	$ 244,440
Construction in progress	2,775,907	908,395	(408,506)	3,275,796
Infrastructure	6,247,824	114,208	-	6,362,032
Rights-of-way	977,098	4,451	(911)	980,638
Total capital assets, not being depreciated	10,185,825	1,086,498	(409,417)	10,862,906
Capital assets, being depreciated/amortized				
Buildings	2,158,752	194,963	(22)	2,353,693
Improvements other than buildings	184,244	20,964	-	205,208
Furniture and equipment	539,260	70,198	(13,355)	596,103
Software costs	343,654	-	(1,333)	342,321
Right to use leased building	246,129	34,634	(8,997)	271,766
Right to use leased equipment	12,211	85	(1,726)	10,570
Subscription based software	358,384	1,747	(6,052)	354,079
Total capital assets, being depreciated/amortized	3,842,634	322,591	(31,485)	4,133,740
Less accumulated depreciation/amortization for				
Buildings	(979,720)	(60,565)	2	(1,040,283)
Improvements other than buildings	(122,389)	(5,462)	-	(127,851)
Furniture and equipment	(425,134)	(36,003)	13,140	(447,997)
Software costs	(247,512)	(15,439)	799	(262,152)
Right to use leased building	(62,130)	(41,161)	19,201	(84,090)
Right to use leased equipment	(5,883)	(2,865)	1,203	(7,545)
Subscription based software	(82,901)	(92,808)	6,197	(169,512)
Total accumulated depreciation/amortization	(1,925,669)	(254,303)	40,542	(2,139,430)
Total capital assets, being depreciated/amortized, net	1,916,965	68,288	9,057	1,994,310
Governmental activities capital assets, net	$ 12,102,790	$ 1,154,786	$ (400,360)	$ 12,857,216

*The beginning balances of land, construction in progress, buildings, improvements other than buildings, furniture and equipment, and software costs, and the related accumulated depreciation/amortization, has been restated to reflect the correct balances of the Legislative Counsel Bureau capital assets. In addition, construction in progress has been restated to remove an ERP project that was terminated. See Note 19 to the financial statements for additional information.

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital assets, not being depreciated				
Land	$ 588	$ -	$ -	$ 588
Construction in progress	-	2,624	-	2,624
Total capital assets, not being depreciated	588	2,624	-	3,212
Capital assets, being depreciated/amortized				
Buildings	1,407	-	-	1,407
Improvements other than buildings	5,042	797	-	5,839
Furniture and equipment	7,614	147	(217)	7,544
Right to use leased building	3,163	8,414	(2,118)	9,459
Right to use leased equipment	87	-	(22)	65
Total capital assets, being depreciated	17,313	9,358	(2,357)	24,314
Less accumulated depreciation/amortization for				
Buildings	(1,386)	(21)	-	(1,407)
Improvements other than buildings	(2,546)	(76)	-	(2,622)
Furniture and equipment	(6,133)	(391)	217	(6,307)
Right to use leased building	(1,736)	(836)	1,287	(1,285)
Right to use leased equipment	(40)	(19)	11	(48)
Total accumulated depreciation/amortization	(11,841)	(1,343)	1,515	(11,669)
Total capital assets, being depreciated/amortized, net	5,472	8,015	(842)	12,645
Business-type activities capital assets, net	$ 6,060	$ 10,639	$ (842)	$ 15,857

Included in the table above are seven Department of Corrections facilities that have been closed. These assets are idle, with a carrying value of $14.5 million.

Current period depreciation and amortization expense was charged to functions of the primary government as follows (expressed in thousands):

Governmental activities:	
General government	$ 14,725
Education, support services	8,041
Health services	10,089
Law, justice, public safety	130,944
Recreation, resource development	8,531
Social services	33,397
Transportation	23,177
Regulation of business	10,681
Unallocated	3,968
Depreciation and amortization on capital assets held by the State's internal service funds is charged to the various functions based on their use of the assets	10,750
Total depreciation/amortization expense - governmental activities	$ 254,303
Business-type activities:	
Housing	$ 1
Workers' compensation and safety	734
Higher education tuition	2
Other	606
Total depreciation/amortization expense - business-type activities	$ 1,343

Capital asset activity of the Nevada System of Higher Education for the year ended June 30, 2024, was as follows (expressed in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Nevada System of Higher Education:				
Capital assets, not being depreciated				
Construction in progress	$ 168,613	$ 69,491	$ (162,790)	$ 75,314
Land	192,951	1,321	-	194,272
Land improvements	288	-	-	288
Intangibles	1,350	-	-	1,350
Collections	13,581	55	(4)	13,632
Total capital assets, not being depreciated	376,783	70,867	(162,794)	284,856
Capital assets, being depreciated/amortized				
Buildings	3,593,043	155,463	(1,910)	3,746,596
Land improvements	186,300	8,410	-	194,710
Machinery and equipment	473,767	42,871	(19,671)	496,967
Intangibles	54,908	1,359	-	56,267
Library books and media	127,485	1,200	(213)	128,472
Right to use leased building	58,970	4,289	(1,664)	61,595
Right to use leased equipment	6,784	403	(431)	6,756
Subscription based software	68,935	56,432	(25,260)	100,107
Total capital assets, being depreciated/amortized	4,570,192	270,427	(49,149)	4,791,470
Less accumulated depreciation/amortization for				
Buildings	(1,430,782)	(93,524)	1,116	(1,523,190)
Land improvements	(140,562)	(5,890)	1,720	(144,732)
Machinery and equipment	(356,829)	(34,698)	16,399	(375,128)
Intangibles	(50,628)	(1,645)	-	(52,273)
Library books and media	(123,860)	(1,615)	213	(125,262)
Right to use leased building	(11,872)	(8,524)	725	(19,671)
Right to use leased equipment	(2,557)	(1,236)	12	(3,781)
Subscription based software	(15,944)	(18,686)	10,333	(24,297)
Total accumulated depreciation/amortization	(2,133,034)	(165,818)	30,518	(2,268,334)
Total capital assets being depreciated/amortized, net	2,437,158	104,609	(18,631)	2,523,136
Nevada System of Higher Education activity capital assets, net	$ 2,813,941	$ 175,476	$ (181,425)	$ 2,807,992

Capital asset activity of the Colorado River Commission for the year ended June 30, 2024, was as follows (expressed in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Colorado River Commission:				
Capital assets, being depreciated/amortized				
Power transmission system	$ 88,302	$ 12	$ -	$ 88,314
Office furniture and fixtures	25	-	-	25
Automobiles and other equipment	675	16	(34)	657
Right to use leased building	364	-	(364)	-
Total capital assets, being depreciated/amortized	89,366	28	(398)	88,996
Less accumulated depreciation/amortization for				
Power transmission system	(48,757)	(1,443)	-	(50,200)
Office furniture and fixtures	(25)	-	-	(25)
Automobiles and other equipment	(1,112)	(629)	34	(1,707)
Right to use leased building	(364)	-	364	-
Total accumulated depreciation/amortization	(50,258)	(2,072)	398	(51,932)
Colorado River Commission activity capital assets, net	$ 39,108	$ (2,044)	$ -	$ 37,064

Note 8. Finance Agreements and Leases Receivable

A. Finance Agreements Receivable

In fiscal year 2024, the State entered into a financed sale agreement with the Nevada System of Higher Education (NSHE), a discretely presented component unit, related to the building construction project at Nevada State College. Construction of the facility was completed in fiscal year 2016. In fiscal year 2024, the project's prior financing was replaced through the issuance of Lease Revenue Certificates of Participation, Series 2024, bearing interest rates ranging from 4.0% to 5.0%. Proceeds from

the Series 2024 certificates were used to retire the outstanding obligations associated with the earlier financing. NSHE will begin making scheduled principal and interest payments on Series 2024 to the State beginning in fiscal year 2025.

The future minimum payments for finance agreements receivable are as follows (expressed in thousands):

	Governmental Activities		
Year Ending June 30	**Principal**	**Interest**	**Total**
2025	$ 845	$ 2,157	$ 3,002
2026	1,295	1,707	3,002
2027	1,360	1,642	3,002
2028	1,430	1,574	3,004
2029	1,500	1,502	3,002
2030-2034	8,710	6,309	15,019
2035-2039	11,115	3,903	15,018
2040-2043	10,905	1,112	12,017
Total finance agreements receivable	$ 37,160	$ 19,906	$ 57,066

B. Leases Receivable

The State leases real estate and equipment to independent third parties. The State has accrued receivables for 28 land leases and 1 building lease as a lessor. At June 30, 2024, the remaining principal and interest receivable for these leases were $6,228,842 and $1,924,730, respectively. Deferred inflows related to these leases were $5,854,074 as of June 30, 2024. Principal and interest revenue recognized on these leases were $364,040 and $150,544, respectively, for the year ended June 30, 2024. The implicit interest rate factored into these leases is 3%, based on the State's incremental borrowing rate. Final receipt is expected in fiscal year 2065.

The future minimum payments for leases receivable are as follows (expressed in thousands):

	Governmental Activities		
Year Ending June 30	**Principal**	**Interest**	**Total**
2025	$ 298	$ 180	$ 478
2026	307	171	478
2027	317	162	479
2028	326	152	478
2029	336	142	478
2030-2034	1,785	553	2,338
2035-2039	1,634	297	1,931
2040-2044	742	109	851
2045-2049	94	65	159
2050-2054	109	50	159
2055-2059	127	32	159
2060-2064	141	12	153
2065-2069	13	-	13
Total leases receivable	$ 6,229	$ 1,925	$ 8,154

C. Component Units

The NSHE leases real estate and equipment to independent third parties. The income under these lease agreements was approximately $12,593,000 in fiscal year 2024. NSHE had current leases receivable of $7,738,000 and long-term leases receivable of $58,874,000 as of June 30, 2024. Deferred inflows of resources of $80,935,000 are associated with these leases as of June 30, 2024.

NSHE had a total of 21 leases of which call for payments that are partially or completely variable and were not included in lease receivables or deferred inflows of resources. These variable payments were a result of the underlying lease measured not on a fixed rate, but rather variable due to underlying payments derived from a percentage of sales, use of a capital asset, or changes in an index rate. A total of $464,000 was recognized as revenue from these variable payments for the year ended June 30, 2024.

The future minimum payments for leases receivable are as follows (expressed in thousands):

Year Ending June 30	Principal	Interest	Total
2025	$ 7,738	$ 1,551	$ 9,289
2026	7,405	1,371	8,776
2027	6,820	1,194	8,014
2028	6,324	1,016	7,340
2029	5,973	849	6,822
2030-2034	18,824	2,131	20,955
2035-2039	2,834	951	3,785
2040-2044	2,976	718	3,694
2045-2049	3,284	471	3,755
2050-2054	3,245	220	3,465
2055-2059	1,189	20	1,209
Total future minimum leases receivable payments	$ 66,612	$ 10,492	$ 77,104

Note 9. Short and Long -Term Obligations

A. Changes in Long-Term Obligations

The following is a summary of changes in long-term obligations of the primary government for the fiscal year ended June 30, 2024 (expressed in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	$ 977,276	$ 476,800	$ (154,709)	$ 1,299,367	$ 170,902
Special obligation bonds	722,765	133,270	(43,995)	812,040	50,020
Subtotal	1,700,041	610,070	(198,704)	2,111,407	220,922
Issuance premiums (discounts)	102,153	43,468	(27,986)	117,635	25,152
Total bonds payable	1,802,194	653,538	(226,690)	2,229,042	246,074
Certificates of participation	62,805	53,725	(62,805)	53,725	2,835
Certificates of participation-private placement	1,167	-	(393)	774	402
Subtotal	63,972	53,725	(63,198)	54,499	3,237
Issuance premiums (discounts)	(471)	5,624	283	5,436	761
Total certificates of participation	63,501	59,349	(62,915)	59,935	3,998
Other governmental long-term activities:					
Finance agreements	4,253	-	(2,294)	1,959	1,767
Leases	196,228	34,599	(33,183)	197,644	37,357
Software subscriptions	273,379	1,747	(88,477)	186,649	91,494
Compensated absences obligations	114,974	99,538	(82,742)	131,770	92,833
Pollution remediation obligations	4,687	41	(3,168)	1,560	526
Total other governmental long-term activities	593,521	135,925	(209,864)	519,582	223,977
Governmental activities long-term obligations	$ 2,459,216	$ 848,812	$ (499,469)	$ 2,808,559	$ 474,049
Business-type activities:					
Bonds payable:					
General obligation bonds	$ 130,919	$ 5,910	$ (23,396)	$ 113,433	$ 24,228
Special obligation bonds	391,681	296,899	(19,450)	669,130	7,278
Subtotal	522,600	302,809	(42,846)	782,563	31,506
Issuance premiums (discounts)	14,356	1,296	(2,431)	13,221	2,663
Total bonds payable	536,956	304,105	(45,277)	795,784	34,169
Leases	1,478	8,006	(1,294)	8,190	1,780
Compensated absences obligations	2,082	1,768	(1,485)	2,365	1,604
Tuition benefits payable	179,636	28,467	(17,336)	190,767	17,152
Business-type activities long-term obligations	$ 720,152	$ 342,346	$ (65,392)	$ 997,106	$ 54,705

The General Fund and special revenue funds typically liquidate the finance agreement and lease obligations. Compensated absence obligations are payable by the funds in which they are incurred and are primarily the General Fund and State Highway

Fund. The debt service funds typically liquidate the arbitrage obligations.

B. Bonds Payable

The State issues general obligation bonds for the acquisition, construction and improvement of major capital facilities; buying local governments' bonds in the municipal bond bank fund; loans to municipalities for water projects; protection of natural resources; cultural affairs projects; the construction, reconstruction, improvement and maintenance of highways; and for refunding purposes. General obligation bonds are direct obligations and pledge the full faith and credit of the State.

Special obligation highway improvement revenue bonds provide funds for property acquisition and construction of highway projects. Special obligation housing bonds in the aggregate have a debt limit of $5 billion and are used for housing loans or to purchase mortgage loans having both fixed and variable interest rates. Special obligation bonds are payable solely from gross pledged revenues and are not general obligations of the State.

General obligation bonds and special obligation bonds of the primary government outstanding at June 30, 2024 are comprised of the following (expressed in thousands):

	Interest Rates	Original Amount	Principal Outstanding
Governmental activities:			
General obligation bonds:			
Subject to Constitutional Debt Limitation	2.0-5.0%	$ 1,614,380	$ 1,193,170
Exempt from Constitutional Debt Limitation	2.0-6.0%	201,091	106,197
Special obligation bonds:			
Exempt from Constitutional Debt Limitation-Highway Improvement Revenue Bonds	1.75-6.0%	1,080,185	812,040
Subtotal		2,895,656	2,111,407
Issuance premiums (discounts)		1,165,380	117,635
Governmental activities bonds payable		4,061,036	2,229,042
Business-type activities:			
General obligation bonds:			
Exempt from Constitutional Debt Limitation	2.0-5.5%	93,402	67,243
Subject to Constitutional Debt Limitation	2.4-3.2%	75,000	46,190
Special obligation bonds:			
Housing Bonds	*.20-6.25%	768,764	669,130
Subtotal		937,166	782,563
Issuance premiums (discounts)		48,384	13,221
Business-type activities bonds payable		985,550	795,784
Total bonds payable		$ 5,046,586	$ 3,024,826

*Many Housing bonds have variable rates of interest. The tax exempt bonds track the SIFMA Index while the federally taxable debt tracks the one-month LIBOR Index.

Debt service requirements (principal and interest) for all long-term bonds and notes outstanding at June 30, 2024, of the primary government are summarized in the table following (expressed in thousands):

	Governmental Activities				Business-Type Activities			
	General Obligation		Special Obligation		General Obligation		Special Obligation	
Year Ending June 30	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 170,902	$ 56,178	$ 50,020	$ 33,476	$ 24,228	$ 4,262	$ 7,278	$ 29,812
2026	126,152	47,343	52,425	30,915	24,688	3,313	9,485	30,882
2027	134,740	41,064	54,955	28,335	24,230	2,426	11,015	30,494
2028	66,098	35,716	57,435	25,615	8,687	1,512	10,485	30,065
2029	70,340	32,710	60,250	22,642	7,260	1,129	11,080	29,646
2030-2034	326,680	120,898	302,545	73,906	20,545	2,355	67,200	140,743
2035-2039	272,085	60,303	169,580	23,644	3,795	133	93,230	129,732
2040-2044	132,370	14,549	64,830	5,527	-	-	110,125	109,219
2045-2049	-	-	-	-	-	-	184,754	78,543
2050-2054	-	-	-	-	-	-	155,665	24,497
2055-2059	-	-	-	-	-	-	8,813	216
Total	$ 1,299,367	$ 408,761	$ 812,040	$ 244,060	$ 113,433	$ 15,130	$ 669,130	$ 633,849

C. Constitutional Debt Limitations

Section 3, Article 9, of the State Constitution (as amended) limits the aggregate principal amount of the State's public debt to two percent (2%) of the assessed valuation of the State. Exempt from this limitation are debts authorized by the Legislature that are incurred for the protection and preservation of, or for obtaining the benefits of, any property or natural resources within the State. At June 30, 2024, the debt limitation and its unused portion are computed as follows (expressed in thousands):

Debt limitation (2% of total assessed valuation)	$ 4,256,317
Less: Bonds and leases payable as of June 30, 2024, subject to limitation	(1,239,360)
Remaining debt capacity	$ 3,016,957

D. Nevada Municipal Bond Bank

General obligation bonds have been issued through the Municipal Bond Bank, a special revenue fund, as authorized by NRS 350A. These bonds are subject to statutory limitation of $1.8 billion and are exempt from the Constitutional Debt Limitation. Proceeds from the bonds are used to purchase validly issued general obligation bonds of the State's local governments to finance projects related to natural resources. The State anticipates that the debt service revenue it receives from the participating local governments will be sufficient to pay the debt service requirements of the State bonds as they become due. Seven projects were funded through the Municipal Bond Bank as of June 30, 2024, and total outstanding loans to local governments amounted to $39,050,000.

E. Refunded Debt and Redemptions

During the fiscal year 2024, the State of Nevada partially or fully prepaid certain general obligation, limited tax, bonds related to capital improvement, cultural affairs, open space, park, and natural resources refunding bonds with a total par amount of $53,725,000 at a redemption cost of $5,624,183. The bond prepayment eliminated $8,309,995 of interest coming due over the next five years. In addition, the Nevada Real Property Corporation (NRPC) repaid $59,340,000 Certificates of Participation by issuing refunding bonds with a total par amount of $53,725,000 at a $5,624,183 premium. The refunding decreased the aggregate debt service payments by $8,309,995 with an economic or present value gain of $6,247,254. The reacquisition price not exceeding the carrying amount of the old debt causing a deferred accounting gain of $190,016. The impact of the refunding issues is presented in the following table (expressed in thousands):

	Refunding Amount	Refunded Amount	Cash Flow Gain (Loss)	Present Value Gain
Capital Complex Bldg 1 Project Refunding, Series 2013	$ 9,208	$ 9,260	$ 37	$ 517
Casa Grande Projects Refunding, Series 2013	8,646	8,695	34	480
Nevada State College Facilities, Series 2013	40,824	41,385	119	5,250
Total	$ 58,678	$ 59,340	$ 190	$ 6,247

F. Finance Agreements

The State has entered into various agreements for the purchase of vehicles and improvement of buildings. Assets of the primary government acquired under such agreements at June 30, 2024 include vehicles and building improvements of $32,159,486 with accumulated depreciation of $18,266,606.

For all finance agreements of the primary government, the gross minimum payments and the present value of the net minimum payments as of June 30, 2024 follow (expressed in thousands):

Year Ending June 30	Governmental Activities
2025	$ 1,813
2026	195
Total minimum payments	2,008
Less: amount representing interest	(49)
Obligations under finance agreements	$ 1,959

G. Lease Liabilities

Lease liabilities represent the State's obligation to make lease payments arising from the leasing of buildings and equipment. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the State.

The State has entered into lease agreements for buildings and equipment. The State is required to make principal and interest payments through June 30, 2059. The lease liability was valued using a discount rate of 3%, based on the State's incremental borrowing rate at the inception of the leases. The total amount of right to use leased assets, and the related accumulated amortization on right to use leased assets was $282,336,379 and $91,635,200, respectively, as of June 30, 2024.

Remaining principal and interest payments on leases are as follows (expressed in thousands):

	Governmental Activities			Business-Type Activities		
Year Ending June 30	**Principal**	**Interest**	**Total**	**Principal**	**Interest**	**Total**
2025	$ 37,357	$ 5,409	$ 42,766	$ 1,780	$ 215	$ 1,995
2026	32,662	4,367	37,029	1,768	161	1,929
2027	29,534	3,430	32,964	1,784	109	1,893
2028	22,796	2,674	25,470	1,745	56	1,801
2029	16,598	2,063	18,661	1,113	10	1,123
2030-2034	31,885	6,537	38,422	-	-	-
2035-2039	11,434	3,232	14,666	-	-	-
2040-2044	2,979	2,499	5,478	-	-	-
2045-2049	3,343	2,019	5,362	-	-	-
2050-2054	3,876	1,479	5,355	-	-	-
2055-2059	5,180	855	6,035	-	-	-
Total lease obligations	$ 197,644	$ 34,564	$ 232,208	$ 8,190	$ 551	$ 8,741

H. Software Subscriptions Liabilities

Subscription-based information technology arrangements (SBITAs) represent the State's obligation to make payments arising from software that is leased. Software subscription liabilities are recognized at the agreement commencement date based on the present value of future lease payments expected to be made during the contract term. The present value of SBITAs are discounted based on a borrowing rate determined by the State.

The State has entered into subscription-based software arrangements. The State is required to make principal and interest payments through June 30, 2034. The subscription liability was valued using a discount rate of 3%, based on the State's incremental borrowing rate at the inception of the software subscriptions. The total amount of right to use software, and the related accumulated amortization on right to use software, was $354,079,445 and $169,511,883, respectively, as of June 30, 2024.

Remaining principal and interest payments on software subscriptions are as follows (expressed in thousands):

	Governmental Activities		
Year Ending June 30	**Principal**	**Interest**	**Total**
2025	$ 91,494	$ 4,101	$ 95,595
2026	81,049	1,595	82,644
2027	3,179	347	3,526
2028	2,010	275	2,285
2029	1,754	221	1,975
2030-2034	7,163	394	7,557
Total software subscription obligations	$ 186,649	$ 6,933	$ 193,582

I. Certificates of Participation

In fiscal year 2024, the NRPC issued $16,565,000 of Lease Revenue Refunding Certificates of Participation Series 2024 at 5.0% interest to refund the outstanding balances of Lease Revenue Certificates of Participation Series 2013, which were to finance the acquisition and construction of the State's Capitol Complex Building 1 and Casa Grande Projects.

In fiscal year 2024, the NRPC issued $37,160,000 of Lease Revenue Refunding Certificates of Participation Series 2024 at 4.0-5.0% interest to finance the State's Nevada State University Project. The Project is leased to the Nevada System of Higher Education (NSHE), the State's discretely presented component unit. Meanwhile, the NRPC entered into a Ground Lease with respect to the real property on which the Project is located.

In fiscal year 2017, the NRPC issued $3,730,000 of Lease Revenue Refunding Certificates of Participation Series 2016A at 2.22% interest to refund the outstanding balances of Lease Revenue Certificate of Participation Series 2006 which were to finance the design and construction of a warehouse addition to the Legislative Counsel Bureau's existing State Printing Office building in Carson City and resurfacing of the exterior of the existing building, together with related improvements on the premises. These Certificates of Participation are Privately Placed.

Under the lease revenue certificates of participation financing arrangements, the certificates are not general obligations of the State and are not backed by the faith and credit or the taxing power of the State. The State's obligation to pay base rent and make other payments to the trustee under the financing leases is subject to appropriation by the State. In the event that the State does not make a sufficient appropriation with respect to a Lease Purchase Agreement, that Lease Purchase Agreement will terminate.

The following schedule presents future certificates of participation payments as of June 30, 2024 (expressed in thousands):

	Certificates of Participation		Certificates of Participation-Private Placements	
Year Ending June 30	Principal	Interest	Principal	Interest
2025	$ 2,835	$ 3,041	$ 402	$ 17
2026	3,440	2,435	372	8
2027	3,610	2,263	-	-
2028	3,795	2,083	-	-
2029	3,980	1,893	-	-
2030-2034	14,045	6,712	-	-
2035-2039	11,115	3,903	-	-
2040-2044	10,905	1,112	-	-
Total	$ 53,725	$ 23,442	$ 774	$ 25

J. Tuition Benefits Payable

The Higher Education Tuition Trust Fund, an enterprise fund, reports benefits payable as shown in Section A based upon the actuarial present value (APV) of the future tuition obligations and administrative expenses that will be paid in future years.

The present value calculation includes the effects of projected tuition and fee increases and termination of contracts as follows (expressed in thousands):

APV of the future tuition obligation	$ 190,767
Net position available	462,477
Net position as a percentage of tuition benefits obligation	242.43 %

The actuarial valuation used an investment yield assumption of 5.50% per year and tuition growth assumptions as follows:

	Universities	Community Colleges
2025-26	2.70%	2.70%
2026-27	5.20%	5.20%
2027-28	4.00%	4.00%
2028-29 and later	4.25%	4.25%

K. Arbitrage Rebate Requirement

The Tax Reform Act of 1986 imposes a rebate requirement with respect to some bonds issued by the State. Under this requirement, an amount equal to the sum of (a) the excess of the aggregate amount earned on all investments (other than certain specified exceptions) over the amount that would have been earned if all investments were invested at a rate equal to the yield on the bonds, and (b) any income earned on the excess described in (a) must be rebated to the United States Treasury, in order for the interest on the bonds to be excluded from gross income for federal income tax purposes. In accordance with the Internal Revenue Service Regulations, arbitrage rebate liability calculated as of June 30, 2024 is $0.

L. Conduit Debt Obligations

The State has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of commercial facilities deemed to be in the public interest. During the 2013 session, the Nevada Legislature enacted the Charter School Financing Law, which authorizes the issuance of Charter School Bonds and other obligations to finance the acquisition, construction, improvement, maintenance or furnishing of land, buildings and facilities for Charter Schools in the State of Nevada. In addition, beginning with fiscal year 2023, Nevada Housing Division's multi-family bond programs are disclosed as conduit debts due to the implementation of GASB Statement No. 91. These bonds provide affordable housing opportunities through issuing tax-exempt revenue bonds that provide capital financing to private sector developers for the acquisition, construction, preservation and rehabilitation of low-income senior and multi-family projects throughout State.

The above three types of bonds are secured by the properties financed and are payable solely from payments received on the underlying mortgage loans. The State is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2024 there are three series of Industrial Revenue Bonds, five series of Charter School Bonds and sixty-three series of multi-family Housing Bonds outstanding, with an aggregate principal amount payable of $1,300,350,483.

M. Pledged Revenue

Pledged motor vehicle and special fuel tax – The State has pledged a portion of future motor vehicle fuel and special fuel tax revenues as well as federal aid for eligible projects to repay the Highway Improvement Revenue Bonds that were issued for highway construction projects and property acquisition purposes. As of June 30, 2024, the outstanding balance of Highway Improvement Revenue and Refunding bonds is $812,040,000. The total of principal and interest remaining on the bonds is $1,056,099,615 payable through December 2043. Upon completion of eligible projects, federal aid of $636,193,080 is expected to be received in fiscal year 2025. For the current year, principal and interest paid was $74,719,880 and total motor vehicle fuel and special fuel tax revenues were $360,974,768.

Pledged future lease rental payments – With respect to each series of Lease Revenue Certificates of Participation, the NRPC, a blended component unit, has pledged its rights, title and interest in the applicable Ground Lease and Lease Purchase Agreement to the Trustee (including the right to receive payments of base rent and other payments). As of June 30, 2024, the outstanding balance of Lease Revenue Certificates of Participation is $54,499,000. The total of principal and interest remaining on the certificates is $77,966,796 payable through June 2043. In fiscal year 2024, principal and interest of $6,832,295 was paid. Building rent of $7,000,000 is expected to be collected in fiscal year 2025, which will be used to pay the fiscal year 2025 debt service principal and interest of $6,294,688.

Pledged Nevada Housing Division program funds – The single-family bonds are payable from, and secured by, a pledge of the proceeds derived from the sale of bonds; the rights and interest of the Housing Division in all mortgage loans purchased under the various bond certificates; revenues which primarily include mortgage repayments and the net income, if any, derived as a result of foreclosure or other action taken in the event of a default on such a mortgage loan; curtailments, consisting generally of all amounts representing monthly principal payments with respect to mortgage loans which are received in advance of the scheduled amortization thereof; and all earnings realized by the investment of monies in all funds and accounts as well as all funds and accounts created by the various bond certificates. As of June 30, 2024, the outstanding balance of single-family bonds is $669,129,761. The total of principal and interest remaining on the bonds is $1,302,978,891 payable through October 2054. In fiscal year 2024, principal and interest of $36,412,610 was paid.

N. Pollution Remediation Obligation

Currently there are eight sites in Nevada in various stages of pollution cleanup associated with contaminated soil and groundwater. The pollution remediation liabilities associated with three of these sites were measured using the expected cash flow technique. Liability estimates are subject to change due to price increases or reductions, technology, or changes in applicable laws or regulations governing the remediation efforts. The State does not anticipate recovering reimbursements from the parties who caused the pollution.

The remaining five sites were identified by Nevada Department of Correction for various gun firing ranges for lead pollution. As of June 30, 2024 the total pollution remediation obligation is $1,560,450.

O. Component Unit Obligations

Nevada System of Higher Education (NSHE) – Bonds, notes, finance agreements, leases, software subscriptions and compensated absences payable by NSHE at June 30, 2024 and the changes for the year then ended, consist of the following (expressed in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable	$ 617,965	$ 47,670	$ (84,759)	$ 580,876	$ 27,690
Premiums (discounts)	39,006	4,941	(6,434)	37,513	3,399
Total bonds payable	656,971	52,611	(91,193)	618,389	31,089
Notes payable	7,049	-	(3,176)	3,873	1,210
Finance agreements	43,469	37,404	(43,226)	37,647	1,083
Leases	52,996	4,324	(9,872)	47,448	8,635
Software subscriptions	48,060	56,637	(34,071)	70,626	14,824
Compensated absences liabilities	64,236	52,729	(41,837)	75,128	50,541
Total	$ 872,781	$ 203,705	$ (223,375)	853,111	107,382
Discretely presented component units of the NSHE:					
Total				$ 853,111	$ 107,382

Tuition and fees, auxiliary enterprises' revenue and certain other revenue as defined in the bond indentures secure the revenue bonds.

The following table presents annual principal and interest payments for bonds, notes and finance agreements payable outstanding by NSHE at June 30, 2024 (expressed in thousands):

Year Ending June 30	Principal	Interest
2025	$ 29,983	$ 23,924
2026	31,034	22,818
2027	27,808	21,424
2028	27,946	20,122
2029	29,185	18,808
2030-2034	157,979	74,017
2035-2039	135,110	43,739
2040-2044	103,330	22,413
2045-2049	67,691	6,259
2050-2054	12,330	386
	622,396	253,910
Premiums	37,513	-
Total	$ 659,909	$ 253,910

Remaining principal and interest payments by NSHE on leases are as follows (expressed in thousands):

Year Ending June 30	Principal	Interest	Total
2025	$ 8,635	$ 932	$ 9,567
2026	8,251	779	9,030
2027	8,056	627	8,683
2028	6,376	476	6,852
2029	4,138	371	4,509
2030-2034	9,877	954	10,831
2035-2038	1,986	94	2,080
2040-2044	129	9	138
Total	$ 47,448	$ 4,242	$ 51,690

Remaining principal and interest payments by NSHE on software subscriptions are as follows (expressed in thousands):

Year Ending June 30	Principal	Interest	Total
2025	$ 14,824	$ 429	$ 15,253
2026	11,503	222	11,725
2027	9,046	105	9,151
2028	6,002	23	6,025
2029	4,543	10	4,553
2030-2034	24,708	3	24,711
Total	$ 70,626	$ 792	$ 71,418

Colorado River Commission (CRC) – Bonds, leases and compensated absences payable by CRC at June 30, 2024, and the changes for the year then ended, consist of the following (expressed in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
General obligation bonds	$ 24,415	$ -	$ (815)	$ 23,600	$ 835
Issuance premiums (discounts)	(120)	-	6	(114)	-
Total bonds payable	24,295	-	(809)	23,486	835
Compensated absences obligations	557	-	(122)	435	230
Total	$ 24,852	$ -	$ (931)	$ 23,921	$ 1,065

Scheduled maturities for bonds payable by CRC for the years ending June 30 are as follows (expressed in thousands):

Year Ending June 30	Principal	Interest
2025	$ 835	$ 945
2026	865	916
2027	900	886
2028	925	854
2029	965	819
2030-2034	5,395	3,491
2035-2039	6,465	2,238
2040-2044	7,250	796
Total	23,600	10,945

Note 10. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each pension plan and additions to/deductions from each pension plan's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments and refunds of employee contributions are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

The State's defined benefit pension plans, the Public Employees' Retirement System of Nevada, the Legislators' Retirement System of Nevada and the Judicial Retirement System of Nevada, are described in detail below. The aggregate pension related amounts for the primary government consist of a net pension liability of $2,750,800,786, deferred outflows of resources of $873,603,474, deferred inflows of resources of $202,692,909, pension expenditures of $299,922,979 and pension expense of $14,606,161. Pension expenditures and expense total $314,529,140. The State's defined benefit pension plans are described in detail below.

The aggregate pension related amounts for discretely presented component units consist of a net pension liability of $516,318,797, deferred outflows of resources of $194,482,411, deferred inflows of resources of $56,588,122 and pension expense of $75,040,381.

A. Public Employees' Retirement System of Nevada

Plan Description – The Public Employees' Retirement System (PERS, "the System") was established in 1947 by the Nevada Legislature and is governed by the Public Employees' Retirement Board whose seven members are appointed by the governor. PERS administers a cost-sharing multiple-employer defined benefit pension plan that covers qualified State employees and employees of participating local government entities in the State. Any public employer in the State may elect to have its regular and police/fire employees covered by PERS. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERS issues a publicly available financial report that includes financial statements and the required supplementary information for the System. That report may be obtained on the PERS website at www.nvpers.org.

*Pension Benefit*s – Benefits provided to participants or their beneficiaries include retirement, disability, and survivor benefits. Benefits, as required by statute, are determined by the number of years of accredited service at the time of retirement and the member's highest average compensation in any 36 consecutive months, with special provisions for members entering the System on or after January 1, 2010. Members become fully vested as to benefits upon completion of 5 years of service. Unreduced benefits are available, depending upon when the member entered the System, as follows:

Regular Members	Police/Fire Members
Before January 1, 2010	Before January 1, 2010
Age 65 with 5 years of service	Age 65 with 5 years of service
Age 60 with 10 years of service	Age 55 with 10 years of service
Any age with 30 years of service	Age 50 with 20 years of service
	Any age with 25 years of service
On or after January 1, 2010	On or after January 1, 2010
Age 65 with 5 years of service	Age 65 with 5 years of service
Age 62 with 10 years of service	Age 60 with 10 years of service
Any age with 30 years of service	Age 50 with 20 years of service
	Any age with 30 years of service
On or after July 1, 2015	On or after July 1, 2015
Age 65 with 5 years of service	Age 65 with 5 years of service
Age 62 with 10 years of service	Age 60 with 10 years of service
Age 55 with 30 years of service	Age 50 with 20 years of service
Any age with 33.3 years of service	Any age with 33.3 years of service

Members with the years of service necessary to receive a retirement benefit but who have not reached the age for an unreduced benefit may retire at any age with the benefit reduced by 4% (for members entering the System before January 1, 2010) or 6% (for members entering the System on or after January 1, 2010) for each full year they are under the required age.

Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% multiplier. Lastly, for members entering the System on or after July 1, 2015, there is a 2.25% multiplier. PERS offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

Retirees are eligible for annual benefit increases if they began receiving benefits at least 3 years before the effective date of the increase. Benefits are increased annually on the first day of the month following the anniversary of the commencement of benefits. The increases begin at 2% in years 4, 5 and 6; increase to 3% in years 7, 8 and 9; 3.5% in years 10, 11 and 12; 4% for years 13 and 14; and 5% in year 15 and each year thereafter. For retirees entering the System on or after January 1, 2010, increases are capped at 4% in year 13 and each year thereafter. If the benefit outpaces inflation in the period since retirement, the increase may be capped by a rolling three-year average of the Consumer Price Index (all items). For retirees entering the System on or after July 1, 2015, the increases begin at 2% in years 4, 5 and 6; increase to 2.5% in years 7, 8 and 9; the lesser of 3% or the increase, if any, in the Consumer Price Index (all items) for the preceding calendar years following year 10 and every year thereafter.

Member and Employer Contributions – The authority for establishing and amending the obligation to make contributions, and member contribution rates, is set by statute. New hires of the State and public employers have the option of selecting either the employee/employer contribution plan or the employer-pay contribution plan. Under the employee/employer contribution plan,

the employee and the employer each make matching contributions. Under the employer-pay contribution plan, the employer pays all contributions on the employee's behalf; however, the employee shares equally in the cost of the contribution rate either through salary reduction or in lieu of a promised pay increase.

PERS' basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due. PERS receives an actuarial valuation on an annual basis. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450 based on the most recent actuarial valuation.

Required contribution rates for employers and for active plan members, as a percentage of covered payroll, for the fiscal year ended June 30, 2024, were as follows:

	Statutory Rate	
	Employer	Employees
Regular employees:		
Employer-pay plan	33.50 %	- %
Employee/employer plan (matching rate)	17.50 %	17.50 %
Police and Fire employees:		
Employer-pay plan	50.00 %	-
Employee/employer plan (matching rate)	25.75 %	25.75 %

The primary government contributions from 2023 recognized as part of pension expense for the current fiscal year ended June 30, 2024, were $174,570,663 and discretely presented component unit contributions totaled $32,940,627.

Pension Liabilities, Pension Expenditure/Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Primary Government – At June 30, 2024, the State reported a liability of $2,735,129,413, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The State's proportion of the net pension liability was based on the State's share of contributions in PERS pension plan relative to the total contributions of all participating PERS employers and members. At June 30, 2023, the State's proportion was 14.98%, a decrease of 0.71% from its proportion measured at June 30, 2022.

For the year ended June 30, 2024, the State recognized pension expenses of $14,606,161 and pension expenditures of $293,332,048. At June 30, 2024, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 356,507	$ -
Changes of assumption	256,334	-
Net difference between projected and actual earnings on pension plan investments	-	(25,601)
Changes in proportionate share of contributions	18,206	(176,646)
State contributions subsequent to the measurement date	232,175	-
Total	$ 863,222	$ (202,247)

Deferred outflows of resources of $232,174,745 for contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (expressed in thousands):

Year Ended June 30:	
2025	$ 59,638
2026	45,828
2027	314,336
2028	6,423
2029	2,575
Thereafter	-
Total	$ 428,800

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Nevada System of Higher Education (NSHE) – At June 30, 2024, the NSHE reported a liability of $508,975,000, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The NSHE's proportion of the net pension liability was based on the NSHE's share of contributions in PERS pension plan relative to the total contributions of all participating PERS employers and members. At June 30, 2023, the NSHE's proportion was 2.79%, an increase of 0.01% from its proportion measured at June 30, 2022.

For the year ended June 30, 2024, the NSHE recognized pension expense of $73,880,000. At June 30, 2024, the NSHE reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 66,342	$ -
Changes of assumption	47,700	-
Net difference between projected and actual earnings on pension plan investments	-	(4,763)
Changes in proportionate share of contributions	34,602	(51,282)
NSHE contributions subsequent to the measurement date	43,603	-
Total	$ 192,247	$ (56,045)

Deferred outflows of resources of $43,603,000 for contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (expressed in thousands):

Year Ended June 30:	
2025	$ 14,860
2026	10,590
2027	60,566
2028	4,004
2029	2,579
Thereafter	-
Total	$ 92,599

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Colorado River Commission (CRC) – At June 30, 2024, the CRC reported a liability of $7,343,797, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The CRC's proportion of the net pension liability was based on the CRC's share of contributions in PERS pension plan relative to the total contributions of all participating PERS employers. At June 30, 2023, the CRC's proportion was 0.04%, no change from its proportion measured at June 30, 2022.

For the year ended June 30, 2024, the CRC recognized pension expense of $1,160,381. At June 30, 2024, the CRC reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 957	$ -
Changes of assumption	688	-
Net difference between projected and actual earnings on pension plan investments	-	(69)
Changes in proportionate share of contributions	33	(474)
CRC contributions subsequent to the measurement date	557	-
Total	$ 2,235	$ (543)

Deferred outflows of resources of $556,728 for contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (expressed in thousands):

Year Ended June 30:		
2025	$	156
2026		120
2027		840
2028		14
2029		5
Thereafter		-
Total	$	1,135

Actuarial Assumptions – The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate:	2.50%
Payroll growth:	3.50%, including inflation
Investment rate of return:	7.25%
Productivity pay increase:	0.50%
Projected salary increases:	Regular: 4.20% to 9.10%, depending on service
	Police/Fire: 4.60% to 14.50%, depending on service
	Rates include inflation and productivity increases
Consumer price index:	2.50%
Other assumptions:	Same as those used in the June 30, 2023, funding actuarial valuation

Mortality rates were based on the Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 30% for males and 15% for females, projected generationally with the two-dimensional monthly improvement scale MP-2020. For ages 40 through 50, mortality rates are based on the smoothing of the difference between the rates at age 40 from the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables and the rates at age 50 from the Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Tables. The mortality rates before age 40 were developed using the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables rates. Mortality rates for disabled members were based on the Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) with rates increased by 20% for males and 15% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020. Mortality rates for pre-retirement members were based on the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females) projected generationally with the two-dimensional mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2023, valuation were based on an experience study for the period from July 1, 2016, through June 30, 2020.

Changes in Actuarial Assumptions – There were no significant changes in assumptions between the valuation performed June 30, 2022 to June 30, 2023.

Investment Policy – The PERS Board evaluates and establishes the investment portfolio target asset allocations and the expected real rates of return (expected returns, net of investment expenses and inflation) for each asset class. The Board reviews these asset allocations and capital market expectations annually. The System's target asset allocations and current long-term geometric expected real rates of return for each asset class included in the fund's investment portfolio as of June 30, 2023, are included in the following table:

Asset Class	Target Allocation	Long-term Geometric Expected Real Rate of Return
U.S. stocks	42%	5.50%
International stocks	18%	5.50%
U.S. bonds	28%	0.75%
Private markets	12%	6.65%

Discount Rate – The discount rate used to measure the total pension liability was 7.25% as of June 30, 2023, which was the same discount rate used for the year ended June 30, 2022. The projection of cash flows used to determine the discount rate assumed plan contributions will be made in amounts consistent with statutory provisions and recognizing the plan's current funding policy and cost-sharing mechanism between employers and members. For this purpose, all contributions that are intended to fund benefits for all plan members and their beneficiaries are included, except that projected contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2023.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the proportionate share of the net pension liability at June 30, 2023, calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate (expressed in thousands):

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
Primary government - net pension liability	$ 4,256,263	$ 2,735,129	$ 1,479,748
Nevada System of Higher Education - net pension liability	792,037	508,975	275,362
Colorado River Commission - net pension liability	11,428	7,344	3,973

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS' report.

Payables to the Pension Plan – At June 30, 2024, the primary government reported payables to the defined benefit pension plan of $31,225,293 for legally required employer contributions, and $14,156,092 for legally required employee contributions withheld from employee wages, not yet remitted to PERS.

B. Legislators' Retirement System of Nevada

Plan Description – The Legislators' Retirement System (LRS) is a single-employer defined benefit pension plan established in 1967 by the Nevada Legislature (NRS 218C) and is governed by the Public Employees' Retirement Board whose seven members are appointed by the governor. All State Legislators are members. LRS issues a publicly available financial report that includes financial statements and the required supplementary information for the System. LRS' financial report may be obtained from the Public Employees' Retirement System, 693 West Nye Lane, Carson City, Nevada 89703.

At June 30, 2023, the LRS pension plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	70
Inactive vested members	10
Inactive non-vested members	40
Active members	24
Total	144

Pension Benefits – Benefits are determined by the number of years of accredited service at the time of retirement. Service years include the entire election term whether or not the Legislature is in session. Benefits payments to which participants may be entitled under the plan include pension and survivor benefits. Monthly benefit allowances are $25 for each year of service up to 30 years.

If a Legislator is newly elected after July 1, 1985, they must have at least 10 years of service, be age 60, and no longer be a Legislator in order to retire without benefit reduction. If a Legislator is no longer serving and has at least 10 years of service but is under the age of 60, they can elect to wait to receive their benefit until the age of 60 or begin receiving a reduced benefit prior to the age of 60. The minimum requirement for an unreduced benefit for a Legislator elected prior to July 1, 1985, is 8 years of accredited service at age 60.

Members are eligible for post-retirement benefit increases based on their effective date of membership. For members with an effective date of membership before January 1, 2010, the lesser of: (a) 2% per year following the third anniversary of the commencement of benefits, 3% per year following the sixth anniversary, 3.5% per year following the ninth anniversary, 4% per year following the twelfth anniversary and 5% per year following the fourteenth anniversary, or (b) the average percentage increase in the Consumer Price Index (or other Board approved index) for the three preceding years. In any event, a member's benefit must be increased by the percentages in (a) if it has not been increased at a rate greater than or equal to the average of the Consumer Price Index (CPI) (All items) (or other Board approved index) for the period between retirement and the date of increase. For members with an effective date of membership on or after January 1, 2010, and prior to July 1, 2015, same as above, except the increases in (a) above do not exceed 4% per year. For members with an effective date of membership on or after July 1, 2015, 2% per year following the third through fifth anniversaries of the commencement of benefits; 2.5% per year following the sixth through eighth anniversaries. On succeeding anniversaries, the annual increase shall be the lesser of 3% or the CPI for the preceding calendar year. For future retirees, those hired prior to 2010 are assumed to reach the cap after 14 years of retirement. Those hired in between 2010 and 2015 are also assumed to reach the cap after 14 years of retirement. Those hired after 2015 will never receive an annual increase that exceeds 2.5%. Underlying all of these assumptions is that CPI will grow over time at a rate of 2.5% per year.

Member and Employer Contributions – The employee contribution of 15% of compensation is paid by the employee only when the Legislature is in session, as required by statute. The Legislature holds sessions every two years. Prior to 1985, the employee contributions were matched by the employer. The 1985 Legislators' Retirement Act includes NRS 218C.390(2) which states, "The Director of the Legislative Counsel Bureau shall pay to the Board from the Legislative Fund an amount as the contribution of the State of Nevada as employer which is actuarially determined to be sufficient to provide the System with enough money to pay all benefits for which the System will be liable." The Legislature appropriated $181,158 for fiscal years 2023 and 2024, which is the required State contribution as determined by the actuary. This amount was paid by the State of Nevada to the Legislative fund during fiscal year 2023. Additionally, the plan members contributions of $37,816 were received for fiscal years 2023 and 2024 and recognized as income in fiscal year 2023.

State contributions recognized as part of pension income for the fiscal year ended June 30, 2024, were $90,579.

LRS' basic funding policy provides for contributions by the State based on a biennial actuarial valuation prepared per NRS 281C.390(2). The Actuarially Determined Employers' Contribution (ADEC) includes the employer's normal cost and a provision for amortizing the Unfunded Actuarial Accrued Liability (UAAL). Beginning July 1, 2014, actuarial valuations are done annually. Effective with the January 1, 2009 valuation, the UAAL is amortized as a level dollar amount over a declining amortization period of 20 years. Any increases or decreases in the UAAL that arise in future years will be amortized over separate 20-year periods. In addition, the Actuarial Value of Assets (AVA) was limited to not less than 75% or greater than 125% of market value. The actuarial funding method used is the Entry Age Normal Cost Method.

Pension Liabilities/(Asset), Pension Expenditure, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2024, the State reported a net pension asset of $310,798. The net pension asset was measured as of June 30, 2023, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date.

For the year ended June 30, 2024, the State recognized pension income of $186,122. At June 30, 2024, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ -	$ (1)
Total	$ -	$ (1)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (expressed in thousands):

Year Ended June 30		
2025	$	(40)
2026		(49)
2027		134
2028		(46)
2029		-
Thereafter		-
Total	$	(1)

The following table presents the changes in the net pension liability/(asset) for LRS for the year ended June 30, 2023 (expressed in thousands):

		2023
Total pension liability/(asset)		
Service cost	$	30
Interest		354
Difference between expected and actual experience		(151)
Changes of assumptions		1
Benefit payments, including refunds		(435)
Net change in total pension liability		(201)
Total pension liability - beginning		5,071
Total pension liability - ending (a)	$	4,870
Plan fiduciary net position		
Contributions - employer	$	181
Contributions - plan member		38
Net investment income		574
Benefit payments, including refunds		(435)
Administration expenses		(89)
Other		89
Net change in plan fiduciary net position		358
Plan fiduciary net position - beginning		4,823
Plan fiduciary net position - ending (b)	$	5,181
Net pension liability/(asset) - beginning	$	248
Net pension liability/(asset) - ending (a) - (b)	$	(311)
Plan fiduciary net position as a percentage of total pension liability		106%
Covered payroll		N/A
Net pension liability as a percentage of covered payroll		N/A

Actuarial Assumptions – The State's net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate:	2.50%
Investment rate of return, net of pension plan investment expense, including inflation:	7.25%
Projected salary increases:	2.50%
Consumer price index:	2.50%
Other assumptions:	Same as those used in the June 30, 2023, funding actuarial valuation

Mortality rates were based on the Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2020. For ages 40 through 50, mortality rates are based on the smoothing of the difference between the rates at age 40 from the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables and the rates at age 50 from the Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Tables. The mortality rates before age 40 were developed using the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables rates. No pre-retirement

mortality is assumed.

Actuarial assumptions used in the June 30, 2023, valuation were based on the results of the actuarial experience study for the period July 1, 2016, through June 30, 2020.

Investment Policy – The Retirement Board evaluates and establishes the investment portfolio target asset allocations and the expected real rates of return (expected returns, net of investment expenses and inflation) for each asset class. The Board reviews these asset allocations and capital market expectations annually. The System's target asset allocations and current long-term expected real rates of return for each asset class included in the fund's investment portfolio as of June 30, 2023, are included in the following table.

Asset Class	Target Allocation	Long-term Geometric Expected Real Rate of Return
U.S. stocks	50%	5.50%
International stocks	22%	5.50%
U.S. bonds	28%	0.75%

Discount Rate – The discount rate used to measure the total pension liability/(asset) was 7.25% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability/(asset).

Sensitivity of the Net Pension Asset to Changes in the Discount Rate – The following presents the net pension liability/(asset) calculated using the discount rate of 7.25%, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate (expressed in thousands):

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
Net pension liability/(asset)	$ 127	$ (311)	$ (684)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued LRS report.

Payables to the Pension Plan – At June 30, 2024, the State had no payables to the defined benefit pension plan for legally required employer contributions.

C. Judicial Retirement System of Nevada

Plan Description – The Judicial Retirement System (JRS) is an agent multiple-employer defined benefit pension plan established in 2001 by the Nevada Legislature (NRS 1A.160) and is governed by the Public Employees' Retirement Board whose seven members are appointed by the governor. The JRS was established to provide benefits in the event of retirement, disability, or death of justices of the Supreme Court, district judges, municipal court judges and justices of the peace, funded on an actuarial reserve basis. JRS issues a publicly available financial report that includes financial statements and the required supplementary information for the System. JRS' financial report may be obtained from the Public Employees' Retirement System, 693 West Nye Lane, Carson City, Nevada 89703.

At June 30, 2023, the JRS pension plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	109
Inactive vested members	6
Active members	111
Total	226

Pension Benefits – Benefits are paid according to various options contained in pertinent statutes, dependent upon whether a member was serving as a Supreme Court justice or district judge before November 5, 2002. Retiring members who were serving as a judge before November 5, 2002, may select among the two benefit options below. Retiring members who began serving as a justice or judge on or after November 5, 2002, may select only the first option below.

Option 1 - 2003 Benefit Plan: Benefits, as required by statute, are computed at 3.4091% per year of accredited service at the time of retirement times the member's highest average compensation in any 36 consecutive months, to a maximum of 75%. Benefit payments to which participants may be entitled under the plan include pension benefits, disability benefits and survivor benefits.

Option 2 – Previous Benefit Plan: Retiring members who were serving as a Supreme Court justice or district judge prior to November 5, 2002 may select benefit payments computed at 4.1666% for each year of service, up to a total maximum of 22 years, times the member's compensation for their last year of service, for a maximum of 75%.

Members who retired under the Previous Benefit Plan (plan in effect before November 5, 2002) and are appointed as senior judges can earn service credit while receiving their pension payments. They are eligible to have their benefit recalculated each time they earn an additional year of service credit.

Members enrolled in the Judicial Retirement Plan on or after July 1, 2015, will receive 3.1591% for each year of service. Each member is entitled to a benefit of not more than 75% and must contribute 50% of the contribution rate through payroll deductions.

Members of the System become fully vested after five years of service. A member of the System is eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at any age with 30 years of service. For those members who were serving as a Supreme Court justice or district judge prior to November 5, 2002, and selected the second benefit option, eligibility for retirement is at age 60 with five years of service.

Members enrolled on or after July 1, 2015, become fully vested after five years of service. Eligible retirement age is 65 with five years of service, at age 62 with 10 years of service, age 55 with 30 years of service, and at any age with 33 1/3 years of service.

Member and Employer Contributions – The JRS Plan requires an adjustment in the statutory contribution rates on July 1st of each odd-numbered year based on the actuarially determined rates indicated in the actuarial valuation report ending June 30th in the preceding, even-numbered years. The participating employers submit the percentage of compensation determined by the actuary to pay the normal costs and administrative expenses. Also, the participating employers pay to the JRS an amount on the unfounded liability which is actuarially determined to be sufficient to enable the JRS to pay all current benefits for which the JRS is liable.

JRS' basic funding policy provides for contributions by the participating employers based on an actuarial valuation prepared per Nevada Revised Statute (NRS 1A.312(1)). The amount of the annual contribution required to fund the System is comprised of a normal cost payment and a payment on the unfounded Actuarial Accrued Liability (UAAL). Effective January 1, 2009, UAAL is amortized over a year-by-year closed amortization period as a level percent of pay (3% payroll growth assumed) where each amortization period will be set at 30 years for State judges (Supreme Court justices and district judges) and 20 years for each non-state agency. Any increases or decreases in UAAL that arise in future years will be amortized over separate 30-year periods for State judges and 20-year periods for non-state judges. The actuarial funding method used is the Entry Age Normal Cost Method.

The State's annual actuarially determined contribution to fund the System at June 30, 2024, was $5,848,386 and the actual contribution made was $4,837,472.

Pension Liability/(Asset), Pension Expenditure, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2024, the State reported a net pension liability of $15,982,171 for the JRS pension plan. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The State's net pension liability was based on an individual basis and based on the plan provisions and benefit accrual rates applicable to that individual.

For the year ended June 30, 2024, the State recognized pension expenditures of $6,777,053. At June 30, 2024, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,215	$ (334)
Change of assumptions	3,122	-
Net difference between projected and actual earnings on pension plan investments	204	-
Changes in proportion and differences between State contributions and proportionate share of contributions	4	(110)
State contributions subsequent to the measurement date	4,837	-
Total	$ 10,382	$ (444)

Deferred outflows of resources of $4,837,472 for contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (expressed in thousands):

Year Ended June 30:	
2025	$ 1,980
2026	192
2027	4,296
2028	(1,367)
2029	-
Thereafter	-
Total	$ 5,101

The following table presents the changes in the net pension liability/(asset) for JRS, as a whole, for the year ended June 30, 2023 (expressed in thousands):

	2023
Total pension liability	
Service cost	$ 4,384
Interest	13,772
Differences between expected and actual experience	2,747
Benefit payments, including refunds	(8,589)
Other	1,408
Net change in total pension liability	13,722
Total pension liability - beginning	189,166
Total pension liability - ending (a)	$ 202,888
Plan fiduciary net position	
Contributions - employer	$ 5,126
Contributions - employee	465
Net investment income	20,835
Benefit payments, including refunds	(8,589)
Administrative expenses	(119)
Other	1,408
Net change in plan fiduciary net position	19,126
Plan fiduciary net position - beginning	165,604
Plan fiduciary net position - ending (b)	$ 184,730
Net pension liability/(asset) - beginning	$ 23,562
Net pension liability/(asset) - ending (a) - (b)	$ 18,158
Plan fiduciary net position as a percentage of total pension liability	91%
Covered payroll (measurement as of end of fiscal year)	$ 20,182
Net pension liability/(asset) as a percentage of covered payroll	90%

Actuarial Assumptions – The State's net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate:	2.50%
Investment rate of return, net of pension plan investment expense, including inflation:	7.25%
Projected salary increases:	2.50% to 6.75%, varying by service
Consumer Price Index:	2.50%
Other assumptions:	Same as those used in the June 30, 2023, funding actuarial valuation

Post-Retirement mortality rates were based on the Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2020. For ages 40 through 50, mortality rates are based on the smoothing of the difference between the rates at age 40 from the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables and the rates at age 50 from the Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Tables. The mortality rates before age 40 were developed using the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables rates.

Actuarial assumptions used in the June 30, 2023, valuation were based on the results of the actuarial experience study for the period July 1, 2016, through June 30, 2020.

Investment Policy – The Retirement Board evaluates and establishes the investment portfolio target asset allocations and the expected real rates of return (expected returns, net of investment expenses and inflation) for each asset class. The Board reviews these asset allocations and capital market expectations annually. The System's target asset allocations and current long-term expected real rates of return for each asset class included in the fund's investment portfolio as of June 30, 2023, are included in the following table:

Asset Class	Target Allocation	Long-term Expected Arithmetic Real Rate of Return
U.S. stocks	50%	6.65%
International stocks	22%	7.18%
U.S. bonds	28%	0.91%

Discount Rate – The discount rate used to measure the total pension liability was 7.25% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions will be made monthly at the current contribution rate and the payment to amortize the unfunded actuarial liability is assumed to be paid at the end of the year for State and monthly for non-state agencies. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Asset to Changes in the Discount Rate – The following presents the State's proportionate share of the net pension liability using the discount rate of 7.25%, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate (expressed in thousands):

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
Net pension liability/(asset)	$ 37,179	$ 15,982	$ (1,818)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued JRS report.

Payables to the Pension Plan – At June 30, 2024, the State had no payables to the defined benefit pension plan for legally required employer contributions.

Note 11. Postemployment Benefits Other than Pensions (OPEB)

For purposes of measuring the State's net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State's OPEB plan and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Plan assets are reported at fair value.

Plan description – Officers and employees of the State of Nevada and of certain other participating local governmental agencies within the State of Nevada are provided with OPEB through the Nevada Public Employees' Benefits Program (PEBP), a multiple-employer cost-sharing defined postemployment benefit plan. The program is administered by the PEBP Board, whose ten members are appointed by the governor. NRS 287.023 provides officers and employees eligible to be covered by any group insurance, plan of benefits or medical and hospital service established pursuant to NRS 287 the option upon retirement to cancel or continue any such coverage. The cost to administer the program is financed through the contributions and investment earnings of the plan. NRS 287.043 grants the PEBP Board the authority to establish and amend the benefit terms of the program. PEBP issues a publicly available financial report that includes financial statements and the required supplementary information for the plan. That report may be obtained from Public Employees' Benefits Program, 901 South Stewart Street, Suite 1001, Carson City, NV 89701.

Benefits provided – Benefits other than pensions are provided to eligible retirees and their dependents through the payment of subsidies from the State Retirees' Fund. The "base" subsidy rates are set by PEBP and approved by the Legislature and vary depending on the number of dependents and the medical plan selected. These subsidy rates are subtracted from the premium to arrive at the "participant premium". The "years of service" subsidy rates are then used to adjust the "participant premium" based on years of service. The current subsidy rates can be found on the PEBP website at www.pebp.state.nv.us. Benefits include health, prescription drug, dental and life insurance coverage. As required by statute, benefits are determined by the number of years of service at the time of retirement and the individual's initial date of hire. Officers and employees hired after December 31, 2011 are not eligible to receive subsidies to reduce premiums. The following individuals and their dependents are eligible to receive subsidies from the State Retirees' Fund:

Any PEBP covered retiree with State service whose last employer was the State or a participating local government entity and who:

- Was initially hired by the State prior to January 1, 2010 and has at least five years of public service; or
- Was initially hired by the State on or after January 1, 2010, but before January 1, 2012 and has at least fifteen years of public service; or
- Was initially hired by the State on or after January 1, 2010, but before January 1, 2012 and has at least five years of public service and has a disability; or
- Any PEBP covered retiree with State service whose last employer was not the State or a participating local government entity and who has been continuously covered under PEBP as a retiree since November 30, 2008.

State service is defined as employment with any Nevada State agency, the Nevada System of Higher Education and any State Board or Commission. Participating local government entity is defined as a county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency that has an agreement in effect with PEBP to obtain group insurance.

Contributions – The State Retirees' Fund was established in 2007 by the Nevada Legislature as an irrevocable trust fund to account for the financial assets designated to offset the portion of current and future costs of health and welfare benefits paid on behalf of State retirees (NRS 287.0436). The money in the State Retirees' Fund belongs to the officers, employees and retirees of the State of Nevada in aggregate; neither the State nor the governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State, nor any single officer, employee or retiree of any such entity has any right to the money in the State Retirees' Fund.

The authority for establishing an assessment to pay for a portion of the cost of premiums or contributions for the program is in statute. According to NRS 287.046 the Office of Finance shall establish an assessment that is to be used to pay for a portion of the cost of premiums or contributions for the Program for persons who were initially hired before January 1, 2012, and have retired with State service. The money assessed must be deposited into the State Retirees' Fund and must be based upon an amount approved by the Legislature each session to pay for a portion of the current and future health and welfare benefits for persons who retired before January 1, 1994, or for persons who retire on or after January 1, 1994, as adjusted by the years of service subsidy rates. The required contribution rate for employers (the retired employees group insurance rate), as a percentage of covered-employee payroll, for the fiscal year ended June 30, 2024 was 3.11%. Contributions recognized for the current fiscal year ended June 30, 2024 were $49,680,192 for the primary government, $35,978,000 for the Nevada System of Higher Education, and $100,423 for the Colorado River Commission.

OPEB Liabilities, OPEB Expenditure/Expense, Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB - Primary Government – At June 30, 2024, the State reported a liability of $843,109,284, for its proportionate share of the collective net OPEB liability. The collective net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2022. The State's proportion of the collective net OPEB liability was based on the State's share of contributions in the OPEB plan relative to the total contributions of all participating OPEB employers and members. At June 30, 2023, the State's proportion was 57.83%, an increase of 0.50% from its proportion measured at June 30, 2022.

For the year ended June 30, 2024, the State recognized OPEB expenditures of $23,624,536 and OPEB expenses of $1,060,333. At June 30, 2024, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (16,539)
Changes of assumptions	11,850	(52,905)
Net differences between projected and actual investment earnings on OPEB plan investments	-	(245)
Contributions subsequent to the measurement date and implicit subsidy paid	49,680	-
Total	$ 61,530	$ (69,689)

Of the total amount reported as deferred outflows of resources related to OPEB, $39,432,465 resulting from State contributions and $10,247,726 resulting from implicit subsidy subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (expressed in thousands):

Year Ended June 30:	
2025	$ (24,173)
2026	(28,058)
2027	(2,501)
2028	(2,468)
2029	(639)
Thereafter	-
Total	(57,839)

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB - Nevada System of Higher Education (NSHE) – At June 30, 2024, the NSHE reported a liability of $598,287,000, for its proportionate share of the collective net OPEB liability. The collective net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2022. The NSHE's proportion of the collective net OPEB liability was based on the NSHE's share of contributions in the OPEB plan relative to the total contributions of all participating OPEB employers and members. At June 30, 2023, the NSHE's proportion was 41.04%, a increase of 0.48% from its proportion measured at June 30, 2022.

For the year ended June 30, 2024, the NSHE recognized OPEB expense of $31,495,000. At June 30, 2024, the NSHE reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (11,736)
Changes of assumptions	8,409	(37,543)
Net differences between projected and actual investment earnings on OPEB plan investments	-	(175)
Contributions subsequent to the measurement date	35,978	-
Total	$ 44,387	$ (49,454)

Of the total amount reported as deferred outflows of resources related to OPEB, $35,978,000 resulting from NSHE contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (expressed in thousands):

Year Ended June 30:	
2025	$ (17,147)
2026	(19,902)
2027	(1,774)
2028	(1,751)
2029	-
Thereafter	(471)
Total	(41,045)

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB - Colorado River Commission (CRC) – At June 30, 2024, the CRC reported a liability of $2,156,674, for its proportionate share of the collective net OPEB liability. The collective net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2022. The CRC's proportion of the collective net OPEB liability was based on the CRC's share of contributions in the OPEB plan relative to the total contributions of all participating OPEB employers and members. At June 30, 2023, the CRC's proportion was 0.1479%, a decrease of 0.0181% from its proportion measured at June 30, 2022.

For the year ended June 30, 2024, the CRC recognized OPEB expense of $63,672. At June 30, 2024, the CRC reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	$ 56	$ (135)
Net differences between projected and actual investment earnings on OPEB plan investments	-	(43)
Contributions subsequent to the measurement date	100	-
Total	$ 156	$ (178)

Of the total amount reported as deferred outflows of resources related to OPEB, $100,423 resulting from CRC contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (expressed in thousands):

Year Ended June 30:		
2025	$	(51)
2026		(59)
2027		(5)
2028		(5)
2029		(2)
Thereafter		-
Total		(122)

Actuarial Assumptions – The total OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation:	2.50%
Salary increases:	0.50% productivity pay increase, 3.28% average promotional and merit salary increase
Investment rate of return:	3.65% based on a 20-Year Municipal Bond Index
Healthcare cost trend rates:	7.25% increase effective July 1, 2024, then 7.00% graded down to 0.25% to ultimate 4.50% over 11 years

Healthy mortality rates for public safety officers were based on Pub-2010 Public Retirement Safety Mortality Table weighted by Headcount, projected by MP-2020. Civilian rates were based on Pub-2010 Public Retirement Plans General Mortality Table weighted by Headcount, projected by MP-2020. Disabled public safety officer rates were based on Pub-2010 Public Retirement Safety Disabled Mortality Table weighted by Headcount, projected by MP-2020. Disabled civilian rates were based on Pub-2010 Public Retirement Plans General Disability Mortality Table weighted by Headcount, projected by MP-2020.

The actuarial assumptions used in the June 30, 2022 valuation were based upon certain demographic and other actuarial assumptions as recommended by the actuary Segal, in conjunction with the State and guidance from the GASB statement.

Discount Rate – The discount rate used to measure the total OPEB liability was 3.65%, which is consistent with a 20-Year Municipal Bond Index. The Bond Buyer General Obligation 20-Bond Municipal Bond Index is used for the determination of the discount rate. The assets in the trust as of June 30, 2023 are less than the expected benefit payments in the first year; therefore, the crossover period is assumed to be in the first year, which provides additional support for continuing the discount rate at the 20-Year Municipal Bond Index rate. The previous fiscal year discount rate was 3.54% which is an increase of .11%.

Sensitivity of the Proportionate Share of the Collective Net OPEB Liability to Changes in the Discount Rate – The following presents the proportionate share of the collective net OPEB liability, as well as what the proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate (expressed in thousands):

	1% Decrease in Discount Rate (2.65%)	Discount Rate (3.65%)	1% Increase in Discount Rate (4.65%)
State's proportionate share of the collective net OPEB liability	$ 924,764	$ 843,109	$ 772,286
NSHE's proportionate share of the collective net OPEB liability	656,231	598,287	548,030
CRC's proportionate share of the collective net OPEB liability	2,366	2,157	1,976

Sensitivity of the Proportionate Share of the Collective Net OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the proportionate share of the collective net OPEB liability, as well as what the proportionate share of the collective net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates (expressed in thousands):

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State's proportionate share of the collective net OPEB liability	$ 799,507	$ 843,109	$ 893,142
NSHE's proportionate share of the collective net OPEB liability	567,346	598,287	633,792
CRC's proportionate share of the collective net OPEB liability	2,045	2,157	2,285

OPEB plan Fiduciary Net Position – Detailed information about the OPEB plan's fiduciary net position is available in the separately issued PEBP financial report.

Payables to the OPEB Plan – At June 30, 2024, the primary government and the NSHE reported payables to the defined benefit OPEB plan of $126,271 and $187,000, respectively, for statutorily required employer contributions which had been assessed on employee salaries but not yet remitted to the State Retirees' Fund.

Note 12. Risk Management

The State established the Self-Insurance and Insurance Premiums funds in 1983 and 1979, respectively. Both funds are classified as internal service funds.

Interfund premiums are reported as interfund services provided and used. All State funds participate in the insurance program. Changes in the claims liabilities during the past two fiscal years were as follows (expressed in thousands):

	Self-Insurance	Insurance Premiums
Balance June 30, 2022	$ 79,492	$ 76,249
Claims and changes in estimates	326,862	22,252
Claim payments	(326,179)	(18,359)
Balance June 30, 2023	80,175	80,142
Claims and changes in estimates	366,557	17,454
Claim payments	(356,632)	(21,368)
Balance June 30, 2024	$ 90,100	$ 76,228
Due Within One Year	$ 90,100	$ 13,175

In accordance with GASB, a liability for claims is reported if information received before the issuance of the financial statements indicates it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. These liabilities include incremental claims adjustment costs. A reserve for losses has been established in both funds to account for these liabilities and is included in the liability section of the statement of net position.

There was no insurance coverage for excess liability insurance.

There are several pending lawsuits or unresolved disputes involving the State or its representatives at June 30, 2024. The estimated liability for these claims has been factored into the calculation of the reserve for losses and loss adjustment expenses developed.

A. Self-Insurance Fund

The Self-Insurance Fund administers the group health, life and disability insurance for covered employees, both active and retired, of the State and certain other participating public employers within the State. All public employers in the State are eligible to participate in the activities of the Self-Insurance Fund and currently, in addition to the State, there are four public employers whose employees are covered under the plan. Additionally, all retirees of public employers contracted with the Self-Insurance Fund to provide coverage to their active employees are eligible to join the program subsequent to their retirement. Public employers are required to subsidize their retirees who participate in the plan in the same manner the State subsidizes its retirees. Currently, the State, the Nevada System of Higher Education (NSHE) and one hundred sixty-five public employers are billed for retiree subsidies. The Self-Insurance Fund is overseen by the Public Employees' Benefit Program Board. The Board is composed of eleven members, ten members appointed by the Governor, and the Director of the Department of Administration or their designee.

The Self-Insurance Fund is self-insured for medical, dental, vision, mental health and substance abuse benefits and assumes all risk for claims incurred by plan participants. Fully insured HMO products are also offered. Long-term disability and life insurance benefits are fully insured by outside carriers. For the self-insured benefits, fund rate-setting policies have been established after consultation with an actuary. The participating public employers, with the exception of the State, are not subject to supplemental assessment in the event of deficiencies.

The management of the Self-Insurance Fund establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and of claims that have been incurred but not reported and the unused portion of the health reimbursement arrangement liability. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount. Upon consultation with an actuary, claims liabilities are recomputed annually using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation, because reliance is placed both on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. Adjustments to claims liabilities are charged or credited to expense in the periods in which claims are made.

B. Insurance Premiums Fund

The Insurance Premiums Fund provides general, civil (tort), and auto liability insurance to State agencies, including NSHE and various boards and commissions; workers' compensation insurance for State employees, including NSHE, Public Employees' Retirement System (PERS), and various boards and commissions; and auto physical damage and property insurance for State agencies, excluding NSHE.

For the period beginning January 1, 2001, and for each calendar year thereafter, the Fund purchased a high deductible policy for workers' compensation. Liabilities in the amount of $64,006,520 as of June 30, 2024 were determined using standard actuarial techniques as estimates for the case, reserves, incurred but not reported losses and allocated loss adjustment expenses under the plan as of June 30, 2024.

The Fund is financed by the State. The State has a maximum exposure of $50,000 through October 1, 2007, $75,000 through October 1, 2011, $100,000 through June 30, 2020, $150,000 through June 30, 2022, and $200,000 thereafter for each general liability claim, with the exception of claims that are filed in other jurisdictions, namely, federal court. Those claims filed in federal court are not subject to the limit. Per State statute, if, as the result of future general liability or catastrophic losses, fund resources are exhausted, coverage is first provided by the reserve for statutory contingency account and would then revert to the General Fund.

The Fund is fully self-insured for general, civil and vehicle liability. The Fund is also self-insured for comprehensive and collision loss to automobiles, self-insured to $250,000 for property loss with commercial insurance purchased to cover the excess above this amount, and commercially insured for losses to boilers and machinery and certain other risks.

At June 30, 2024, incurred but not reported claims liability for general, civil and auto liability insurance is based upon standard actuarial techniques, which take into account financial data, loss experience of other self-insurance programs and the insurance industry, the development of known claims, estimates of the cost of reported claims, incurred but not reported claims, and allocated loss adjustment expenses. The incurred but not reported claims liability for property casualty insurance is based upon the estimated cost to replace damaged property. The liability for estimated losses from reported and unreported claims in excess of the amounts paid for the workers' compensation policies is determined using standard actuarial techniques, which take into account claims history and loss development factors for similar entities. Incurred but not reported claims liabilities are included in the reserve for losses.

The State is contingently liable for the cost of post retirement heart, lung, and cancer disease benefits payable under the Nevada Occupational Disease Act. Any fireman, police officer, or arson investigator that satisfies the two-year employment period under this act is eligible for coverage under workers' compensation for heart and lung disease. Any fireman that satisfies the five-year employment period under this act is eligible for coverage under workers' compensation for cancer disease. A range of estimated losses from $8,490,100 to $30,822,000 for heart disease, $9,166,802 for lung disease, and $9,602,830 for cancer disease have been determined using standard actuarial techniques. Due to the high degree of uncertainty surrounding this coverage, no accrual for these losses is reflected in the financial statements.

Loss reserve estimates are inherently uncertain because the ultimate amount the Fund will pay for many of the claims it has incurred as of the statement of net position date will not be known for many years. The estimate of loss reserves is intended to equal the difference between the expected ultimate losses of all claims that have occurred as of the statement of net position date and amounts already paid. The Fund establishes loss reserves based on its own analysis of emerging claims and review of the results of actuarial projections. The Fund's aggregate carried reserve for unpaid losses is the sum of its reserves for each accident year and represents its best estimate of outstanding loss reserves.

At June 30, 2024, total liabilities and deferred inflows of resources exceeded total assets and deferred outflows of resources by $62,520,284. The Fund is liable for approximately $76.2 million as of June 30, 2024, in potential claims settlements, which have yet to be funded through premium contributions. As NRS 331.187 provides that if money in the Fund is insufficient to pay a tort claim, the claim is to be paid from the reserve for statutory contingency account, and, as management assesses premiums to cover current claims payments, management believes that this provides the opportunity for the Fund to satisfy these liabilities.

Note 13. Fund Balances and Net Position

A. Net Position-Restricted by Enabling Legislation

The government-wide statement of net position reports $5,421,109,000 of net position-restricted for the primary government, of which $559,148,247 is restricted by enabling legislation.

B. Governmental Fund Balances

Governmental fund balances are classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the State is bound to observe constraints imposed on the use of the resources of the fund. A summary of governmental fund balances at June 30, 2024, is shown below (expressed in thousands):

	Major Governmental Funds			
	General Fund	State Education Fund	Nonmajor Governmental Funds	Total Governmental
Fund balances:				
Nonspendable:				
Long term notes/loans receivable	$ 12,397	$ -	$ -	$ 12,397
Inventory	28,369	-	27,816	56,185
Advances	2,374	-	-	2,374
Prepaid items	48,091	-	1,829	49,920
Permanent fund principal	-	-	530,371	530,371
Restricted for:				
Administration	76	-	-	76
Agriculture	196	-	-	196
Business and industry	39,005	-	4,971	43,976
Capital projects	-	-	109,831	109,831
Conservation and natural resources	86,206	-	14,037	100,243
Corrections	45	-	12,167	12,212
Debt service	-	-	31,902	31,902
Economic development	21,468	-	-	21,468
Education K-12	-	918,780	250	919,030
Elected officials	3,571	-	-	3,571
Gaming control	2,382	-	-	2,382
Health and human services	2,802	-	42,574	45,376
Motor vehicles	-	-	28,729	28,729
Other purposes	63	-	6,135	6,198
Public safety	2,184	-	11,405	13,589
Social services	-	-	1,717	1,717
Transportation	-	-	82,035	82,035
Veteran's services	1,833	-	-	1,833
Wildlife	18,313	-	-	18,313
Committed to:				
Administration	13,694	-	-	13,694
Agriculture	12,325	-	2,593	14,918
Business and industry	73,632	-	37,771	111,403
Cannabis compliance	2,014	-	-	2,014
Capital projects	-	-	384,134	384,134
Conservation and natural resources	143,558	-	9,524	153,082
Corrections	7,392	-	-	7,392
Debt service	-	-	351,480	351,480
Economic development	117,769	-	25,575	143,344
Education K-12	278,010	-	-	278,010
Elected Officials	1,564,272	-	12,838	1,577,110
Employment and training	8,342	-	-	8,342
Fiscal emergency	1,589,470	-	-	1,589,470
Gaming control	7,300	-	-	7,300
Health and human services	167,250	-	1,306	168,556
Higher education	40,316	-	-	40,316
Judicial	5,018	-	-	5,018
Legislative	332,682	-	-	332,682
Military	1,996	-	-	1,996
Motor vehicles	857	-	-	857
Other purposes	12,297	-	-	12,297
Public safety	17,263	-	3,372	20,635
Silver state health insurance	14,082	-	-	14,082
Social services	-	-	193,127	193,127
Tobacco settlement program	-	-	124,152	124,152
Taxation	2,000	-	-	2,000
Tourism and cultural affairs	1,579	-	-	1,579
Transportation	-	-	51,397	51,397
Veteran's services	15,938	-	-	15,938
Wildlife	36,249	-	-	36,249
Unassigned:	(674,753)	-	-	(674,753)
Total fund balances	$ 4,059,927	$ 918,780	$ 2,103,038	$ 7,081,745

C. Individual Fund Deficit

Internal Service Funds:

Buildings and Grounds – The Buildings and Grounds Fund accounts for the maintenance, housekeeping and security of most State buildings. The fund recorded a decrease in net position of $1,460,720 for the year ended June 30, 2024, resulting in a deficit net position of $5,319,414 at June 30, 2024.

Insurance Premiums – The Insurance Premiums Fund allocates the cost of fidelity insurance, property insurance and workers' compensation insurance to State agencies. The fund recorded an increase in net position of $7,213,504 for the year ended June 30, 2024, resulting in a deficit net position of $62,520,284 at June 30, 2024.

Administrative Services – The Administrative Services Fund provides administrative and accounting services to various divisions of the Department of Administration. The fund recorded a decrease in net position of $496,082 for the year ended June 30, 2024, resulting in a deficit net position of $3,926,901 at June 30, 2024.

Personnel – The Personnel Fund accounts for the costs of administering the State personnel system. The fund recorded a decrease in net position of $2,167,982 for the year ended June 30, 2024, resulting in a deficit net position of $5,710,934 at June 30, 2024.

Information Services – The Information Services Fund accounts for designing, programming, and maintaining data processing software and also operating the State's central computer facility, radio communication and telecommunication systems. The fund recorded a decrease in net position of $2,242,139 for the year ended June 30, 2024, resulting in a deficit net position of $14,066,595 at June 30, 2024.

Communications – The Communications Fund accounts for the operation of mail services for State agencies in Carson City, Reno, Las Vegas and Elko. The fund recorded a decrease in net position of $427,136 for the year ended June 30, 2024, resulting in a deficit net position of $193,745 at June 30, 2024.

Note 14. Principal Tax Revenues

The principal taxing authorities for the State are the Nevada Tax Commission and the Nevada Gaming Commission.

The Nevada Tax Commission was created under NRS 360.010 and is the taxing and collecting authority for most non-gaming taxes. The following are the primary non-gaming tax revenues:

Sales and Use Taxes are imposed at a minimum rate of 6.85%, with county and local option up to an additional 1.525%, on all taxable sales and taxable items of use. The State receives tax revenue of 2% of total sales with the balance distributed to local governmental entities and school districts.

Modified Business Tax is imposed at different rates for businesses, financial institutions and mining. Businesses other than financial institutions and mining are assessed a tax at a rate of 1.17% per calendar quarter for amounts the wages exceed $50,000. Modified Business Tax is imposed on financial institutions and mining at 1.554% on gross wages paid by the employer during the calendar quarter. There is an allowable deduction from the gross wages for amounts paid by the employer for qualified health insurance or a qualified health benefit plan.

Insurance Premium Tax is imposed at 3.5% on insurance premiums written in Nevada. A "Home Office Credit" is given to insurance companies with home or regional offices in Nevada.

Motor Vehicle Fuel Tax is levied at 24.805 cents per gallon on gasoline and gasohol sales. 17.65 cents of the tax goes to the State Highway Fund, 0.805 cents goes to petroleum discharge cleanup and imported gasoline inspection fees, and the remaining 6.35 cents is County Mandatory Tax. The counties have an option to levy up to an additional 9 cents per gallon.

Cigarette Tax is imposed at a rate of $1.80 for a pack of 20, $2.25 for a pack of 25, tribal stamped packs not taxed. A tax on tobacco products, other than cigarettes, is imposed at a rate of 30% of the wholesale price.

Commerce Tax is imposed upon each business entity whose Nevada gross revenue in a taxable year exceeds $4 million. The business entity is entitled to deduct certain amounts. The tax rate is based on the primary business industry classification.

Lodging Tax is imposed at a rate of at least 1% of the gross receipts from the rental of transient lodging in a county with a population of less than 700,000. Tax on revenues from the rental of transient lodging is imposed at the rate of 2% of the gross receipts in a county with a population greater than 700,000. In counties with populations greater than 300,000, an additional tax of up to 3% is remitted to the State for distribution to the State Supplemental School Support Account.

Other Sources of tax revenues include: Controlled Substance Tax, Jet Fuel, Liquor Tax, Live Entertainment Tax (non-gaming establishments), Business License Fees, Motor Carrier Fees, Motor Vehicle Registration Fees, Net Proceeds of Minerals Tax, Property Tax, Real Property Transfer Tax, Short-Term Lessor Fees, Tire Tax, Marijuana Excise Tax, and Gold and Silver Tax.

The Nevada Gaming Commission was created under NRS 463.022 and is charged with collecting State gaming taxes and fees. The following sources account for gaming tax revenues:

Percentage Fees are the largest of several State levies on gaming. They are based upon gross revenue and are collected monthly. The fee is applied on a graduated basis at the following monthly rates: 3.5% of the first $50,000 of gross revenue; 4.5% of the next $84,000 of gross revenue; and 6.75% of the gross revenue in excess of $134,000.

Live Entertainment Taxes are imposed at a rate of 9% on admission to a facility where live entertainment is provided with an occupancy over 200. Live entertainment provided by escort services is also subject to the tax.

Flat Fee Collections are levied on the number of gambling games and slot machines operated. Licensees pay fees at variable rates on the number of gaming devices operated per quarter.

Other Sources of gaming tax revenues include: Unredeemed Slot Machine Wagering Vouchers, Annual State Slot Machine Taxes, Annual License Fees and Miscellaneous Collections, which consists of penalties and fines, manufacturer's, distributor's and slot route operator's fees, advance payments, race wire fees, pari-mutuel wagering tax and other nominal miscellaneous items.

Note 15. Works of Art and Historical Treasures

The State possesses certain works of art, historical treasures, and similar assets that are not included in the capital assets shown in Note 7. The mission of the Lost City Museum in Overton is to study, preserve, and protect prehistoric Pueblo sites found in the Moapa Valley and adjacent areas and to interpret these sites through exhibits and public programs. In Reno, the Nevada Historical Society exhibits and maintains a large number of historical collections preserving the cultural heritage of Nevada. These collections are divided into four sections: library, manuscripts, photography, and museum. The Nevada State Museum in Carson City collects, preserves, and documents three general types of collections: anthropology, history, and natural history as it relates to Nevada and the Great Basin. The mission of the Nevada State Museum, Las Vegas, is to inspire and educate a diverse public about the history and natural history of Nevada. Its major collections include transportation, mining, and tourism as well as daily artifacts such as clothing, historical correspondence, business records, and photography. The Nevada State Railroad Museum, which is located in Carson City, is dedicated to educating visitors and the community through the collection, preservation and interpretation of objects directly related to railroads and railroading in Nevada. The East Ely Depot Museum, located in the historic Nevada Northern Railroad Depot building, exhibits artifacts, documents, and photographs of early Eastern Nevada mining and railroad transportation. In Boulder City, the Nevada State Railroad Museum displays and operates locomotives. The Nevada Arts Council with locations in Reno and Las Vegas exhibits artwork. Its mission is to enrich the cultural life of the State and make excellence in the arts accessible to all Nevadans.

These collections are not capitalized by the State because they are:

- Held for public exhibition, education or research in furtherance of public service, rather than financial gain,
- Protected, kept unencumbered, cared for and preserved, and
- Subject to an organizational policy that requires the proceeds from sales of collection items to be used to acquire other items for collections.

Note 16. Tax Abatements

Abatement of Taxes on Business: The Governor's Office of Economic Development (GOED) provides multiple tax abatement programs to incentivize business development in Nevada. GOED promotes a robust, diversified and prosperous economy to attract new business and facilitate community development, stimulate business expansion and retention, and encourage entrepreneurial enterprise.

A company that intends to locate or expand a business in the State may apply to GOED for a partial abatement of one or more of the taxes imposed on new or expanded business. GOED may approve an application, upon making certain determinations, as outlined in NRS 360.750, which is effective through June 30, 2032. In addition to agreeing to continue in operation in the State for at least 5 years, applicants must also meet two of the following three requirements:

- New businesses locating in urban areas require fifty or more full-time employees on the payroll by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective; in rural areas, the requirement is ten or more full-time employees. For an existing business that is expanding, the number of employees on the payroll must increase either by 10% more than the number of employees prior to the abatement becoming effective, or by 25 employees for urban areas (6 for rural areas), whichever is greater.

- New businesses locating in urban areas must make a capital investment of $1 million in eligible equipment within two years; in rural areas, the requirement is $250,000 in eligible equipment. For an existing business that is expanding, the capital investment must equal at least 20% of the value of the tangible property owned by the business.

- The average hourly wage paid to new employees must meet a specified minimum, and the business must provide a health insurance plan for all employees and their dependents by a specified time period.

A company that intends to locate or expand a business in certain areas of Economic Development may apply to GOED for a partial abatement of one or more of the taxes imposed on new or expanded business. Certain areas of Economic Development are defined in NRS 274.310 as a historically underutilized business zone, a redevelopment area created pursuant to Chapter

279 of NRS, an area eligible for a community development block grant pursuant to 24 Code of Federal Regulations (CFR) Part 570, or an enterprise community established pursuant to 24 CFR Part 597. Applicants must agree to continue in operation in the State for at least 5 years, and is effective through June 30, 2032. Additionally, businesses looking to start or expand in certain areas of Economic Development must meet either one of the two following requirements to apply for an abatement:

- New businesses must invest a minimum of $500,000 in capital assets. For an existing business that is expanding, the investment in capital assets is a minimum of $250,000 (NRS 274.310 through 274.320).
- The business must hire one or more dislocated workers, pay a wage of not less than 100 percent of federally designated levels and provide medical benefits to the employees and their dependents which meet the minimum requirements (NRS 274.330).

All abatements granted to eligible businesses terminate upon determination that the business has ceased to meet eligibility requirements for the abatement. The business shall refund the abatement amount for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of the payment of the tax. These refund payments are also subject to interest at the rate most recently established pursuant to NRS 99.040.

The programs outlined below reflect the requirements and the abatements offered to eligible businesses.

Local Sales and Use Tax Abatement (NRS 374.357 through 374.358) – The tax abatement is on the gross receipts from the sale, and the storage, use or other consumption, of eligible capital equipment. The sale and use tax rates vary by county within Nevada. The abatement reduces the local sales and use tax rate to 2%, which is the State's portion of the tax. Therefore, none of the State's sales and use tax is abated; only local sales and use taxes are abated. The approved business is eligible for tax abatements for not less than 1 year but not more than 5 years beginning the date the abatement becomes effective. This is effective through June 30, 2032.

Modified Business Tax Abatement (NRS 363B.120) – The current excise tax imposed on each employer is at the rate of 1.378% on taxable wages over $50,000 in a quarter. A business may qualify for a partial abatement of up to 50% of the amount of the business tax due during the first four years of operations. For a new company, the abatement of the modified business tax applies to the number of new employees stated in its application. For an expanding business, the abatement does not apply to existing employees of the business, but does apply to the number of new employees directly related to the expansion. This is effective through June 30, 2032.

Personal Property Tax Abatement (NRS 361.0687) – The abatement can be up to 50% of the tax due, or 75% in certain areas of Economic Development, for not less than 1 year and up to 10 years beginning from when the abatement becomes effective. The applicant must apply for abatement not more than one year before the business begins to develop for expansion or operation in Nevada. The personal property tax abatement applies only to the same list of machinery and equipment eligible for the local sales and use tax abatement allowed under NRS 374.357 or 374.358. Property tax rates vary by taxing district within Nevada. This is effective through June 30, 2032.

Aviation Tax Abatement (NRS 360.753) – The abatement includes local sales and use tax and personal property tax. The local sales and use tax abatement applies to the purchase of tangible personal property used to operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or any component of an aircraft. The personal property tax abatement applies to aircraft and the personal property used to own, operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or any component of an aircraft. The personal property tax abatement can be up to 50% for 20 years on the taxes due on tangible personal property, and the sales and use tax abatement reduces the applicable tax rate to 2% for a similar 20-year period. The local sales and use tax abatement excludes aircraft purchase. This is effective through June 30, 2035.

Data Center Tax Abatement (NRS 360.754) – The abatement includes local sales and use tax and personal property tax. The local sales and use tax abatement applies to the purchase of eligible machinery or equipment for use at a data center. The abatement reduces the applicable tax rate to 2% for a period of 10 or 20 years. The personal property tax abatement applies to personal property located at the center and can be up to 75% of the taxes due for 10 or 20-year abatement periods. The data center will, within 5 years after the date on which the abatement becomes effective, have or have added 10 or more full-time employees who are residents of Nevada, and provide health insurance. The data center must commit to continue operation within the State for a period of not less than 10 years, and must bind successors to the same. This is effective through

December 31, 2056.

Capital Investment of at least $1 Billion Tax Abatement (NRS 360.893) – The partial abatements include personal property, modified business, real property, or local sales and use taxes for companies that have a minimum capital investment of $1 billion dollars within 10 years of approval of the abatement application. The personal property, modified business and real property tax abatement can be up to 75% of the taxes due for an abatement period of not more than 10 years. Abatements for local sales and use tax are for taxes imposed on the purchase of eligible personal property and construction materials for an abatement period of not more than 15 years. The State's 2% portion of the sales and use tax is not abated. As a condition of approving a partial abatement of taxes pursuant to NRS 360.880 to 360.896, inclusive, the Executive Director of the Office of Economic Development, if he or she determines it to be in the best interests of the State of Nevada, may require the lead participant to pay at such a time or times as deemed appropriate, an amount of money equal to all or a portion of the abated taxes into a trust fund in the State Treasury to be held until all or portion of the requirements for the partial abatement have been met. Interest and income earned on money in the trust fund must be credited to the trust fund. Any money remaining in the trust fund at the end of the fiscal year does not revert to the State General Fund, and the balance in the trust fund must be carried forward to the next fiscal year. This is effective through June 30, 2032.

Capital Investments of at least $3.5 Billion Tax Abatement (NRS 360.945) – An abatement from personal property, modified business, real property, or local sales and use tax are available to companies that have a minimum capital investment of $3.5 billion dollars within 10 years of approval of the abatement application. The personal property, modified business, and real property tax abatements can be up to 100% of the taxes due for up to a 10-year abatement period. Abatements for local sales and use tax are for taxes imposed on the purchase of eligible personal property and construction materials for up to a 20-year period. The State's 2% portion of the sales and use tax is not abated. This was approved during the 28th Special Session of the State Legislature in 2014, and is effective through June 30, 2036.

Transferable Tax Credits to Promote Economic Development (NRS 231.1555) – Transferable tax credits are available to entities who intend to locate or expand a business in Nevada. The business can apply for credits above or below $100,000 as long as the transferable tax credits do not extend for a period of more than 5 fiscal years per applicant and, in total, do not exceed set amounts each fiscal year as outlined in statute. The transferable tax credits can be applied to modified business, insurance premium and/or gaming percentage fee taxes. The applicant must set forth the proposed use of the credits, the plans, projects and programs for which the credits will be used, the expected benefits, and a statement of short-term and long-term impacts of the issuance of the transferable tax credits.

Film and Other Productions (NRS 360.758 through 360.7598) – A transferable tax credit is available to production companies producing a film, television series, commercial, music video or other qualified production in Nevada. A production may qualify for a transferable tax credit of up to 25% of the qualified direct production expenditures incurred in Nevada if at least 60% of the total qualified expenditures are incurred in Nevada. Principal photography of the production must begin within 90 days after the application is issued. The transferable tax credits issued for qualified film production completed in the State may be used against the modified business, insurance premium and/or the gaming percentage fee taxes.

Economic Development with Capital Investment of at least $3.5 Billion (NRS 360.945 through 360.980) – The 2014 28th Special Session of the State Legislature required the GOED to issue transferable tax credits for certain qualifying projects that may be used against the modified business, insurance premium and/or the gaming percentage fee taxes. A qualifying project is required to be located within the geographical borders of the State of Nevada, make a new capital investment in the State of at least $3.5 billion during the 10-year period immediately following approval of the application, employ Nevada residents in at least half of the project's construction jobs and operational jobs, and provides health insurance to all employees. The amount of transferable tax credits is equal to $12,500 for each qualified employee employed by the participants in the project (to a maximum of 6,000 employees), plus 5% of the first $1 billion and 2.8% of the next $2.5 billion in new capital investment in the State made collectively by the participants in the qualifying project. The amount of tax credits approved by GOED may not exceed $45 million per fiscal year (although any unissued credits may be issued in any subsequent fiscal year ending on or before June 30, 2022), and GOED may not issue total tax credits in excess of $195 million. This is effective through June 30, 2036.

Renewable Energy Tax Abatements: The mission of the Governor's Office of Energy is to ensure the wise development of Nevada's energy resources in harmony with local economic needs, and to position Nevada to lead the nation in renewable energy production, conservation, and exportation. In an effort to incentivize the development of renewable energy in Nevada, the program awards partial sales and use tax and property tax abatements to eligible renewable energy facilities. Businesses

must make a capital investment of $3 million or $10 million, dependent on the project location.

Local Sales and Use Tax Abatement (NRS 701A.360 through NRS 701A.365) – The abatement applies to the 3 years following the approval of the application in which the applicant will only be required to pay sales and use taxes imposed in the State at the rate of 2.6%, of which 2% is the State's portion of the tax. Therefore, none of the State's sales and use tax is abated. The abatement must not apply during any period in which the facility is receiving another abatement or exemption from local sales and use taxes. The applicant must state that the facility will, after the date on which the abatement becomes effective, continue in operation in the State for a period of not less than 10 years, and bind any successors to the same. This is effective through June 30, 2049.

Real and Personal Property Tax Abatement (NRS 701A.370) – The abatement is for a duration of the 20 fiscal years immediately following the date of approval of the application and is equal to 55% of the taxes on real and personal property payable by the facility each year. The abatement must not apply during any period in which the facility is receiving another abatement or exemption from local sales and use taxes. This is effective through June 30, 2049.

Green Building Tax Abatements: The Governor's Office of Energy administers the green building tax abatement program based on criteria set forth in the Leadership in Energy and Environmental Design (LEED) or Green Globes (GG) rating system and certification from the U.S. Green Building Council or the Green Building Initiative. Both LEED and GG rating systems provide a complete framework for assessing building performance and meeting environmental sustainable goals. They use industry recognized standards for designing, operating and certifying green building projects. The program was instituted in 2007 as an incentive for business owners to improve the energy efficiency of new and existing buildings. To qualify for the tax abatement, applicants must earn a minimum number of points for energy conservation to meet the Silver Level or higher through the LEED rating system or two globes or higher under the GG rating system. LEED and GG building rating systems are based on a set of standards for the environmentally sustainable design, construction and operation of the building.

Real Property Taxes (NRS 701A.110) – Incentives range from 25% to 35% of the portion of taxes imposed pursuant to NRS 361, other than any taxes imposed for public education, for a period of 5 to 10 years, depending on the certification level. The abatement terminates if it is determined that the building or other structure has ceased to meet the equivalent of the Silver Level or higher. This is effective through June 30, 2035.

The State's tax abatement programs as of June 30, 2024, on an accrual basis, are summarized in the following table (expressed in thousands):

	Taxes Abated			
Abatement Program	Modified Business Tax	Property Tax	Gaming Tax	Total
Businesses	$ 11,893	$ 732	$ -	$ 12,625
Capital Investment	10,152	-	-	10,152
Renewable Energy	-	1,706	-	1,706
Green Building	-	3,977	-	3,977
Transferable Tax Credits	-	-	6,012	6,012
Total	$ 22,045	$ 6,415	$ 6,012	$ 34,472

A receivable of $124,285, associated with the Renewable Energy Tax Incentive, is due from Nye and Clark Counties in the amounts of $72,857 and $51,428, respectively per NRS.361.483, at June 30, 2024.

Note 17. Commitments and Contingencies

A. Primary Government

Lawsuits – The State Attorney General's Office reported that the State of Nevada or its officers and employees were parties to numerous lawsuits, in addition to those described below. In view of the financial condition of the State, the State Attorney General is of the opinion that the State's financial condition will not be materially affected by this litigation, based on information known at this time.

Several of the actions pending against the State are based upon the State's (or its agents') alleged negligence in which the State

must be named as a party defendant. However, there is a statutory limit to the State's liability of $50,000 per cause of action through October 1, 2007, and $75,000 per cause of action through October 1, 2011, $100,000 through June 30, 2020, $150,000 through June 30, 2022, and $200,000 per cause of action thereafter. Such limitation does not apply to federal actions such as civil rights actions under 42 U.S.C. Section 1983 brought under federal law or to actions in other states. Building and contents are insured on a blanket replacement cost basis for all risk except certain specified exclusions.

The State and/or its officers and employees are parties to a number of lawsuits filed under the federal civil rights statutes. However, the State is statutorily required to indemnify its officers and employees held liable in damages for acts or omissions on the part of its officers and employees occurring in the course of their public employment. Several claims may thus be filed against the State based on alleged civil rights violations by its officers and employees. Since the statutory limit of liability (discussed above) does not apply in federal civil rights cases, the potential liability of the State is not ascertainable at the present time. Currently, the State is involved in several actions alleging federal civil rights violations that could result in substantial liability to the State.

The State is a defendant in a groundwater rights lawsuit. The State believes a favorable outcome is likely; however, there is a remote possibility of settlement loss in the range of $450 million to $500 million. The State is vigorously defending this case. Because a loss is not considered probable, no liability has been recorded in the accompanying financial statements.

The State is a defendant in a lawsuit involving the regulation of online gaming and sports-betting platforms operating without gaming licenses. The State believes an unfavorable outcome is a reasonable possibility. There is a fair possibility of settlement loss of tax revenues of up to $10 million. The State is vigorously defending this case. Because a loss is not considered probable, no liability has been recorded in the accompanying financial statements.

The State is a defendant in a groundwater rights lawsuit. The State believes a favorable outcome is likely; however, there is a remote possibility of settlement loss in the range of $25 million to $35 million. The State is vigorously defending this case. Because a loss is not considered probable, no liability has been recorded in the accompanying financial statements.

The State is a defendant in a lawsuit involving unclaimed property. The State believes an unfavorable outcome is a reasonable possibility. There is a moderate possibility of settlement loss in the range of $1 million to $40 million. The State is vigorously defending this case. Because a loss is not considered probable, no liability has been recorded in the accompanying financial statements.

The State is a defendant in a lawsuit alleging abuse within juvenile detention facilities. The case is in its early stages, service is not yet complete, and the State is reviewing the allegations. The State believes a favorable outcome is likely; however, there is a remote possibility of settlement loss of up to $50 million. The State is vigorously defending this case. Because a loss is not considered probable, no liability has been recorded in the accompanying financial statements.

As of June 30, 2024, the State Unemployment Compensation Fund continued to experience operational impacts stemming from the Covid-19 pandemic, including staffing limitations and an unusually high volume of claims. These factors contributed to a significant number of claims remaining under appeal or pending processing at fiscal year-end. Claims related to benefit weeks prior to June 30, 2024, are still being adjudicated, resulting in an elevated incurred but not processed (IBNP) liability compared to historical norms.

The State Unemployment Compensation Fund accrued a liability of $1.7 million for estimated unprocessed claims related to benefit weeks in fiscal year 2024 and prior. These claims include those still under appeal, as well as those not yet adjudicated due to processing delays. Additionally, an intergovernmental receivable of $361,000 was recorded for the portion of these claims expected to be reimbursed under various federal programs

Federal Grants – The State receives significant financial assistance from the federal government in the form of grants and entitlements, which are generally conditioned upon compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by federal agencies. Any disallowance as a result of these audits could become a liability of the State. As of June 30, 2024, the State is unable to estimate the amount, if any, of expenditures that may be disallowed, although the State expects such amounts, if any, to be immaterial.

Nonexchange Financial Guarantees – The 1997 Nevada Legislature added NRS 387.513 through 387.528, allowing school districts to enter into guarantee agreements with the State Treasurer whereby the money in the Permanent School Fund may be

used to guarantee the debt service payments on certain bonds issued by Nevada school districts. The amount of the guarantee for bonds of each school district outstanding, at any one time, must not exceed $60 million. Total bond guarantees at June 30, 2024, were $132.3 million which includes accrued interest of $1.0 million. The bonds mature at various intervals through fiscal year 2042. In the event any school district was unable to make a required payment, the State Treasurer would withdraw from the State Permanent School Fund the amount needed to cover the debt service payment. Any amount withdrawn would be deemed a loan to the school district from the State Permanent School Fund, and the State Treasurer would determine the rate of interest on the loan. If the school district is not able to repay the loan in a timely manner, repayment would be made by withholding distributions from the State Education Fund to the school district.

Encumbrances – As of June 30, 2024, encumbered expenditures in governmental funds were as follows (expressed in thousands):

	Amount
General Fund	$ 6,279
Nonmajor governmental funds	4,112
Total	$ 10,391

Construction Commitments – As of June 30, 2024, the Nevada Department of Transportation had total contractual commitments of approximately $581.3 million for construction of various highway projects. Other major non-highway construction commitments for the primary government's budgeted capital projects funds total $331.2 million.

B. Discretely Presented Component Units

The NSHE is a defendant or co-defendant in legal actions. Based on present knowledge and advice of legal counsel, the NSHE management believes any ultimate liability in these matters, in excess of insurance coverage, will not materially adversely affect the net position, changes in net position or cash flows of the NSHE.

The NSHE and the State are defendants in various lawsuits, collectively referred to as the Little Valley Fire Cases. The cases relate to a prescribed burn conducted by the Nevada Division of Forestry in October, 2016, on land partially owned by the University of Nevada, Reno (UNR). Embers from the fire escaped and burned 23 structures. The NSHE and the State share an excess liability policy. At this point, it is difficult to estimate the likelihood of an unfavorable outcome and the likely exposure, but the excess liability carrier has been placed on notice of these cases.

The NSHE has an actuarial study of its workers' compensation losses completed every other year. The study addresses the reserves necessary to pay open claims from prior year and projects the rates needed for the coming year. The NSHE uses a third-party administrator to adjust its workers' compensation claims.

The NSHE is self-insured for its unemployment insurance liability. The NSHE is billed by the State each quarter based on the actual unemployment benefits paid by the State. Each year the NSHE budgets resources to pay for the projected expenditures. The amount of future benefits payments to claimants and the resulting liability to the NSHE cannot be reasonably determined as of June 30, 2024, but no significant reduction in force or staffing cuts are anticipated.

The NSHE receives Federal grants and awards, and amounts are subject to change based on outcomes of Federal audits. Management believes any changes made will not materially affect the net position, changes in net position or cash flows of the NSHE.

The estimated cost to complete property authorized or under construction at June 30, 2024, is $25.0 million. These costs will be financed by State appropriations, private donations, available resources, and/or long-term borrowings.

Colorado River Commission (CRC) – The CRC may from time to time be a party in various litigation matters. It is management's opinion, based upon advice from legal counsel, that the risk of financial losses to the CRC from such litigation, if any, will not have a material adverse effect on the CRC's future financial position, results of operations or cash flows. Accordingly, no provision has been made for any such losses.

Nevada Capital Investment Corporation (NCIC) – The NCIC currently has capital commitments to the Silver State Opportunity Fund (SSOF) of $50.0 million (the First Tranche) and to Dreamspring of $1.0 million. As of June 30, 2024, the NCIC has fulfilled $48.3 million of its total commitment to SSOF and $1.0 million to Dreamspring. The NCIC has the right, but not the obligation, to increase its capital commitment to SSOF by which would be effective after the end of the First

Tranche (or such other date as the NCIC and Manager may agree). If the NCIC elects to make such an additional commitment, both the amount of the NCIC's additional commitment and an additional commitment from the Manager shall be established by agreement between the NCIC and the Manager (the Second Tranche).

Note 18. Subsequent Events

A. Primary Government

Bonds – On November 6, 2024, the State issued $124,010,000 in General Obligation Bonds. The 2024A Bonds were issued to finance 2021 and 2023 Capital Improvement Projects, the 2023 DMV Project, and the 2023 Historic Preservation Project.

On November 6, 2024, the State issued $10,830,000 in General Obligation Bonds. The 2024B Bonds were issued to finance environmental improvement projects for Tahoe Projects.

On November 6, 2024, the State issued $5,385,000 in General Obligation Bonds. The 2024C Bonds were issued to finance the Safe Drinking Water Revolving Fund Matching Bonds for improvement projects.

On November 6, 2024, the State issued $29,290,000 in General Obligation Bonds. The 2024D Bonds were issued to finance the Municipal Bond Bank Refunding Bonds.

On November 7, 2024, the State issued $131,815,000 in Highway Improvement Revenue Bonds. The 2024C Bonds of $82,850,000 were issued to finance State highway construction projects in the State. The 2024D Bonds of $48,965,000 were issued to finance State highway construction projects in Clark County, Nevada.

On January 24, 2025, the State issued $174,125,000 in General Obligation (Limited Tax) Capital Improvement and Cultural Affairs Refunding Bonds, Series 2025A were issued to refinance the 2015B Bonds and the 2015D Bonds.

Cybersecurity Incident – On August 24, 2025, the State identified a ransomware attack that caused temporary disruptions across most State agencies. Core network services were restored within 48 hours, with limited backend services still undergoing maintenance. The incident remains under investigation. The State notified State and federal law enforcement and its cyber-liability insurance carrier, resulting in the engagement of outside counsel and cybersecurity consultants. The State determined that 26,408 files were accessed and 3,241 files were exposed, including one document containing PII. As of the date of this report, investigators have found no confirmation of data extraction or publication. During the 28-day response and recovery period, the State incurred approximately $250,000 in employee overtime and obligated about $1.1 million in vendor costs, most of which are expected to be reimbursed through cyber-liability insurance. The State has completed an incident report and implemented additional security measures to strengthen its network environment.

B. Discretely Presented Component Units

Nevada System of Higher Education (NSHE) – On May 17, 2023, the NSHE signed a master lease agreement with ML 4700 LLC for the management of the Gateway property located at 4700 Maryland Parkway, Las Vegas, NV. The original lease was effective from June 1, 2023, to May 31, 2028. The Gateway property includes various other commercial and residential leases under the master agreement. As of June 30, 2024, the lease receivable asset and the offsetting deferred inflow of resources on the statement of net position were valued at $25.3 million and $24.8 million, respectively. In July 2024, a notice of default was issued. In August 2024, UNLV was granted a court appointed receiver for the ongoing subleases. Due to the nature of the underlying subleases and expectation of the underlying collectability of the subleases, an allowance was not recorded for the allowance on the lease receivable and offsetting deferred inflow of resources as of June 30, 2024, as management believes the overall net impact to be minimal. NSHE will record the full termination of the master lease in fiscal year 2025 and subsequently evaluate the individual underlying subleases for inclusion under GASB Statement No. 87, *Leases*.

In August 2025, the Board of Regents entered into agreements related to the development of a new indoor fieldhouse, outdoor football practice field, outdoor club/intramural field, and related site improvements at the UNR. Under the agreements, UNR is leasing the site to the developer for $1 per year for a period of 35 years or expiration of the related 30-year bonds, whichever occurs first. UNR will sublease the improvements back, with semi-annual payments beginning February 1, 2026. Annual sublease payments are approximately $2.1 million for a 30-year period. The buildings, improvements, and related debt will be

recorded upon completion of construction, which is anticipated during the fiscal year ending June 30, 2027.

Bonds – On April 3, 2025, NSHE issued $39,910,000 in Revenue Bonds, Series 2025. Proceeds will be used to refinance NSHE's outstanding 2015A Bonds for debt service savings and to pay the costs of issuance. The bonds bear interest at 5.00 percent and mature July 1, 2035.

On April 23, 2026, NSHE issued $23,215,000 in Revenue Bonds, Series 2026. Proceeds will be used to refinance NSHE's outstanding 2016A Bonds for debt service savings and to pay the costs of issuance. The bonds bear interest at 5.00 percent and mature July 1, 2034.

Certificates of Participation – On April 3, 2025, NSHE issued $60,710,000 in Certificates of Participation, Series 2025. Proceeds will be used to finance construction of parking improvements on the Universtiy of Nevada, Las Vegas campus and to pay the costs of issuance. The certificates bear interest ranging from 4.25 percent to 5.00 percent and mature July 1, 2055.

Promissory Note – On June 12, 2026, the Board of Regents approved the issuance of a promissory note in a par amount not to exceed $6,900,000, scheduled to close on July 1, 2026. Proceeds will be used to acquire real property in Reno for use by Truckee Meadows Community College. The note will bear interest at 4.02 percent and mature June 1, 2036.

Colorado River Commission – In August of 2024, the United States Bureau of Reclamation announced a Level 1 water reduction on the Colorado River under current operating guidelines for 2025. The declaration limits the amount of water southern Nevada will be allowed to withdraw from Lake Mead in calendar year 2025. To ensure water supplies remain available, the Southern Nevada Water Authority and its member agencies have implemented several initiatives including water conservation programs, investments made for additional water resources and banking of unused resources.

C. New Accounting Pronouncements

In June of 2022, the GASB issued Statement No. 101, *Compensated Absences.* The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences, which is to be achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement is effective for fiscal years beginning after December 15, 2023. The anticipated impact of this pronouncement is uncertain at this time.

In December of 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement is effective for fiscal years beginning after June 15, 2024. The anticipated impact of this pronouncement is uncertain at this time.

In April of 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government accountability. This statement also addresses certain application issues. This Statement is effective for fiscal years beginning after June 15, 2025. The anticipated impact of this pronouncement is uncertain at this time.

In September of 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement is effective for fiscal years beginning after June 15, 2025. The anticipated impact of this pronouncement is uncertain at this time.

In December of 2025, the GASB issued Statement No. 105, *Subsequent Events.* The objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. This Statement is effective for fiscal years beginning after June 15, 2026. The anticipated impact of this pronouncement is uncertain at this time.

Note 19. Accounting Changes and Restatements

A. Primary Government

During the fiscal year 2024, the State implemented the requirements of GASB Statement No. 100, *Accounting Changes and Error Corrections*. In accordance with this standard, the State identified and corrected errors in previously issued financial statements. These errors have been corrected through retrospective application, and prior period amounts have been restated.

- Capital Assets – The State identified errors in Legislative Counsel Bureau's capital assets reported as of June 30, 2023, due to certain capital assets not being properly reported in the State's accounting system. This capital asset correction resulted in an $8,777,585 increase in net position, an $8,138,300 increase in land, infrastructure and construction in progress, and a $639,285 increase in other capital assets, net, in the statement of net position within governmental activities.

  Separately, the State identified that an information technology project cancelled in May 2023 had not been removed from construction in progress as of June 30, 2023. This capital asset correction of $39,156,897 decreased beginning net position and other capital assets, net, in the statement of net position within governmental activities.

- Accounts Payable – The State identified an overstatement in accounts payable of $20,240,725 that was originally recorded in fiscal year 2021 that had not been properly reversed in subsequent periods. Correcting this error increased beginning net position and reduced accounts payable in the statement of net position within governmental activities.

The following table shows the changes to the beginning net position as of July 1, 2023, for the primary government (expressed in thousands):

	Governmental Activities
Net position at June 30, 2023, as originally reported	$ 14,089,825
Error correction - capital assets - Legislative Counsel Bureau	8,778
Error correction - capital asset - information technology project	(39,157)
Error correction - accounts payable	20,240
Net position at July 1, 2023, as restated	$ 14,079,686

The effect on the statement of activities for the year ended June 30, 2023, was an overstatement of change in net position of $10,139,000.

During the fiscal year, the government established new governmental funds in accordance with governmental program needs and statutory authority. The Supportive housing Development Fund was established to account for grants dedicated to the development of supportive housing and the provision of supportive housing services. In addition, the Capital Improvement Program - Rural School Districts Fund was established to account for gifts and grants from any source provided to assist rural school districts in financing capital improvements. No restatement of beginning balances was required related to the establishment of these funds.

B. Discretely Presented Component Unit

During the fiscal year 2024, the NSHE identified and corrected the following misstatement in the fiscal year 2023 financial statements:

The Nevada Health and Bioscience Asset Corporation (NHBAC) was added to the reporting entity as a discretely presented component unit of the NSHE. During fiscal year 2024, it was determined that the nature and significance of the financial relationship are such that NHBAC meets the criteria for inclusion as a component unit under the standards of GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units-an amendment of GASB Statement No. 14*.

The addition of NHBAC resulted in an increase in the NSHE's beginning net position. The changes in reporting entity associated with the addition of NHBAC resulting in the following restatement to the NSHE net position reported as of June 30, 2023. The effect on the statement of activities for the year ended June 30, 2023, was an understatement of change in net position of $40,318,000.

The following table shows the change to the beginning net position as of July 1, 2023 for NSHE (expressed in thousands):

	NSHE
Net position at June 30, 2023 as originally reported	$ 3,029,339
Change in reporting entity	142,689
Net position at July 1, 2023 as restated	$ 3,172,028

C. New Accounting Pronouncements

During the fiscal year ended June 30, 2024, the State adopted the following new accounting standards issued by the Governmental Accounting Standards Board (GASB):

GASB Statement No. 99, *Omnibus 2022*, related to financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement No. 53. The implementation of these requirements had little or no effect on the State's financial activities.

GASB Statement No. 100, *Accounting Changes and Error Corrections-an Amendment of GASB Statement No. 62.* The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The display and disclosure requirements of this Statement have been applied to errors in previously issued financial statements that were identified and corrected during the fiscal year.

Required Supplementary Information
Budgetary Comparison Schedule
General Fund and Major Special Revenue Funds

For the Fiscal Year Ended June 30, 2024

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Sources of Financial Resources				
Fund balances, July 1	$ 5,661,260,524	$ 5,661,260,524	$ 5,661,260,524	$ -
Revenues:				
Sales taxes	1,919,868,000	1,924,868,000	1,863,105,429	(61,762,571)
Gaming taxes, fees, licenses	1,208,259,529	1,217,609,384	1,319,174,621	101,565,237
Intergovernmental	7,401,822,910	8,532,927,982	6,686,844,400	(1,846,083,582)
Other taxes	2,410,120,081	2,430,156,400	2,538,995,294	108,838,894
Sales, charges for services	353,261,151	367,267,898	354,319,202	(12,948,696)
Licenses, fees and permits	807,885,840	865,981,395	865,813,748	(167,647)
Interest	4,679,450	195,278,249	254,009,923	58,731,674
Other	656,621,025	863,585,858	829,505,393	(34,080,465)
Other financing sources:				
Proceeds from sale of bonds	43,320,346	43,320,346	43,320,346	-
Transfers	2,170,185,677	3,426,488,801	2,445,741,960	(980,746,841)
Reversions from other funds	-	-	4,259,216	4,259,216
Total sources of financial resources	22,637,284,533	25,528,744,837	22,866,350,056	(2,662,394,781)
Uses of Financial Resources				
Expenditures and encumbrances:				
Elected officials	3,041,480,292	3,458,858,555	1,120,105,180	2,338,753,375
Legislative and judicial	588,119,765	603,170,866	401,735,009	201,435,857
Finance and administration	341,981,009	348,432,608	201,492,769	146,939,839
Education - K to 12	1,997,904,025	2,207,170,664	1,476,860,538	730,310,126
Education - higher education	1,171,053,270	1,262,474,244	1,201,164,424	61,309,820
Human services	9,651,023,156	10,775,677,895	9,536,537,661	1,239,140,234
Commerce and industry	1,167,653,560	1,416,068,408	682,399,499	733,668,909
Public safety	557,300,991	727,587,011	586,217,955	141,369,056
Infrastructure	566,699,520	822,296,869	313,972,108	508,324,761
Special purpose agencies	187,784,756	218,262,418	149,747,249	68,515,169
Other financing uses:				
Transfers to other funds	86,527,721	1,359,533,903	1,359,533,903	-
Reversions to other funds	-	-	1,556,858	(1,556,858)
Projected reversions	(50,000,000)	(50,000,000)	-	(50,000,000)
Total uses of financial resources	19,307,528,065	23,149,533,441	17,031,323,153	6,118,210,288
Fund balances, June 30	$ 3,329,756,468	$ 2,379,211,396	$ 5,835,026,903	$ 3,455,815,507

(continued)

State Education Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget
$ 1,150,164,731	$ 1,150,164,731	$ 1,150,164,731	$ -
-	-	-	-
25,788,000	25,788,000	26,177,826	389,826
7,500,000	7,500,000	6,740,004	(759,996)
3,938,668,000	3,889,217,703	3,894,738,182	5,520,479
-	-	-	-
3,511,000	3,511,000	640,278	(2,870,722)
44,147,677	45,622,828	37,346,930	(8,275,898)
790,900	6,422,303	5,734,678	(687,625)
-	-	-	-
1,242,331,261	1,977,439,985	1,235,948,833	(741,491,152)
-	-	-	-
6,412,901,569	7,105,666,550	6,357,491,462	(748,175,088)
-	-	-	-
-	-	-	-
-	-	-	-
5,560,186,039	6,925,376,493	5,438,509,877	1,486,866,616
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	50,000,000	(50,000,000)
-	-	-	-
5,560,186,039	6,925,376,493	5,488,509,877	1,436,866,616
$ 852,715,530	$ 180,290,057	$ 868,981,585	$ 688,691,528

Budgetary Reporting

The accompanying Budgetary Comparison Schedule – General Fund and Major Special Revenue Funds presents both the original and the final legally adopted budgets, as well as actual data on a budgetary basis. (Note 2 of the basic financial statements identifies the budgeting process and control.)

The original budget is adopted through passage of the General Appropriations Act, which allows for expenditures from unrestricted revenues, while the Authorized Expenditures Act allows for expenditures from revenues collected for specific purposes (restricted revenues). For programs financed from restricted revenues, spending authorization is generally contingent upon recognition of the related revenue. Reductions of spending authority occur if revenues fall short of estimates. If revenues exceed the estimate, supplemental appropriations are required before the additional resources can be spent.

Generally Accepted Accounting Principles (GAAP) require that the final legal budget be reflected in the "final budget" column. Therefore, updated revenue estimates available for appropriations as of August 9th are reported instead of the amounts disclosed in the original budget. The August 9, 2023 date is used because this is the date for which the Legislative Interim Finance Committee affected the last changes to the fiscal year ended June 30, 2024 budget as permitted by NRS 353.220.

Since the budgetary and GAAP presentations of actual data differ, a reconciliation of ending fund balances is presented below (expressed in thousands):

	General Fund	State Education Fund
Fund balances (budgetary basis) June 30, 2024	$ 5,835,027	$ 868,982
***Adjustments*:**		
Basis differences:		
Petty cash or outside bank accounts	7,267	-
Accrual of certain other receivables	337,644	62,007
Inventory	27,599	-
Advances to other funds	4,139	-
Accrual of certain accounts payable and other liabilities	(582,619)	-
Unearned revenues	(1,470,304)	-
Deferred inflows - unavailable	(192,063)	(1,559)
Encumbrances	4,376	-
Other	(76,701)	(10,650)
Perspective differences:		
Special revenue fund reclassified to General Fund for GAAP purposes	165,562	-
Fund balances (GAAP basis) June 30, 2024	$ 4,059,927	$ 918,780

Total fund balance on the budgetary basis in the General Fund at June 30, 2024, is composed of both restricted funds, which are not available for appropriation, and unrestricted funds as follows (expressed in thousands):

Total fund balance (budgetary basis)	$ 5,835,027
Restricted funds	(4,344,822)
Unrestricted fund balance (budgetary basis)	$ 1,490,205

Pension Plan Information

A. Multiple-employer Cost Sharing Plan

Primary Government - The following schedule presents the State's proportionate share of the net pension liability for the Public Employees' Retirement System (expressed in thousands):

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
State's proportion of the net pension liability	15.0 %	15.7 %	16.7 %	16.8 %	16.7 %	16.5 %	16.8 %	16.3 %	16.4 %	16.6 %
State's proportionate share of the net pension liability	$ 2,735,129	$ 2,832,768	$ 1,522,865	$ 2,345,467	$ 2,278,610	$ 2,248,729	$ 2,233,666	$ 2,187,213	$ 1,879,626	$ 1,730,601
State's covered payroll	$ 1,066,405	$ 1,058,218	$ 1,085,098	$ 1,092,368	$ 1,049,306	$ 997,840	$ 984,131	$ 906,687	$ 874,098	$ 872,316
State's proportionate share of the net pension liability as a percentage of its covered payroll	256 %	268 %	140 %	215 %	217 %	225 %	227 %	241 %	215 %	198 %
Plan fiduciary net position as a percentage of the total pension liability	76 %	75 %	87 %	77 %	76 %	75 %	74 %	72 %	75 %	76 %

The following schedule presents a ten-year history of the State's contributions to the Public Employees' Retirement System (expressed in thousands):

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contributions	$ 230,740	$ 174,571	$ 173,527	$ 175,570	$ 176,300	$ 161,627	$ 153,762	$ 151,492	$ 190,528	$ 176,579
Contributions in relation to the statutorily required contribution	$ 230,740	$ 174,571	$ 173,527	$ 175,570	$ 176,300	$ 161,627	$ 153,762	$ 151,492	$ 190,528	$ 176,579
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 1,253,537	$ 1,066,405	$ 1,058,218	$ 1,085,098	$ 1,092,368	$ 1,049,306	$ 997,840	$ 984,131	$ 906,687	$ 874,098
Contributions as a percentage of covered payroll	18 %	16 %	16 %	16 %	16 %	15 %	15 %	15 %	21 %	20 %

Note: GASB Statement No. 82 was implemented in fiscal year 2017, and as a result, contributions no longer include payments made by the State to satisfy contribution requirements that are identified by the plan terms as member contributions. In addition, GASB Statement No. 82 clarified covered payroll which was implemented in fiscal year 2017; prior years are not reflective of this change.

Nevada System of Higher Education (NSHE) - The following schedule presents the NSHE's proportionate share of the net pension liability for the Public Employees' Retirement System (expressed in thousands):

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
NSHE's proportion of the net pension liability	2.8 %	2.8 %	3.0 %	3.0 %	3.0 %	2.9 %	2.9 %	2.9 %	2.8 %	2.8 %
NSHE's proportionate share of the net pension liability	$ 508,975	$ 501,370	$ 272,974	$ 424,238	$ 414,036	$ 398,883	$ 383,226	$ 389,352	$ 324,708	$ 292,841
NSHE's covered payroll	$ 209,321	$ 198,288	$ 205,049	$ 200,838	$ 196,183	$ 187,737	$ 179,694	$ 171,007	$ 165,653	$ 162,250
NSHE's proportionate share of the net pension liability as a percentage of its covered payroll	243 %	253 %	133 %	211 %	211 %	212 %	213 %	228 %	196 %	180 %
Plan fiduciary net position as a percentage of the total pension liability	76 %	75 %	87 %	77 %	76 %	75 %	74 %	72 %	75 %	76 %

The following schedule presents a ten-year history of the NSHE's contributions to the Public Employees' Retirement System (expressed in thousands):

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contributions	$ 43,603	$ 32,454	$ 30,715	$ 31,286	$ 30,564	$ 28,549	$ 27,030	$ 34,456	$ 33,124	$ 29,901
Contributions in relation to the statutorily required contribution	$ 43,603	$ 32,454	$ 30,715	$ 31,286	$ 30,564	$ 28,549	$ 27,030	$ 43,152	$ 35,756	$ 29,901
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 249,540	$ 209,321	$ 198,288	$ 205,049	$ 200,838	$ 196,183	$ 187,737	$ 179,694	$ 171,007	$ 165,653
Contributions as a percentage of covered payroll	17 %	16 %	15 %	15 %	15 %	15 %	14 %	19 %	19 %	18 %

Note: GASB Statement No. 82 was implemented in fiscal year 2017, and as a result, contributions no longer include payments made by the NSHE to satisfy contribution requirements that are identified by the plan terms as member contributions. In addition, GASB Statement No. 82 clarified covered payroll which was implemented in fiscal year 2017; prior years are not reflective of this change.

Colorado River Commission (CRC) - The following schedule presents the CRC's proportionate share of the net pension liability for the Public Employees' Retirement System (expressed in thousands):

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
CRC's proportion of the net pension liability	0.04 %	0.04 %	0.04 %	0.04 %	0.04 %	0.04 %	0.04 %	0.05 %	0.05 %	0.05 %
CRC's proportionate share of the net pension liability	$ 7,344	$ 7,189	$ 3,836	$ 6,152	$ 5,986	$ 5,994	$ 5,867	$ 6,596	$ 4,997	$ 6,305
CRC's covered payroll	$ 2,674	$ 2,717	$ 2,881	$ 2,881	$ 2,970	$ 2,856	$ 2,702	$ 2,575	$ 2,531	$ 2,348
CRC's proportionate share of the net pension liability as a percentage of its covered payroll	275 %	265 %	133 %	214 %	202 %	210 %	217 %	256 %	197 %	269 %
Plan fiduciary net position as a percentage of the total pension liability	76 %	75 %	87 %	77 %	76 %	75 %	74 %	72 %	75 %	76 %

The following schedule presents the CRC's contributions to the Public Employees' Retirement System (expressed in thousands):

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contributions	$ 579	$ 487	$ 421	$ 439	$ 460	$ 423	$ 406	$ 396	$ 523	$ 507
Contributions in relation to the statutorily required contribution	$ 557	$ 468	$ 440	$ 441	$ 465	$ 423	$ 406	$ 396	$ 523	$ 507
Contribution (deficiency) excess	$ (22)	$ (19)	$ 19	$ 2	$ 5	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 3,307	$ 3,140	$ 2,717	$ 2,881	$ 3,092	$ 2,970	$ 2,856	$ 2,702	$ 2,575	$ 2,531
Contributions as a percentage of covered payroll	17 %	15 %	16 %	15 %	15 %	14 %	14 %	15 %	20 %	20 %

Note: GASB Statement No. 82 was implemented in fiscal year 2017, and as a result, contributions no longer include payments made by the CRC to satisfy contribution requirements that are identified by the plan terms as member contributions. In addition, GASB Statement No. 82 clarified covered payroll which was implemented in fiscal year 2017; prior years are not reflective of this change.

B. Single-employer Plan

The following schedule presents the changes in the net pension liability for the Legislators' Retirement System (expressed in thousands):

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability										
Service cost	$ 30	$ 32	$ 32	$ 33	$ 29	$ 30	$ 29	$ 31	$ 39	$ 37
Interest	354	347	350	349	372	373	398	414	426	428
Differences between expected and actual experience	(151)	147	(119)	56	(266)	47	(82)	(145)	(109)	-
Changes of assumptions	1	-	268	-	-	-	125	-	-	-
Benefit payments, including refunds	(435)	(406)	(421)	(427)	(470)	(460)	(482)	(503)	(497)	(494)
Net change in total pension liability	(201)	120	110	11	(335)	(10)	(12)	(203)	(141)	(29)
Total pension liability - beginning	5,071	4,951	4,841	4,830	5,165	5,175	5,187	5,390	5,531	5,560
Total pension liability - ending (a)	$ 4,870	$ 5,071	$ 4,951	$ 4,841	$ 4,830	$ 5,165	$ 5,175	$ 5,187	$ 5,390	$ 5,531
Plan fiduciary net position										
Contributions - employer	$ 181	$ 83	$ 83	$ 98	$ 98	$ 105	$ 105	$ 156	$ 156	$ 213
Contributions - employee	38	19	19	25	24	20	20	23	23	27
Net investment income	574	(503)	1,254	294	342	397	526	62	179	804
Benefit payments, including refunds	(435)	(406)	(421)	(427)	(470)	(460)	(481)	(503)	(497)	(494)
Administrative expense	(89)	(88)	(83)	(80)	(75)	(72)	(68)	(65)	(85)	(46)
Other	89	88	84	81	76	73	69	66	86	46
Net change in plan fiduciary net position	358	(807)	936	(9)	(5)	63	171	(261)	(138)	550
Plan fiduciary net position - beginning	4,823	5,630	4,694	4,703	4,708	4,645	4,474	4,735	4,873	4,323
Plan fiduciary net position - ending (b)	$ 5,181	$ 4,823	$ 5,630	$ 4,694	$ 4,703	$ 4,708	$ 4,645	$ 4,474	$ 4,735	$ 4,873
Net pension liability/(asset) - beginning	$ 248	$ (679)	$ 147	$ 127	$ 457	$ 530	$ 713	$ 655	$ 658	$ 1,237
Net pension liability/(asset) - ending (a) - (b)	$ (311)	$ 248	$ (679)	$ 147	$ 127	$ 457	$ 530	$ 713	$ 655	$ 658
Plan fiduciary net position as a percentage of total pension liability	106 %	95 %	114 %	97 %	97 %	91 %	90 %	86 %	88 %	88 %

The following schedule presents the State's (primary government's) contributions to the Legislators' Retirement System (expressed in thousands):

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contributions	$ -	$ 181	$ -	$ 166	$ -	$ 196	$ -	$ 210	$ -	$ 312
Contributions in relation to the statutorily required contribution	$ -	$ 181	$ -	$ 166	$ -	$ 196	$ -	$ 210	$ -	$ 312

C. Agent Multiple-employer Plan

The following schedule presents the changes in the net pension liability for the Judicial Retirement System (expressed in thousands):

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability										
Service cost	$ 4,384	$ 4,420	$ 4,207	$ 4,117	$ 4,092	$ 4,231	$ 3,718	$ 3,828	$ 3,593	$ 3,411
Interest	13,772	12,982	11,585	11,034	10,415	10,141	9,993	9,677	8,876	8,367
Differences between expected and actual experience	2,747	124	1,123	(3,301)	(30)	(5,065)	1,123	(4,211)	1,250	(2,666)
Change of assumptions	-	-	11,795	-	-	-	79	-	-	-
Benefit payments, including refunds	(8,589)	(7,705)	(7,038)	(6,594)	(6,119)	(5,657)	(5,524)	(5,351)	(4,896)	(4,295)
Other	1,407	1,690	4,424	-	220	515	419	-	2,357	990
Net change in total pension liability	13,721	11,511	26,096	5,256	8,578	4,165	9,808	3,943	11,180	5,807
Total pension liability - beginning	189,167	177,656	151,560	146,304	137,726	133,561	123,753	119,810	108,630	102,823
Total pension liability - ending (a)	$ 202,888	$ 189,167	$ 177,656	$ 151,560	$ 146,304	$ 137,726	$ 133,561	$ 123,753	$ 119,810	$ 108,630
Plan fiduciary net position										
Contributions - employer	$ 5,126	$ 5,250	$ 5,413	$ 5,334	$ 5,265	$ 5,307	$ 5,786	$ 5,773	$ 6,155	$ 6,002
Contributions - employee	465	354	423	635	473	115	255	269	96	-
Net investment income	20,835	(17,248)	38,931	8,418	9,551	9,696	12,556	1,556	3,206	14,252
Benefit payments, including refunds	(8,589)	(7,705)	(7,037)	(6,594)	(6,119)	(5,657)	(5,524)	(5,351)	(4,896)	(4,295)
Administrative expense	(119)	(117)	(114)	(109)	(106)	(101)	(95)	(90)	(86)	(83)
Other	1,407	1,689	4,424	-	220	515	419	-	2,357	990
Net change in plan fiduciary net position	19,125	(17,777)	42,040	7,684	9,284	9,875	13,397	2,157	6,832	16,866
Plan fiduciary net position - beginning	165,605	183,382	141,342	133,658	124,374	114,499	101,102	98,945	92,113	75,247
Plan fiduciary net position - ending (b)	$ 184,730	$ 165,605	$ 183,382	$ 141,342	$ 133,658	$ 124,374	$ 114,499	$ 101,102	$ 98,945	$ 92,113
Net pension liability/(asset) - beginning	$ 23,562	$ (5,726)	$ 10,218	$ 12,646	$ 13,352	$ 19,062	$ 22,651	$ 20,865	$ 16,517	$ 27,576
Net pension liability/(asset) - ending (a) - (b)	$ 18,158	$ 23,562	$ (5,726)	$ 10,218	$ 12,646	$ 13,352	$ 19,062	$ 22,651	$ 20,865	$ 16,517
Plan fiduciary net position as a percentage of total pension liability	91 %	88 %	103 %	93 %	91 %	90 %	86 %	82 %	83 %	85 %
Covered payroll (measurement as of end of fiscal year)	$ 20,182	$ 20,077	$ 20,193	$ 20,561	$ 20,353	$ 20,451	$ 20,995	$ 20,154	$ 19,930	$ 18,934
Net pension liability/(asset) as a percentage of covered payroll	90 %	117 %	(28)%	50 %	62 %	65 %	91 %	112 %	105 %	87 %

The following schedule presents the State's (primary government's) contributions to the Judicial Retirement System (expressed in thousands):

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 5,848	$ 5,520	$ 5,272	$ 5,255	$ 5,300	$ 5,191	$ 5,585	$ 5,138	$ 5,443	$ 5,266
Contributions in relation to the actuarially determined contribution	$ 4,837	$ 4,512	$ 4,660	$ 4,851	$ 4,776	$ 4,744	$ 4,789	$ 5,262	$ 5,227	$ 5,535
Contribution (deficiency) excess	$ (1,011)	$ (1,008)	$ (612)	$ (404)	$ (524)	$ (447)	$ (796)	$ 124	$ (216)	$ 269
Covered payroll*	$ 16,512	$ 16,743	$ 17,010	$ 17,133	$ 17,549	$ 17,414	$ 17,583	$ 18,195	$ 17,425	$ 17,132
Contributions as a percentage of covered payroll	29 %	27 %	27 %	28 %	27 %	27 %	27 %	29 %	30 %	32 %

*Covered payroll for 2023 was restated to correct an error in the previously reported amount.

Notes to Required Supplementary Information – Actuarial assumptions used in calculating the actuarially determined contributions can be found in Note 10C.

Changes of Assumptions – The PERS plan reflects the following changes in assumptions from June 30, 2020 to June 30, 2021.

- The inflation rate decreased from 2.75% to 2.50%.
- Payroll growth decreased from 5.00% to 3.50%.
- Investment rate of return decreased from 7.50% to 7.25%.
- Projected salary increases declined from 4.25% to 9.15% to 4.20% to 9.10% for Regular members.
- Projected salary increases declined from 4.55% to 13.90% to 4.60% to 14.50% for Police/Fire members.
- The consumer price index decreased from 2.75% to 2.50%.
- Mortality rates were changed from Headcount-Weighted RP-2014 Tables to Pub-2010 Mortality Tables.
- Future mortality improvement was changed from 6 years to the Generational Projection Scale MP-2020.
- The discount rate decreased from 7.50% to 7.25%.

The PERS plan reflects the following changes in assumptions from June 30, 2016, to June 30, 2017.

- The inflation rate decreased from 3.50% to 2.75%.
- Investment rate of return decreased from 8.00% to 7.50%.
- Productivity of pay decreased from 0.75% to 0.50%.
- Projected salary increases declined from 4.60% to 9.75% to 4.25% to 9.15% for Regular members.
- Projected salary increases declined from 5.25% to 14.50% to 4.55% to 13.90% for Police/Fire members.
- The consumer price index decreased from 3.50% to 2.75%.
- Mortality rates were changed from RP-2000 Combined Healthy/Disabled Mortality Table to Headcount-Weighted RP-2014 Healthy/Disabled Tables.

Postemployment Benefits Other Than Pensions (OPEB)

Primary Government - The following schedule presents the State's proportionate share of the collective net OPEB liability (expressed in thousands):

	2023	2022	2021	2020	2019	2018	2017
State's proportion of the collective net OPEB liability	57.83 %	58.33 %	58.87 %	58.68 %	58.14 %	59.88 %	61.00 %
State's proportionate share of the collective net OPEB liability	$ 843,109	$ 841,267	$ 912,584	$ 882,306	$ 810,288	$ 793,089	$ 799,477
State's covered payroll	$ 1,109,648	$ 1,067,396	$ 986,868	$ 1,109,289	$ 1,058,033	$ 1,010,679	$ 964,668
State's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	75.98 %	78.81 %	92.47 %	79.54 %	76.58 %	78.47 %	82.00 %
Plan fiduciary net position as a percentage of the total OPEB liability	(2.14)%	(1.40)%	(0.65)%	(0.38)%	0.02 %	0.12 %	- %

Note: This schedule requires ten years of information to be presented. However, until ten years of data is available, only those years for which information is available will be presented.

The following schedule presents the State's contributions to the OPEB plan (expressed in thousands):

	2024	2023	2022	2021	2020	2019	2018
Contractually required contribution	$ 39,432	$ 24,079	$ 23,162	$ 23,290	$ 25,957	$ 24,758	$ 23,751
Contributions in relation to the contractually required contribution	$ 39,432	$ 24,079	$ 23,162	$ 23,290	$ 25,957	$ 24,758	$ 23,751
State's covered payroll	$ 1,267,925	$ 1,109,648	$ 1,067,396	$ 986,868	$ 1,109,289	$ 1,058,033	$ 1,010,679
Contributions as a percentage of covered payroll	3.11 %	2.18 %	2.17 %	2.36 %	2.34 %	2.34 %	2.35 %

Note: This schedule requires ten years of information to be presented. However, until ten years of data is available, only those years for which information is available will be presented.

Nevada System of Higher Education (NSHE) - The following schedule presents the NSHE's proportionate share of the collective net OPEB liability (expressed in thousands):

	2023	2022	2021	2020	2019	2018	2017
NSHE's proportion of the collective net OPEB liability	41.04 %	40.56 %	40.10 %	40.35 %	40.85 %	39.13 %	37.00 %
NSHE's proportionate share of the collective net OPEB liability	$ 598,287	$ 584,918	$ 621,544	$ 606,769	$ 569,268	$ 518,254	$ 489,754
NSHE's covered payroll	$ 770,032	$ 740,121	$ 744,695	$ 757,182	$ 711,803	$ 667,622	$ 625,454
NSHE's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	77.70 %	79.03 %	83.46 %	80.14 %	79.98 %	77.63 %	78.00 %
Plan fiduciary net position as a percentage of the total OPEB liability	(2.14)%	(1.40)%	(0.65)%	(0.38)%	0.02 %	0.12 %	- %

Note: This schedule requires ten years of information to be presented. However, until ten years of data is available, only those years for which information is available will be presented.

The following schedule presents the NSHE's contributions to the OPEB plan (expressed in thousands):

	2024	2023	2022	2021	2020	2019	2018
Contractually required contribution	$ 24,153	$ 16,710	$ 16,061	$ 17,426	$ 17,794	$ 16,727	$ 15,689
Contributions in relation to the contractually required contribution	$ 28,113	$ 16,785	$ 16,058	$ 15,857	$ 17,716	$ 16,656	$ 15,702
Contribution (deficiency) excess	$ 3,960	$ 75	$ (3)	$ (1,569)	$ (78)	$ (71)	$ 13
NSHE's covered payroll	$ 903,929	$ 770,032	$ 740,121	$ 744,695	$ 757,182	$ 711,803	$ 667,622
Contributions as a percentage of covered payroll	2.67 %	2.17 %	2.17 %	2.34 %	2.35 %	2.35 %	2.35 %

Note: This schedule requires ten years of information to be presented. However, until ten years of data is available, only those years for which information is available will be presented.

Colorado River Commission (CRC) - The following schedule presents the CRC's proportionate share of the collective net OPEB liability (expressed in thousands):

	2023	2022	2021	2020	2019	2018	2017
CRC's proportion of the collective net OPEB liability	0.13 %	0.16 %	0.16 %	0.16 %	0.16 %	0.17 %	- %
CRC's proportionate share of the collective net OPEB liability	$ 2,157	$ 2,402	$ 2,465	$ 2,376	$ 2,267	$ 2,218	$ 2,261
CRC's covered payroll	$ 3,509	$ 3,793	$ 2,881	$ 3,105	$ 3,167	$ 2,891	$ 2,702
CRC's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	61.46 %	63.32 %	85.56 %	76.52 %	71.58 %	76.73 %	83.00 %
Plan fiduciary net position as a percentage of the total OPEB liability	(2.14)%	(1.40)%	(0.65)%	(0.38)%	0.02 %	0.12 %	- %

Note: This schedule requires ten years of information to be presented. However, until ten years of data is available, only those years for which information is available will be presented.

The following schedule presents the CRC's contributions to the OPEB plan (expressed in thousands):

	2024	2023	2022	2021	2020	2019	2018
Contractually required contribution	$ 100	$ 69	$ 63	$ 69	$ 73	$ 52	$ 68
Contributions in relation to the contractually required contribution	$ 100	$ 69	$ 63	$ 63	$ 73	$ 69	$ 66
Contribution (deficiency) excess	$ -	$ -	$ -	$ (7)	$ -	$ 17	$ (2)
CRC's covered payroll	$ 3,307	$ 3,139	$ 2,726	$ 2,881	$ 3,105	$ 3,167	$ 2,750
Contributions as a percentage of covered payroll	3.04 %	2.19 %	2.32 %	2.18 %	2.34 %	1.65 %	2.48 %

Note: This schedule requires ten years of information to be presented. However, until ten years of data is available, only those years for which information is available will be presented.

Notes to Required Supplementary Information – In the valuation report measured as of June 30, 2023, both the investment rate of return and the discount rate increased from 3.54% to 3.65%. Additionally, the healthcare cost trend rates assumptions were updated. The previous rates of 4.80%, effective July 1, 2023, then 7.25% graded down to 0.25% to ultimate 4.50% over 11 years, were revised to 7.25%, effective July 1, 2024, then 7.00% graded down to 0.25% to ultimate 4.50% over 11 years. In the valuation report for 2022, the discount rate used to measure the total OPEB liability increased from 2.21% to 3.54%. In the valuation report for 2020, the discount rate decreased from 3.87% to 2.21%. The valuation report for 2019 kept the same discount rate as 2018. In the valuation report for 2018, the discount rate increased from 3.58% to 3.87%.

Schedule of Infrastructure Condition and Maintenance Data

The State has adopted the modified approach for reporting infrastructure assets defined as a single roadway network that includes bridges. Bridges are not considered a subsystem as they are included in the cost of road construction. Under this approach, the State expenses certain maintenance and preservation costs and does not report depreciation expense. The single roadway network accounted for under the modified approach includes the combination of 5,400 centerline miles of roads and 1,200 bridges.

The State manages its roadway network by dividing the roadway system into five categories based on the traffic load. The categories range from category I, representing the busiest roadways and interstates, to category V, representing the least busy rural routes with an average daily traffic of less than 250 vehicles. To monitor the condition of the roadways the State uses the International Roughness Index (IRI). IRI measures the cumulative deviation from a smooth surface. The lower the IRI value, the better the condition of the roadway. Results of the condition assessments provide reasonable assurance that the condition level of the roadways is being preserved above, or approximately at, the condition level established for all road categories. The following tables show the State's condition level of the roadways.

Condition Level of the Roadways

Percentage of roadways with an IRI of 95 or less

	Category				
	I	II	III	IV	V
State Policy-minimum percentage	70%	65%	60%	40%	10%
Actual results of 2023 condition assessment	91%	88%	80%	61%	23%
Actual results of 2022 condition assessment*	91%	88%	80%	64%	21%
Actual results of 2021 condition assessment	90%	88%	81%	64%	21%

The State has set a policy to maintain its bridges so that not more than seven percent are structurally deficient. The following table shows the State's policy and condition level of the bridges.

Condition Level of the Bridges

Percentage of substandard bridges

	2024	2023	2022
State Policy-maximum percentage	7%	7%	7%
Actual results condition assessment	1%	1%	1%

The following table shows the State's estimate of spending necessary to preserve and maintain the roadway network at, or above, the established condition level and the actual amount spent during the past five fiscal years.

Maintenance and Preservation Costs

(Expressed in Thousands)

	2024	2023*	2022	2021	2020
Estimated	$ 185,513	$ 142,510	$ 269,778	$ 212,856	$ 178,393
Actual	259,828	158,173	230,580	181,928	152,595

Maintenance and preservation costs are primarily funded with highway user revenue, fuel taxes, vehicle registration and license fees. The funding level for maintenance and preservation costs is affected by the amount of taxes and fees collected and the amount appropriated for construction of new roadways.

*In accordance with GASB Statement No. 100, *Accounting Changes and Error Corrections*, actual results of 2022 condition assessment (categories IV and V) have been restated due to updated information in the published 2023 Annual Report, resulting in an overstatement in the reported percentages. In addition, the 2023 actual maintenance and preservation cost has been restated due to a formula error in the spreadsheet used to compile the 2023 actual cost, resulting in an overstatement of the 2023 actual maintenance and preservation cost. No other portions of the tables above were impacted by these correction.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Honorable Andy Matthews
State Controller
Carson City, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Nevada (the State), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the State's basic financial statements, and have issued our report thereon dated June 26, 2026. Our report includes a reference to other auditors who audited the financial statements of the following, as described in our report on the State of Nevada's financial statements:

- Colorado River Commission, a discretely presented component unit
- Pension Trust Funds, a part of the pension and other employee benefits trust fiduciary fund
- Retirement Benefits Investment Fund, a fiduciary investment trust fund
- Vanguard, Future Path, USAA, and Putnam Nevada College Savings Plans, a part of the private-purpose trust fiduciary fund
- Insurance Premiums, an internal service fund
- Printing, an internal service fund
- Legislative, a part of the general fund

This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by some of those auditors. The financial statements of the Pension Trust Funds, the Insurance Premiums Internal Service Fund and the Retirement Benefits Investment Fund were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the State's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control. Accordingly, we do not express an opinion on the effectiveness of the State's internal control.

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Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2024-001 through 2024-003, 2024-006, 2024-007, 2024-009, 2024-010, 2024-012, 2024-017, and 2024-018 through 2024-021 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2024-004, 2024-005, 2024-008, 2024-011, and 2024-013 through 2024-016 to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The State's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the State's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The State's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Reno, Nevada
June 26, 2026

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Legislative Auditor
Legislative Counsel Bureau
Capitol Complex
Carson City, Nevada

Report on Compliance for Each Major Federal Program

Adverse, Qualified, and Unmodified Opinions

We have audited the State of Nevada's (the State's) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the State's major federal programs for the year ended June 30, 2024. The State's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Adverse Opinion on Homeland Security Grant Program

In our opinion, because of the significance of the matters discussed in the Basis for Adverse, Qualified, and Unmodified Opinions section of our report, the State did not comply in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Homeland Security Grant Program for the year ended June 30, 2024.

Qualified Opinion on Child Nutrition Cluster, Coronavirus State and Local Fiscal Recovery Fund, Special Education (IDEA) Cluster, Education Stabilization Fund, Temporary Assistance for Needy Families, Low-Income Home Energy Assistance, and CCDF Cluster

In our opinion, except for the noncompliance described in the Basis for Adverse, Qualified, and Unmodified Opinions section of our report, the State complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Child Nutrition Cluster, Coronavirus State and Local Fiscal Recovery Fund, Special Education (IDEA) Cluster, Education Stabilization Fund, Temporary Assistance for Needy Families, Low-Income Home Energy Assistance, and CCDF Cluster for the year ended June 30, 2024.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the State complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2024.

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Basis for Adverse, Qualified, and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the State and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse, qualified, and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the State's compliance with the compliance requirements referred to above.

Matters Giving Rise to Adverse Opinion on Homeland Security Grant Program

As described in the accompanying schedule of findings and questioned costs, the State did not comply with requirements regarding:

Finding #	Assistance Listing #	Program (or Cluster) Name	Compliance Requirement
2024-053	97.067	Homeland Security Grant Program	Activities Allowed or Unallowed and Allowable Costs/Cost Principles
2024-054	97.067	Homeland Security Grant Program	Matching, Level of Effort and Earmarking
2024-057	97.067	Homeland Security Grant Program	Subrecipient Monitoring
2024-058	97.067	Homeland Security Grant Program	Special Tests and Provisions

Compliance with such requirements is necessary, in our opinion, for the State to comply with the requirements applicable to that program.

Matters Giving Rise to Qualified Opinion on Child Nutrition Cluster, Coronavirus State and Local Fiscal Recovery Fund, Special Education (IDEA) Cluster, Education Stabilization Fund, Temporary Assistance for Needy Families, Low-Income Home Energy Assistance, and CCDF Cluster

As described in the accompanying schedule of findings and questioned costs, the State did not comply with requirements regarding:

Finding #	Assistance Listing #	Program (or Cluster) Name	Compliance Requirement
2024-023	10.553/10.555/10.556/ 10.559/10.582	Child Nutrition Cluster	Reporting

Finding #	Assistance Listing #	Program (or Cluster) Name	Compliance Requirement
2024-028	21.027	Coronavirus State and Local Fiscal Recovery Fund	Reporting
2024-029	21.027	Coronavirus State and Local Fiscal Recovery Fund	Subrecipient Monitoring
2024-031	84.027/84.173	Special Education (IDEA) Cluster	Matching, Level of Effort and Earmarking
2024-033	84.425	Education Stabilization Fund	Matching, Level of Effort and Earmarking
2024-034	84.425	Education Stabilization Fund	Reporting
2024-041	93.558	Temporary Assistance for Needy Families	Reporting
2024-042	93.558	Temporary Assistance for Needy Families	Reporting
2024-043	93.568	Low-Income Home Energy Assistance	Reporting
2024-044	93.568	Low-Income Home Energy Assistance	Reporting
2024-047	93.575/93.596	CCDF Cluster	Reporting
2024-059	84.027/84.173 93.575/93.596	Special Education (IDEA) Cluster and CCDF Cluster	Cash Management

Compliance with such requirements is necessary, in our opinion, for the State to comply with the requirements applicable to that program.

Other Matter – Federal Expenditures Not Included in the Compliance Audit

The State's basic financial statements include the operations of the Nevada System of Higher Education, a discretely presented component unit, which expended $700,193,972 in federal awards which is not included in the State's schedule of expenditures of federal awards during the year ended June 30, 2024. Our compliance audit, described in the "Adverse, Qualified, and Unmodified Opinions" does not include the operations of the Nevada System of Higher Education because the Nevada System of Higher Education engaged other auditors to perform an audit in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the State's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the State's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the State's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the State's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the State's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed another instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as finding 2024-050. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the State's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The State's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-023, 2024-026, 2024-028, 2024-029, 2024-031 through 2024-034, 2024-038, 2024-039, 2024-041 through 2024-044, 2024-046 through 2024-048, 2024-050, 2024-053 through 2024-055, 2024-057 through 2024-059 to be material weaknesses.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-022, 2024-024, 2024-025, 2024-027, 2024-030, 2024-035 through 2024-037, 2024-040, 2024-045, 2024-049, 2024-051, 2024-052, and 2024-056 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the State's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The State's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State as of and for the year ended June 30, 2024, and the related notes to the

financial statements, which collectively comprise the State's basic financial statements. We issued our report thereon dated June 26, 2026, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Eide Bailly LLP

Reno, Nevada
July 29, 2026

STATE OF NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
Department of Agriculture				
Research and Development CLUSTER				
Food and Agriculture Defense Initiative (FADI)	10.304	A-23-1605-S007	$ 17,800	$ -
Passed Through UC Davis Food and Agriculture Defense Initiative (FADI)	10.304	A22-1782-S006	5,129	-
			22,929	**-**
Farm to School State Formula Grant	10.645	227VNAG5I2003	83,660	-
Total Research and Development CLUSTER			**106,589**	**-**
Total Department of Agriculture			**106,589**	**-**
Department of Defense				
Research and Development CLUSTER				
Basic and Applied Scientific Research	12.300	N62473-21-2-0016	34,905	-
Basic and Applied Scientific Research	12.300	N62473-22-2-0010	144,499	-
			179,404	**-**
Total Research and Development CLUSTER			**179,404**	**-**
Total Department of Defense			**179,404**	**-**
Department of the Interior				
Research and Development CLUSTER				
Outdoor Recreation Acquisition, Development and Planning	15.916	FFY 2019 LWCF	70,918	-
Outdoor Recreation Acquisition, Development and Planning	15.916	FFY 2020 LWCF	472,308	221,348
Outdoor Recreation Acquisition, Development and Planning	15.916	FFY 2021 LWCF	1,068,790	-
Outdoor Recreation Acquisition, Development and Planning	15.916	P23AP02352-00	37,486	-
Outdoor Recreation Acquisition, Development and Planning	15.916	P24AP00303-00	1,350	-
			1,650,852	**221,348**
Total Research and Development CLUSTER			**1,650,852**	**221,348**
Total Department of the Interior			**1,650,852**	**221,348**
Environmental Protection Agency				
Research and Development CLUSTER				
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	98T635015A0	54,208	-
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	PM 98T588010	38,742	-

STATE OF NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
COVID-19 Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	OP98T388010	6,877	-
			99,827	**-**
Regional Wetland Program Development Grants	66.461	98T30101	216,844	152,681
Passed Through Nevada System of Higher Education Science to Achieve Results (STAR) Research Program	66.509	RD-84023601	1,468	-
Total Research and Development CLUSTER			**318,139**	**152,681**
Total Environmental Protection Agency			**318,139**	**152,681**
Department of Energy				
Research and Development CLUSTER				
Environmental Monitoring/Cleanup, Cultural and Resource Mgmt., Emergency Response Research, Outreach, Technical Analysis	81.214	DE-EM0005233	326,776	314,338
Environmental Monitoring/Cleanup, Cultural and Resource Mgmt., Emergency Response Research, Outreach, Technical Analysis	81.214	DE-EM0005234	705,856	-
			1,032,632	**314,338**
Total Research and Development CLUSTER			**1,032,632**	**314,338**
Total Department of Energy			**1,032,632**	**314,338**
Department of Health and Human Services				
Research and Development CLUSTER				
Food and Drug Administration Research	93.103	1U2FFD008095-01	70,205	-
Food and Drug Administration Research	93.103	G-2210-03471	13,055	-
Food and Drug Administration Research	93.103	G-2305-04025	7,022	-
Food and Drug Administration Research	93.103	G-2310-04209	6,696	-
Food and Drug Administration Research	93.103	IU2FFD007421-01	183,419	-
			280,397	**-**
Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	93.130	2 U68HP11441-16-00	29,735	-
Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	93.130	5 U68HP11441-15-00	44,381	-
			74,116	**-**
Injury Prevention and Control Research and State and Community Based Programs	93.136	1 NU17CE010122-01-00	64,963	53,312
Injury Prevention and Control Research and State and Community Based Programs	93.136	1 NU17CE010224-01	1,385,100	1,140,386

STATE OF NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
Injury Prevention and Control Research and State and Community Based Programs	93.136	1NUF2CE002575-01-00	21,053	15,216
Injury Prevention and Control Research and State and Community Based Programs	93.136	5 NU17CE925001-03-00	839,448	497,268
Injury Prevention and Control Research and State and Community Based Programs	93.136	5 NUF2CE002475-05-00	401,976	312,664
Injury Prevention and Control Research and State and Community Based Programs	93.136	5NU17CE010122-02-00	185,811	136,048
			2,898,351	**2,154,894**
Flexible Funding Model - Infrastructure Development and Maintenance for State Manufactured Food Regulatory Programs	93.367	5UI8FD003696-05	126,661	10,000
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946	5 U01DP006587-02-00	20,822	20,822
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946	5 U01DP006587-03-00	81,757	75,654
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946	5 U01DP006587-04-00	1,351	-
			103,930	**96,476**
Total Research and Development CLUSTER			**3,483,455**	**2,261,370**
Total Department of Health and Human Services			**3,483,455**	**2,261,370**
Grand Total Research and Development CLUSTER			**6,771,071**	**2,949,737**
Department of Agriculture				
Child Nutrition CLUSTER				
School Breakfast Program	10.553	20247NV300AG3	34,060,469	33,941,963
School Breakfast Program	10.553	237NVAG3N1199	9,266,091	9,225,408
			43,326,560	**43,167,371**
National School Lunch Program	10.555	20247NV300AG3	96,959,003	96,748,295
National School Lunch Program	10.555	227NVAG3N8903	175,967	175,967
National School Lunch Program	10.555	237NVAG3N1199	26,929,758	26,860,309
National School Lunch Program	10.555	237NVAG3N8903	13,917,814	13,873,888
National School Lunch Program	10.555	National School Lunch Program Commodities	25,076,716	25,076,716
			163,059,258	**162,735,175**
Special Milk Program for Children	10.556	20247NV300AG3	15,823	15,823
Special Milk Program for Children	10.556	237NVAG3N1199	6,751	6,751
			22,574	**22,574**

STATE OF NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Summer Food Service Program for Children	10.559	20247NV300AG3	61,386	19,194
Summer Food Service Program for Children	10.559	237NVAG3N1199	5,271,070	5,235,457
Summer Food Service Program for Children	10.559	Summer Food Service Program Commodities	24,064	24,064
			5,356,520	**5,278,715**
Fresh Fruit and Vegetable Program	10.582	20247NV310AG1	1,815,103	1,815,103
Fresh Fruit and Vegetable Program	10.582	237NV AG1L1603	348,510	348,510
			2,163,613	**2,163,613**
Total Child Nutrition CLUSTER			**213,928,525**	**213,367,448**
Food Distribution CLUSTER				
Commodity Supplemental Food Program	10.565	20247NV810AG1	269,845	203,998
Commodity Supplemental Food Program	10.565	7NV810AG1/237NVAG1Y8005	142,633	109,022
Commodity Supplemental Food Program	10.565	Commodity Supplemental Food Program (CSFP)	1,617,112	1,617,112
			2,029,590	**1,930,132**
Emergency Food Assistance Program (Administrative Costs)	10.568	20247NV810AG8	573,675	558,229
Emergency Food Assistance Program (Administrative Costs)	10.568	237NVAG8Y8105	386,792	378,377
Emergency Food Assistance Program (Administrative Costs)	10.568	237NVNV2Q2204	47,000	47,000
			1,007,467	**983,606**
Emergency Food Assistance Program (Food Commodities)	10.569	USDA Commodity Credit Corp (CCC) TEFAP	9,950,720	9,950,720
Emergency Food Assistance Program (Food Commodities)	10.569	Emergency Food Assistance Program (TEFAP)	15,450,691	15,450,691
			25,401,411	**25,401,411**
Total Food Distribution CLUSTER			**28,438,468**	**28,315,149**
Forest Service Schools and Roads CLUSTER				
Schools and Roads - Grants to States	10.665	22-CS-11041700-027	80,000	-
Schools and Roads - Grants to States	10.665	Schools and Roads Grants to States	4,149,561	4,149,561
			4,229,561	**4,149,561**
Total Forest Service Schools and Roads CLUSTER			**4,229,561**	**4,149,561**
SNAP CLUSTER				
Supplemental Nutrition Assistance Program (SNAP)	10.551	218NV489F7403	959,444	-
Supplemental Nutrition Assistance Program (SNAP)	10.551	SNAP	984,043,983	-
			985,003,427	**-**

STATE OF NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	20237NV4004NV	1,850	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	202473244	32,634,808	642,705
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	20247NV430NV4	1,516,349	52,250
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	20247NV430NV5	61,009	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	237NVNV4Q7503	454,902	37,374
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	237NVNV4S2514 202323S251447	8,389,750	437,034
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	237NVNV4S2519 202323S25I947	15,063	15,063
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	237NVNV4S2520 202323S252047	1,959	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	237NVNV5Q3903	1,717,521	1,549,477
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	FOODNUTRITION SNAP BONUS	132,374	-
COVID-19 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	237NVNV7F1003 202321F100347	2,722,869	-
			47,648,454	**2,733,903**
Total SNAP CLUSTER			**1,032,651,881**	**2,733,903**
Plant and Animal Disease, Pest Control, and Animal Care	10.025	04-8576-0836-CA	110,453	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP22PPQFO000C377	16,489	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP22PPQFO000C378	194	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP22PPQFO000C379	16,503	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP22PPQFO000C380	2,660	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP22PPQFO000C381	2,350	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP22PPQFO000C382	28,967	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP22PPQFO000C383	9,384	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP22PPQFO000C384	3,658	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP22PPQFO000C386	6,085	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP22PPQFO000C387	6,222	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP22PPQFO000C389	14,156	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23PPQFO000C270	23,815	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23PPQFO000C354	17,906	-

STATE OF NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23PPQFO000C355	57,238	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23PPQFO000C356	322	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23PPQFO000C357	4,734	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23PPQFO000C358	8,729	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23PPQFO000C359	5,006	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23PPQFO000C366	3,378	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23PPQFO000C367	5,547	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23PPQFO000C368	12,950	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23PPQFO000C374	9,905	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23PPQFO000C375	1,414	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23PPQFO000C404	28,137	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23PPQFO000C405	2,578	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23PPQFO000C413	3,955	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23VSSPRS00C047	33,345	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP23VSSPRS00C064	16,417	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP24PPQFO000C200	34	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP24VSSPRS00C013	5,895	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP24VSSPRS00C014	4,982	-
			463,408	**-**
Wildlife Services	10.028	AP21WSNWRC00C020	32,961	-
Wildlife Services	10.028	AP22WSWR0000C002	66,493	-
Wildlife Services	10.028	AP23WSWR0000C002	91,103	-
COVID-19 Wildlife Services	10.028	AP23WSNWRC00C003	21,594	-
			212,151	**-**
Market Protection and Promotion	10.163	21-COOLX-NV-0026	11,062	-
Specialty Crop Block Grant Program - Farm Bill	10.170	21SCBPNV1042-00	56,510	56,324
Specialty Crop Block Grant Program - Farm Bill	10.170	21SCBPNV1076 - 00	63,350	63,350
Specialty Crop Block Grant Program - Farm Bill	10.170	23SCBPNV1199	13,936	13,936
Specialty Crop Block Grant Program - Farm Bill	10.170	AM200100XXXXG022	93,924	93,328
Specialty Crop Block Grant Program - Farm Bill	10.170	AM22SCBPNV1147-00	84,400	78,758
			312,120	**305,696**

STATE OF NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
Pandemic Relief Activities: Local Food Purchase Agreements with States, Tribes, and Local Governments	10.182	AM22LFPA0000C024	2,460,705	-
Local Food for Schools Cooperative Agreement Program	10.185	AM23CPLFS000C015	1,196,735	1,186,736
The Emergency Food Assistannce Program (TEFAP) Commodity Credit Corporation Eligible Recipient Funds	10.187	FFY24 TEFAP CCC	29,298	29,298
The Emergency Food Assistannce Program (TEFAP) Commodity Credit Corporation Eligible Recipient Funds	10.187	TEFAP CCC BONUS	340,453	340,453
			369,751	**369,751**
Farm and Ranch Stress Assistance Network Competitive Grants Program	10.525	2021-70035-35748	165,364	-
Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) Data and Technical Assistance Grants	10.537	237NV4NVS8069 202323S806947	5,891	-
Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) Data and Technical Assistance Grants	10.537	8NV400001 201717S807321	1,067	-
			6,958	**-**
COVID-19 Pandemic EBT Food Benefits	10.542	PANDEMIC EBT	58,108,718	-
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	202323W100347	6,731,985	6,041,893
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	202323W100647	8,889,162	-
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	20247NV700NV7	37,469,732	8,148,425
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	7NV700NV1-20225347	622,028	605,568
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	WIC NON-FEDERAL PROGRAM INCOME	1,194	-
COVID-19 WIC Special Supplemental Nutrition Program for Women, Infants and Children	10.557	7NV810NV9-000	5,434	-
Passed Through Gretchen Swanson Center for Nutrition WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	208NE000W5414	210,764	-
			53,930,299	**14,795,886**
Child and Adult Care Food Program	10.558	20247NV300AG3	11,945,705	11,945,705
Child and Adult Care Food Program	10.558	20247NV300AG3-1099	116,520	-
Child and Adult Care Food Program	10.558	20247NV300AG3-2020	313,871	313,871
Child and Adult Care Food Program	10.558	20247NV300AG4	80,372	80,372
Child and Adult Care Food Program	10.558	237NV AG4N1150	53,512	53,512
Child and Adult Care Food Program	10.558	237NVAG3N1099	162	-
Child and Adult Care Food Program	10.558	237NVAG3N1199	4,106,478	4,106,478

STATE OF NEVADA
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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Child and Adult Care Food Program	10.558	237NVAG3N2020	134,414	134,414
Child and Adult Care Food Program	10.558	Child & Adult Food Care Program Commodities	146,246	146,246
			16,897,280	**16,780,598**
State Administrative Expenses for Child Nutrition	10.560	20247NV300AG2	2,043,890	-
State Administrative Expenses for Child Nutrition	10.560	20247NV300AG3	34,299	-
State Administrative Expenses for Child Nutrition	10.560	227NVAG2N2533	8,339	8,339
State Administrative Expenses for Child Nutrition	10.560	237NV AG2N2533	932,618	-
			3,019,146	**8,339**
Food Distribution Program on Indian Reservations	10.567	20247NV430AG4	105,169	-
Food Distribution Program on Indian Reservations	10.567	237NV AG4Q5206	103,528	-
Food Distribution Program on Indian Reservations	10.567	7NV430AG42023-002	15,623	-
Food Distribution Program on Indian Reservations	10.567	Food Distribution Program on Indian Reservations	448,374	448,374
			672,694	**448,374**
WIC Farmers' Market Nutrition Program (FMNP)	10.572	7NV810NV7-202323Y860447	33,998	-
WIC Farmers' Market Nutrition Program (FMNP)	10.572	7NV810NV7-202323Y860747	123,230	-
WIC Farmers' Market Nutrition Program (FMNP)	10.572	7NV810NV7-202424Y860447	24,530	-
			181,758	**-**
Senior Farmers Market Nutrition Program	10.576	237NVAG2Y8313	118,188	118,188
Senior Farmers Market Nutrition Program	10.576	237NVAG2Y8314	5,430	-
Senior Farmers Market Nutrition Program	10.576	7NV320AG2	15,274	13,132
Senior Farmers Market Nutrition Program	10.576	7NV810AG2-2024	6,819	-
			145,711	**131,320**
Child Nutrition Discretionary Grants Limited Availability	10.579	217NVAG7N8103	66,044	66,044
Child Nutrition Discretionary Grants Limited Availability	10.579	227NVAG7N8103	204,667	150,433
Child Nutrition Discretionary Grants Limited Availability	10.579	7NV300AG7-202020N810347	53,057	53,057
COVID-19 Child Nutrition Discretionary Grants Limited Availability	10.579	7NV350AG72023000	269,968	269,968
			593,736	**539,502**
Summer Electronic Benefit Transfer Program for Children	10.646	USDA-FNS-SEBTADM-7WRO-NV	191,973	-
COVID-19 Pandemic EBT Administrative Costs	10.649	202323S900747	5,930,252	-
COVID-19 Pandemic EBT Administrative Costs	10.649	7NV400NV6 202222S900747	38,911	-
			5,969,163	

STATE OF NEVADA
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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Cooperative Forestry Assistance	10.664	18-DG-11046000-614	27,078	27,078
Cooperative Forestry Assistance	10.664	18-DG-11046000-617	60,699	60,699
Cooperative Forestry Assistance	10.664	19-DG-11046000-610	53,498	8,112
Cooperative Forestry Assistance	10.664	19-DG-11046000-612	1,152,885	376,024
Cooperative Forestry Assistance	10.664	20-DG-11046000-606	29,611	28,772
Cooperative Forestry Assistance	10.664	20-DG-11046000-620	406,385	55,078
Cooperative Forestry Assistance	10.664	21-DG-11046000-611	334,820	136,850
Cooperative Forestry Assistance	10.664	21-DG-11046000-620	119,776	108,970
Cooperative Forestry Assistance	10.664	22-DG-11046013-617	295,397	53,111
Cooperative Forestry Assistance	10.664	22-DG-11046013-619	273,156	165,768
Cooperative Forestry Assistance	10.664	23-DG-11046013-604	23,957	-
Cooperative Forestry Assistance	10.664	23-DG-11046013-633	80,826	1,150
			2,858,088	**1,021,612**
Urban and Community Forestry Program	10.675	21-DG-11046000-619	43,888	43,888
Forest Legacy Program	10.676	19-DG-11046000-609	15,814	11,679
Forest Legacy Program	10.676	20-DG-11046000-601	25,000	10,000
Forest Legacy Program	10.676	21-DG-11046000-605	23,705	5,325
Forest Legacy Program	10.676	22-DG-11046013-608	4,107	-
			68,626	**27,004**
Forest Health Protection	10.680	19-DG-11046000-603	22,983	-
Forest Health Protection	10.680	19-DG-11046000-614	10,920	5,000
Forest Health Protection	10.680	20-DG-11046000-604	37,193	9,269
Forest Health Protection	10.680	20-DG-11046000-618	33,256	-
Forest Health Protection	10.680	21-DG-11046000-601	12,982	-
Forest Health Protection	10.680	22-DG-11046013-603	10,177	9,815
Forest Health Protection	10.680	23-DG-11046013-601	42,060	3,415
Forest Health Protection	10.680	23-DG-11046013-602	62,875	-
Forest Health Protection	10.680	23-DG-11046013-607	2,565	-
			235,011	**27,499**

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FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Good Neighbor Authority	10.691	17-GN-11041730-025	47,168	47,168
Good Neighbor Authority	10.691	22-GN-11041700-018	119,710	119,710
			166,878	**166,878**
Watershed Restoration and Enhancement Agreement Authority	10.693	20-PA-11051900-027	88,046	-
State & Private Forestry Hazardous Fuel Reduction Program	10.697	19-DG-11046000-606	245,200	242,085
State & Private Forestry Hazardous Fuel Reduction Program	10.697	20-DG-11046000-611	33,418	-
State & Private Forestry Hazardous Fuel Reduction Program	10.697	21-DG-11046000-607	178,627	169,255
State & Private Forestry Hazardous Fuel Reduction Program	10.697	22-DG-11046013-613	289,776	-
State & Private Forestry Hazardous Fuel Reduction Program	10.697	23-DG-11046013-614	40,485	32,646
			787,506	**443,986**
State & Private Forestry Cooperative Fire Assistance	10.698	20-CA-11132543-095	4,586	-
State & Private Forestry Cooperative Fire Assistance	10.698	22-DG-11046013-621	114,930	-
State & Private Forestry Cooperative Fire Assistance	10.698	22-DG-11046013-623	28,550	23,500
State & Private Forestry Cooperative Fire Assistance	10.698	23-DG-11046013-622	16,717	13,481
			164,783	**36,981**
Partnership Agreements	10.699	22-CS-11046000-026	13,627	-
Partnership Agreements	10.699	22-CS-11046000-031	3,947	-
			17,574	**-**
Infrastructure Investment and Jobs Act Community Wildfire Defense Grants	10.720	22-DG-11046013-625	136,595	-
Infrastructure Investment and Jobs Act Community Wildfire Defense Grants	10.720	23-DG-11046013-611	123,350	118,358
			259,945	**118,358**
Wildfire Crisis Strategy Landscapes	10.724	23-FP-11041700-044	106,552	-
Inflation Reduction Act Urban & Community Forestry Program	10.727	23-DG-11046013-624	35,024	-
Total Department of Agriculture			**1,428,989,088**	**285,018,469**
Department of Commerce				
Economic Development CLUSTER				
Economic Adjustment Assistance	11.307	ED22SEA3070002	753,580	753,580
COVID-19 Economic Adjustment Assistance	11.307	07-79-07804	9,446,219	8,815,532
			10,199,799	**9,569,112**

STATE OF NEVADA
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FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Total Economic Development CLUSTER				
State Digital Equity Planning and Capacity Grant	11.032	32-30-DP348	375,458	-
Broadband Equity, Access, and Deployment Program	11.035	32-20-B090	1,156,366	-
Total Department of Commerce			**11,731,623**	**9,569,112**
Department of Defense				
Procurement Technical Assistance for Business Firms	12.002	SP4800-22-2-2224	2,254	-
Procurement Technical Assistance for Business Firms	12.002	W56KGU-23-2-0081	500,628	-
Procurement Technical Assistance for Business Firms	12.002	W56KGU2420042	79,730	-
			582,612	**-**
STARBASE Program	12.020	W9124X-24-2-410-1	491,242	-
STARBASE Program	12.020	W9124X-24-2-410-21	360,800	-
			852,042	**-**
State Memorandum of Agreement Program for the Reimbursement of Technical Services	12.113	W912DY-22-2-0230	383,606	-
Military Construction, National Guard	12.400	W9124X-21-2-2001	5,092,425	-
Military Construction, National Guard	12.400	W9124X-21-2-2002	2,315,798	-
			7,408,223	**-**
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-16-2-1001	1,012,958	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-20-2-1001	755,415	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-21-2-1001	480,042	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-21-2-1021	154	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-22-2-1001	1,976,224	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-22-2-1002	252	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-22-2-1003	280,031	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-22-2-1005	36,772	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-22-2-1031	567,947	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-23-2-1001	2,148,404	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-23-2-1002	161,305	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-23-2-1003	641,514	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-23-2-1004	113,997	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-23-2-1005	192,730	-

STATE OF NEVADA
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FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-23-2-1007	23,299	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-23-2-1010	33,533	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-23-2-1011	25,605	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-23-2-1014	41,345	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-23-2-1021	412,451	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-23-2-1023	328,381	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-23-2-1024	500,956	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-23-2-1031	335,422	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-23-2-1040	60,282	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-23-2-1041	139,451	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-24-2-1001	3,813,843	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-24-2-1002	184,732	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-24-2-1003	1,614,549	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-24-2-1004	206,387	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-24-2-1005	605,717	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-24-2-1007	71,088	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-24-2-1010	99,942	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-24-2-1011	78,097	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-24-2-1014	53,112	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-24-2-1021	1,068,315	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-24-2-1023	1,013,480	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-24-2-1024	1,578,158	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-24-2-1031	46,857	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-24-2-1040	170,751	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W9124X-24-2-1041	378,298	-
			21,251,796	**-**
National Guard ChalleNGe Program	12.404	W9124X-19-2-4001	497,566	-
National Guard ChalleNGe Program	12.404	W9124X-21-2-4001	23,241	-
National Guard ChalleNGe Program	12.404	W9124X-22-2-4002	42,080	-
National Guard ChalleNGe Program	12.404	W9124X-23-2-4001	2,999,212	-
National Guard ChalleNGe Program	12.404	W9124X-23-2-4002	157,110	-

STATE OF NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
National Guard ChalleNGe Program	12.404	W9124X-23-2-4003	299,715	-
			4,018,924	**-**
Total Department of Defense			**34,497,203**	**-**
Department of Housing and Urban Development				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	B-08-MN-32-0001	18,568	18,568
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	B-18-DC-32-0001	754,508	754,508
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	B-19-DC-32-0001	590,710	590,710
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	B-20-DC-32-001	1,605,174	1,592,228
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	B-20-RH-32-0001	520,561	520,561
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	B-21-DC-32-0001	2,006,294	2,006,294
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	B-22-DC-32-0001	834,818	727,599
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	B-23-DC-32-0001	163,264	5,356
COVID-19 Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	B-20-DW-32-0001	4,834,732	4,834,732
			11,328,629	**11,050,556**
Emergency Solutions Grant Program	14.231	E-22-DC-32-0001	255,483	243,305
Emergency Solutions Grant Program	14.231	E-23-DC-32-0001	180,443	168,257
Emergency Solutions Grant Program	14.231	E21-DC-32-0001	24,236	24,236
COVID-19 Emergency Solutions Grant Program	14.231	E-20-DW-32-0001	778,939	778,939
			1,239,101	**1,214,737**
Home Investment Partnerships Program	14.239	M16-SG320100	104,554	104,554
Home Investment Partnerships Program	14.239	M18-SG320100	771,147	771,147
Home Investment Partnerships Program	14.239	M19-SG320100	1,219,549	1,088,227
Home Investment Partnerships Program	14.239	M20-SG320100	560,908	428,257
Home Investment Partnerships Program	14.239	M21-SG320100	31,009	31,009
Home Investment Partnerships Program	14.239	M22-SG320100	390,006	390,006
COVID-19 Home Investment Partnership Program	14.239	M21-SP320100	69,553	-
			3,146,726	**2,813,200**

STATE OF NEVADA
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FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Housing Opportunities for Persons with AIDS	14.241	NVH22-F999	30,356	29,181
Housing Opportunities for Persons with AIDS	14.241	NVH23-F999	194,761	178,483
			225,117	**207,664**
Continuum of Care Program	14.267	NV0005L9T002114	9,192	-
Continuum of Care Program	14.267	NV0005L9T002215	27,258	-
Continuum of Care Program	14.267	NV0018L9T012215	93,668	-
Continuum of Care Program	14.267	NV0023L9T022113	10,837	10,837
Continuum of Care Program	14.267	NV0023L9T022214	40,472	40,472
			181,427	**51,309**
Housing Trust Fund	14.275	F18-SG320100	61,385	61,385
Housing Trust Fund	14.275	F19-SG320100	230,445	230,445
Housing Trust Fund	14.275	F20-SG320100	252,553	36,234
Housing Trust Fund	14.275	F21-SG320100	1,919,766	1,919,766
Housing Trust Fund	14.275	F22-SG320100	2,029,515	2,029,515
			4,493,664	**4,277,345**
Total Department of Housing and Urban Development			**20,614,664**	**19,614,811**
Department of the Interior				
Fish and Wildlife CLUSTER				
Sport Fish Restoration	15.605	F15AF00465	686,875	-
Sport Fish Restoration	15.605	F21AF04139	179,695	151,475
Sport Fish Restoration	15.605	F22AF01232	821,462	-
Sport Fish Restoration	15.605	F23AF01269-00	46,605	-
Sport Fish Restoration	15.605	F23AF01941-00	497,050	-
Sport Fish Restoration	15.605	F23AF01944	24,723	-
Sport Fish Restoration	15.605	F23AF01947-00	332,869	-
Sport Fish Restoration	15.605	F23AF02537	44,282	-
Sport Fish Restoration	15.605	F23AF02690-00	2,000,084	-
Sport Fish Restoration	15.605	F23AF02691	1,572,058	-
Sport Fish Restoration	15.605	F23AF02960-00	480,243	-
Sport Fish Restoration	15.605	F24AF00051-00	490,875	-
			7,176,821	**151,475**

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F20AF11649	23,327	-
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F21AF03669	118,373	118,373
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F22AF01731	99,350	99,350
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F22AF03221-00	20,311	20,311
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F22AF03375-00	26,169	26,169
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F22AF03420-00	30,444	30,444
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F22AF03507-00	100,325	100,325
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F22AF03599-00	106,875	106,875
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F23AF00030-00	4,382	-
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F23AF01675-00	1,178,455	-
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F23AF01676	1,375,217	-
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F23AF01944-00	62,265	-
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F23AF02537	841,350	-
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F23AF02858	114,213	22,503
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F23AF02960-00	2,721,377	-
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F23AF03019	568,537	180,000
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F23AF03078	2,680,117	99,595
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F23AF03105-00	5,409,253	146,350
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F23AF03184	393,215	-
Wildlife Restoration and Basic Hunter Education and Safety	15.611	F23AF03307	31,769	31,769
			15,905,324	**982,064**
Enhanced Hunter Education and Safety Program	15.626	F23AF01675-00	80,000	-
Total Fish and Wildlife CLUSTER			**23,162,145**	**1,133,539**
Good Neighbor Authority	15.015	L22AC00573-00	406,843	-
Good Neighbor Authority	15.015	L22AC00630-00	404,579	113,302
Good Neighbor Authority	15.015	L23AC00619-00	100,000	-
			911,422	**113,302**
Eastern Nevada Conservation, Recreation and Development	15.017	L23AC00045-00	139,378	-
Southern Nevada Public Land Management	15.235	L16AC00040	7,763	-

STATE OF NEVADA
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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Environmental Quality and Protection	15.236	L21AC10403-00	400,000	-
Environmental Quality and Protection	15.236	L21AC10510	96,714	43,403
			496,714	**43,403**
Plant Conservation and Restoration Management	15.245	L20AC00104	18,210	-
Plant Conservation and Restoration Management	15.245	L20AC00315	5,925	-
Plant Conservation and Restoration Management	15.245	L23AC00694-00	28,510	-
Plant Conservation and Restoration Management	15.245	L23AC00718-00	44,515	-
			97,160	**-**
Wildlife Resource Management	15.247	L20AC00282	29,596	-
Wildlife Resource Management	15.247	L20AC00519	19,933	-
Wildlife Resource Management	15.247	L21AC10476	3,282	-
Wildlife Resource Management	15.247	L21AC10487	141,419	-
Wildlife Resource Management	15.247	L21AC10527	13,349	11,721
Wildlife Resource Management	15.247	L21AC10528	395,981	-
Wildlife Resource Management	15.247	NFWF 67166	100,000	-
Passed through National Fish and Wildlife Foundation Wildlife Resource Management	15.247	2505-21-071173	50,000	-
			753,560	**11,721**
Providing Water to At-Risk Natural Desert Terminal Lakes	15.508	R21AP10526-00	72,008	-
Fish and Wildlife Coordination Act	15.517	R19AC00010	564,474	-
Fish and Wildlife Coordination Act	15.517	R20AP00268	43,580	-
Fish and Wildlife Coordination Act	15.517	R23AP00465	104,924	-
			712,978	**-**
Fish and Aquatic Conservation - Aquatic Invasive Species	15.608	F18AP00268	35,500	35,500
Fish and Aquatic Conservation - Aquatic Invasive Species	15.608	F20AP12165	16,474	-
Fish and Aquatic Conservation - Aquatic Invasive Species	15.608	F21AP03204	26,033	26,033
Fish and Aquatic Conservation - Aquatic Invasive Species	15.608	F21AP03205	28,767	-
Fish and Aquatic Conservation - Aquatic Invasive Species	15.608	F22AP00007	7,676	-
Fish and Aquatic Conservation - Aquatic Invasive Species	15.608	F22AP02735-00	54,070	54,070
Fish and Aquatic Conservation - Aquatic Invasive Species	15.608	F22AP02738-00	56,308	-
Fish and Aquatic Conservation - Aquatic Invasive Species	15.608	F23AP02467	75,572	-

STATE OF NEVADA
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FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Fish and Aquatic Conservation - Aquatic Invasive Species	15.608	F24AP00006-00	280,832	-
Fish and Aquatic Conservation - Aquatic Invasive Species	15.608	F24AP00727-00	5,770	-
			587,002	**115,603**
Cooperative Endangered Species Conservation Fund	15.615	F19AP00409	4,045	-
Cooperative Endangered Species Conservation Fund	15.615	F21AP00230F21AP0023000	31,257	29,541
Cooperative Endangered Species Conservation Fund	15.615	F21AP04157-00	4,576	3,690
Cooperative Endangered Species Conservation Fund	15.615	F22AP00059	661,981	-
Cooperative Endangered Species Conservation Fund	15.615	F23AP02827	19,000	-
Cooperative Endangered Species Conservation Fund	15.615	F23AP02882	83,485	-
Cooperative Endangered Species Conservation Fund	15.615	F23AP02883	136,145	-
Cooperative Endangered Species Conservation Fund	15.615	F23AP02884	49,003	-
Cooperative Endangered Species Conservation Fund	15.615	F23AP02967	12,257	-
			1,001,749	**33,231**
State Wildlife Grants	15.634	F23AF01241-00	371,044	-
State Wildlife Grants	15.634	F23AF01944	3,968	-
State Wildlife Grants	15.634	F23AF01949	573,008	1,778
			948,020	**1,778**
National Wildlife Refuge System Enhancements	15.654	F22AC02835	54,544	-
National Wildlife Refuge System Enhancements	15.654	F23AC01711-00	10,140	-
			64,684	**-**
Endangered Species Recovery Implementation	15.657	F21AC00469	7,061	-
Endangered Species Recovery Implementation	15.657	F22AC02218-00	35,750	-
Endangered Species Recovery Implementation	15.657	F23AC0094300	103,979	-
			146,790	**-**
Candidate Species Conservation	15.660	F20AC11691	6,000	-
Candidate Species Conservation	15.660	F22AC00869	79,374	-
Candidate Species Conservation	15.660	F23AC02478	3,590	3,590
			88,964	**3,590**
Fish and Wildlife Coordination and Assistance	15.664	F22AC02927-00	419,492	-

STATE OF NEVADA
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FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
Adaptive Science	15.670	F21AC03183	15,000	15,000
Adaptive Science	15.670	F22AC02413-00	21,003	-
			36,003	**15,000**
White-nose Syndrome National Response Implementation	15.684	F23AP00018-00	7,322	-
Historic Preservation Fund Grants-In-Aid	15.904	P21AF11033	64,087	30,000
Historic Preservation Fund Grants-In-Aid	15.904	P22AF01139	483,919	27,000
Historic Preservation Fund Grants-In-Aid	15.904	P23AF00929-00	24,824	22,829
			572,830	**79,829**
Natural Resource Stewardship	15.944	P21AC10109	23,500	23,500
Natural Resource Stewardship	15.944	P23AC02373	250,000	-
			273,500	**23,500**
National Park Service Conservation, Protection, Outreach, and Education	15.954	P19AC00387	34,342	-
Total Department of the Interior			**30,533,826**	**1,574,496**
Department of Justice				
Sexual Assault Services Formula Program	16.017	15JOVW-21-GG-00470-SASP	20,840	20,792
Sexual Assault Services Formula Program	16.017	15JOVW-22-GG-00376-SASP	249,534	245,674
Sexual Assault Services Formula Program	16.017	15JOVW-23-GG-00648-SASP	58,071	20,464
			328,445	**286,930**
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-0150	429,236	397,473
Khalid Jabara and Heather Heyer NO HATE Act	16.048	15POVC-23-GK-02218-NOHA	12,618	-
Antiterrorism Emergency Reserve	16.321	2019-V7-GX-0001	1,030,197	973,002
Enhanced Training and Services to End Violence and Abuse of Women Later In Life	16.528	15JOVW-21-GK-0038-ALLX	158,988	79,805
Juvenile Justice and Delinquency Prevention	16.540	15PJDP-21-GG-03248-TITL	170,387	146,723
Juvenile Justice and Delinquency Prevention	16.540	15PJDP-21-GG-04732-TITL	247,943	122,020
Juvenile Justice and Delinquency Prevention	16.540	15PJDP-22-GG-04940-TITL	70,133	17,536
Juvenile Justice and Delinquency Prevention	16.540	2019-JX-FX-0014	8,663	8,410
Juvenile Justice and Delinquency Prevention	16.540	2020-JX-FX-0036	55,064	42,842
			552,190	**337,531**

STATE OF NEVADA
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FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
National Criminal History Improvement Program (NCHIP)	16.554	15PBJS-23-GK-01445NCHI	122,061	-
National Criminal History Improvement Program (NCHIP)	16.554	I 5PBJS-21-GK-00179-NCHI	384,877	20,650
			506,938	**20,650**
Crime Victim Assistance	16.575	15POVC-21-GG-00589-ASSI	7,204,071	6,683,302
Crime Victim Assistance	16.575	15POVC-22-GG-00786-ASSI	221,200	-
Crime Victim Assistance	16.575	2020-V2-GX-0049	4,539,641	4,496,019
			11,964,912	**11,179,321**
Crime Victim Compensation	16.576	15POVC-22-GG-00552-COMP	589,300	-
Crime Victim Compensation	16.576	15POVC-23-GG-00463-COMP	772,500	-
			1,361,800	**-**
Crime Victim Assistance/Discretionary Grants	16.582	2019-V3-GX-0143	44,113	42,051
Crime Victim Assistance/Discretionary Grants	16.582	2020-V3-GX-0049	1,512	-
			45,625	**42,051**
Violence Against Women Formula Grants	16.588	15JOVW-21-GG-00539-STOP	181,166	180,810
Violence Against Women Formula Grants	16.588	15JOVW-22-GG-00442-STOP	549,438	526,902
Violence Against Women Formula Grants	16.588	15JOVW-23-GG-00592-STOP	228,056	86,020
Violence Against Women Formula Grants	16.588	2019-WF-AX-0045	106,358	106,240
Violence Against Women Formula Grants	16.588	2020-WF-AX-0042	34,618	34,173
			1,099,636	**934,145**
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	15JOVW-23-GG-02595-ICJR	33,543	10,034
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	2018-WE-AX-0023	47,352	36,641
			80,895	**46,675**
Residential Substance Abuse Treatment for State Prisoners	16.593	2019-J2-BX-0012	117,894	86,028
Residential Substance Abuse Treatment for State Prisoners	16.593	2020-J2-BX-0043	158,176	32,611
			276,070	**118,639**
Bulletproof Vest Partnership Program	16.607	2020BOBX20021057	748	748
Bulletproof Vest Partnership Program	16.607	2021BOBX210215833	3,385	3,385
Bulletproof Vest Partnership Program	16.607	2022BOBX22031795	721	721
			4,854	**4,854**

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FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Project Safe Neighborhoods	16.609	15PBJA21GG03046GUNP	106,089	93,641
Project Safe Neighborhoods	16.609	2020-GP-BX-0032	39,852	41,319
			145,941	**134,960**
PREA Program: Strategic Support for PREA Implementation	16.735	15PBJA-21-GG-02775-PREA	40,937	-
PREA Program: Strategic Support for PREA Implementation	16.735	15PBJA-22-GG-01104-JAGP	18,380	-
PREA Program: Strategic Support for PREA Implementation	16.735	15PJDP-22-GG-05516-TITL	20,506	-
PREA Program: Strategic Support for PREA Implementation	16.735	2019-RP-BX-0004	19,500	-
			99,323	**-**
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-00625-MUMU	591,699	524,595
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-00025-BSCI	11,512	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-03011-MUMU	290,467	193,300
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA21GG00252MUMU	480,990	201,330
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-MU-BX-0077	48,684	41,771
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-MU-BX-0028	145,354	7,777
			1,568,706	**968,773**
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	15PBJA-21-GG-02916-COVE	38,403	35,388
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	15PBJA-22-GG-02007-COVE	162,889	153,056
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	15PBJA-23-GG-00971-COVE	66,375	64,724
			267,667	**253,168**
Support for Adam Walsh Act Implementation Grant Program	16.750	15PSMA-22-GG-00983-AWAX	11,775	-
Support for Adam Walsh Act Implementation Grant Program	16.750	2019-AW-BX-0023	51,092	-
Support for Adam Walsh Act Implementation Grant Program	16.750	2020-AW-BX-0060	251,886	-
			314,753	**-**
Congressionally Recommended Awards	16.753	15PBJA-22-GG-00154-BRND	84,326	-
NICS Act Record Improvement Program	16.813	15PBJS-23-GK-02339-NARI	94,108	-
NICS Act Record Improvement Program	16.813	2020-NS-BX-K014	126,112	-
			220,220	**-**
John R. Justice Prosecutors and Defenders Incentive Act	16.816	15PBJA-21-GG-00123-JRJX	36,901	-
John R. Justice Prosecutors and Defenders Incentive Act	16.816	15PBJA-22-GG-01223-JRJX	78,122	-
John R. Justice Prosecutors and Defenders Incentive Act	16.816	2020-RJ-BX-0018	36,476	-
			151,499	

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
National Sexual Assault Kit Initiative	16.833	2017-AK-BX-0017	26,001	-
National Sexual Assault Kit Initiative	16.833	2018-AK-BX-0005	16,441	14,455
National Sexual Assault Kit Initiative	16.833	2019-AK-BX-0007	433,924	402,492
National Sexual Assault Kit Initiative	16.833	2020-AK-BX-0037	125,421	114,737
			601,787	**531,684**
Passed Through Bureau of Justice Assistance U.S. Department of Justice Body Worn Camera Policy and Implementation	16.835	29268425	1,083	-
Comprehensive Opioid, Stimulant, and other Substances Use Program	16.838	15PBJA-21-GG-04508-COAP	1,308,205	1,071,319
STOP School Violence	16.839	15PBJA-22-GG-04645-STOP	626,519	-
Equitable Sharing Program	16.922	DPS FEDERAL FORFEITURES	63,173	-
Equitable Sharing Program	16.922	Justice Forfeiture Gaming	374,411	-
			437,584	**-**
Total Department of Justice			**23,680,017**	**17,380,980**
Department of Labor				
Employment Service CLUSTER				
Employment Service/Wagner-Peyser Funded Activities	17.207	23A55WG000011-01	377,863	-
Employment Service/Wagner-Peyser Funded Activities	17.207	23A55WP000024	706,469	-
Employment Service/Wagner-Peyser Funded Activities	17.207	ES-36767-21-55-A-32	1,068,885	-
Employment Service/Wagner-Peyser Funded Activities	17.207	ES-38743-22-55-A-32	6,909,332	-
			9,062,549	**-**
Jobs for Veterans State Grants	17.801	23555DV000041-01-00	959,856	-
Jobs for Veterans State Grants	17.801	24555DV000063-01	865,609	-
Jobs for Veterans State Grants	17.801	DV-37885-22-55-5-32	279,975	-
			2,105,440	**-**
Total Employment Service CLUSTER			**11,167,989**	**-**
WIOA CLUSTER				
WIOA Adult Program	17.258	23A55AA036332-01	1,623,462	69,604
WIOA Adult Program	17.258	23A55AA038542-01	6,628,756	6,109,839
WIOA Adult Program	17.258	23A55AT000046-01-00	7,765,498	7,726,508
			16,017,716	**13,905,951**

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
WIOA Youth Activities	17.259	23A55AA036332-01	872,940	-
WIOA Youth Activities	17.259	23A55AA038542-01	4,232,214	4,133,670
WIOA Youth Activities	17.259	23A55AY000015-01-00	5,944,229	5,832,158
			11,049,383	**9,965,828**
WIOA Dislocated Worker Formula Grants	17.278	23A55AA036332-01	1,935,090	149,057
WIOA Dislocated Worker Formula Grants	17.278	23A55AA038542-01	1,641,998	599,431
WIOA Dislocated Worker Formula Grants	17.278	23A55AW000038-01-00	610,791	575,129
			4,187,879	**1,323,617**
Total WIOA CLUSTER			**31,254,978**	**25,195,396**
Labor Force Statistics	17.002	24J75LM000047-01	523,701	-
Labor Force Statistics	17.002	LM-38435-23-75-J-32	155,371	-
			679,072	**-**
Compensation and Working Conditions	17.005	24J75OS000004-01-00	63,304	-
Compensation and Working Conditions	17.005	OS384182375J32-01-04	18,770	-
			82,074	**-**
Unemployment Insurance	17.225	23A55UI039335-01	11,845,269	-
Unemployment Insurance	17.225	23A60UI037992-01-03	3,660,341	-
Unemployment Insurance	17.225	24A55UI000062-01-00	13,461,765	-
Unemployment Insurance	17.225	UI Trust Fund	429,856,433	-
Unemployment Insurance	17.225	UI-35957-21-60-A-32	32,829	-
COVID-19 Unemployment Insurance	17.225	23A55UI037077-01	779,780	-
COVID-19 Unemployment Insurance	17.225	23A55UI038513-01	1,029,285	-
COVID-19 Unemployment Insurance	17.225	UI-38252-22-55-A-32	2,020,373	-
COVID-19 Unemployment Insurance	17.225	23A55UI034728-01	7,078,972	-
COVID-19 Unemployment Insurance	17.225	FAMILIES FIRST	499,332	-
			470,264,379	**-**
Senior Community Service Employment Program	17.235	AD-38285-22-60-A-32	73,189	73,189
Senior Community Service Employment Program	17.235	23A60AD00081-01-00	256,600	219,738
			329,789	**292,927**

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Trade Adjustment Assistance	17.245	TA-36062-21-55-A-32	358,145	-
Trade Adjustment Assistance	17.245	TA-38691-22-55-A-32	7,349	-
			365,494	**-**
H1-B Job Training Grants	17.268	HG-35887-21-60-A-32	1,100,278	-
Work Opportunity Tax Credit Program (WOTC)	17.271	24A55WT009051-01	118,653	-
Work Opportunity Tax Credit Program (WOTC)	17.271	WT-39411-23-55-A-32	67,503	-
			186,156	**-**
Temporary Labor Certification for Foreign Workers	17.273	23A55FL000015-01-00	37,816	-
Temporary Labor Certification for Foreign Workers	17.273	FL-38072-22-55-A-32	206,824	-
			244,640	**-**
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277	23A60DW000013-01	325,795	-
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277	DW-34818-20-60-A-32	82,032	82,032
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277	DW-35240-20-60-A-32	407,196	403,464
			815,023	**485,496**
Registered Apprenticeship	17.285	23A60AP000016-01-00	412,937	277,896
Registered Apprenticeship	17.285	AP-35116-20-60-A-32	103,729	-
Registered Apprenticeship	17.285	AP-36518-21-60-A-32	303,831	-
			820,497	**277,896**
Occupational Safety and Health State Program	17.503	24F55SP000018-01-06	1,740,600	-
Occupational Safety and Health State Program	17.503	SP-39082-SP3	97,611	-
			1,838,211	**-**
Consultation Agreements	17.504	24F75CS000043-01-06	637,600	-
Consultation Agreements	17.504	CS39040CS3	2,916	-
			640,516	**-**
Mine Health and Safety Grants	17.600	23R60MS000002-01-00	38,928	-
Mine Health and Safety Grants	17.600	24R55MS000059-01-01	427,331	-
			466,259	**-**
Total Department of Labor			**520,255,355**	**26,251,715**

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
Department of Transportation				
FMCSA CLUSTER				
Motor Carrier Safety Assistance	20.218	69A3602230819MCG0NV	1,843,084	-
Motor Carrier Safety Assistance	20.218	69A3602331076MCG0NV	1,677,593	-
			3,520,677	**-**
Motor Carrier Safety Assistance High Priority Activities Grants and Coopoerative Agreements	20.237	69A3602140737MHP0NV	254,880	-
Total FMCSA CLUSTER			**3,775,557**	**-**
Federal Transit CLUSTER				
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	NV-2020-001-03	789,726	789,726
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	NV-2021-036-00	1,870,000	1,870,000
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	NV-2022-002-00	5,641	5,641
			2,665,367	**2,665,367**
Total Federal Transit CLUSTER			**2,665,367**	**2,665,367**
Highway Safety CLUSTER				
State and Community Highway Safety	20.600	69A37523300004020NV0	3,695,276	1,901,340
National Priority Safety Programs	20.616	18X920405FNV20	15,884	-
National Priority Safety Programs	20.616	69A3752230000405BNVH	68,323	68,323
National Priority Safety Programs	20.616	69A3752230000405DNVM	936,020	570,235
National Priority Safety Programs	20.616	69A3752230000405HNV0	57,254	57,254
National Priority Safety Programs	20.616	69A3752330000405BNVH	369,609	134,161
National Priority Safety Programs	20.616	69A3752330000405DNVL	195,160	176,360
National Priority Safety Programs	20.616	69A3752330000405HNV0	91,951	85,447
National Priority Safety Programs	20.616	69A3752430000405HNV0	22,198	-
National Priority Safety Programs	20.616	69A37S213000040SBNVH	7,234	-
National Priority Safety Programs	20.616	69A37S213000040SCNVO	267,658	18,172
			2,031,291	**1,109,952**
Total Highway Safety CLUSTER			**5,726,567**	**3,011,292**

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Transit Services Programs CLUSTER				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	NV-2021-032-00	3,202	3,202
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	NV-2021-38-00	7,562	7,562
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	NV-2021-39-00	7,562	7,562
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	NV-2022-023-00	138,958	138,958
			157,284	**157,284**
Total Transit Services Programs CLUSTER			**157,284**	**157,284**
Airport Improvement Program, COVID-19 Airports Programs, and InfrastructureInvestment and Jobs Act Programs	20.106	3-32-0000-013-2023	249,396	-
Highway Planning and Construction	20.205	20205	580,864,201	27,796,696
COVID-19 Highway Planning and Construction	20.205	20205 COVID	20,590,990	847,734
			601,455,191	**28,644,430**
Recreational Trails Program	20.219	NRTP020	503,017	247,058
Recreational Trails Program	20.219	NRTP021	357,766	262,723
Recreational Trails Program	20.219	NRTP022	483,878	483,878
Recreational Trails Program	20.219	NRTP023	340,955	316,446
Recreational Trails Program	20.219	NRTP024	63,310	-
			1,748,926	**1,310,105**
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	NV-2017-016-07-00	175,557	117,081
Formula Grants for Rural Areas and Tribal Transit Program	20.509	NV-18-X039	13,870	-
Formula Grants for Rural Areas and Tribal Transit Program	20.509	Nv-2016-012-00	4,915	4,915
Formula Grants for Rural Areas and Tribal Transit Program	20.509	NV-2017-017-07-00	35	35
Formula Grants for Rural Areas and Tribal Transit Program	20.509	NV-2017-017-11-00	128	128
Formula Grants for Rural Areas and Tribal Transit Program	20.509	NV-2019-022-00	638,843	638,843
Formula Grants for Rural Areas and Tribal Transit Program	20.509	NV-2021-004-00	928,953	928,953
Formula Grants for Rural Areas and Tribal Transit Program	20.509	NV-2021-031-00	1,742,041	1,514,592
Formula Grants for Rural Areas and Tribal Transit Program	20.509	NV-2021-034-00	5,184	5,184
Formula Grants for Rural Areas and Tribal Transit Program	20.509	NV-2023-025-01	203,328	-
Formula Grants for Rural Areas and Tribal Transit Program	20.509	NV-2023-026-01	4,502,997	4,502,997
			8,040,294	**7,595,647**

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	69A37522300001640NVA	747,205	139,108
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	69A37S21300001640NVA	735,733	794,108
			1,482,938	**933,216**
Incentive Grant Program to Prohibit Racial Profiling	20.611	69A37522300001906NV0	440,034	440,034
Incentive Grant Program to Prohibit Racial Profiling	20.611	69A37523300001906NV0	72,339	72,339
			512,373	**512,373**
National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants and Cooperative Agreements	20.614	693JJ92250149	86,424	-
Pipeline Safety Program State Base Grant	20.700	PUCN-TEMP-20700-01	1,134,878	-
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	693JK31940028HMEP	81,244	81,244
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	693JK32240021HMEP	22,872	22,872
			104,116	**104,116**
Total Department of Transportation			**627,314,868**	**45,050,911**
Department of Treasury				
Equitable Sharing	21.016	US TREASURY FORFEITURE GAMING	240,012	-
COVID-19 Emergency Rental Assistance Program	21.023	ERAP 2 GRANT	1,028,094	1,028,094
COVID-19 Homeowner Assistance Fund	21.026	HOMEOWNER ASSISTANCE FUND	61,396,252	61,396,252
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	ARPA FISCAL RECOVERY FUNDS	652,470,473	509,711,285
COVID-19 Coronavirus Capital Projects Fund	21.029	CORONAVIRUS CAPITAL PROJECTS FUND	147,868	-
State Small Business Credit Initiative Technical Assistance Grant Program	21.031	SSBCI-21031-0011	65,069	65,069
Total Department of Treasury			**715,347,768**	**572,200,700**
National Endowment for the Arts				
Promotion of the Arts Partnership Agreements	45.025	1886912-61-21	9,099	9,099
Promotion of the Arts Partnership Agreements	45.025	1903765-61-22	59,353	46,594
Promotion of the Arts Partnership Agreements	45.025	1914153-61-23	884,806	515,852
			953,258	**571,545**
Promotion of the Humanities Division of Preservation and Access	45.149	PG-293220-23	8,811	-
COVID-19 Grants to States	45.310	LS-250224-OLS-21	75,000	75,000

STATE OF NEVADA
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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Grants to States	45.310	LS-252472-OLS-22	1,054,268	472,146
Grants to States	45.310	LS-253640-OLS-23	1,241,374	266,733
			2,370,642	**813,879**
Total National Endowment for the Arts			**3,332,711**	**1,385,424**
Small Business Administration				
State Trade Expansion	59.061	SBAHQ20IT0016	37,563	37,563
State Trade Expansion	59.061	SBAOITST220036-01-00	25,264	22,764
			62,827	**60,327**
Total Small Business Administration			**62,827**	**60,327**
Department of Veterans Affairs				
VA Grants for Adaptive Sports Programs for Disabled Veterans and Disabled Members of the Armed Forces	64.034	SPORTS-22-099	11,204	11,204
Veterans Transportation Program	64.035	702-2022-HRTG-015	13,536	13,536
Veterans Transportation Program	64.035	702-2023-HRTG-015	41,305	41,305
			54,841	**54,841**
Veterans Cemetery Grants Program	64.203	NV-19-16	2,313,561	-
Total Department of Veterans Affairs			**2,379,606**	**66,045**
Environmental Protection Agency				
Diesel Emissions Reduction Act (DERA) State Grants	66.040	DS-98T23001	806,660	806,660
Diesel Emissions Reduction Act (DERA) State Grants	66.040	DS-99T94101	195,380	177,878
			1,002,040	**984,538**
Climate Pollution Reduction Grants	66.046	98T6730105D	559,835	-
Multipurpose Grants to States and Tribes	66.204	AA-98T29201	74,084	-
Multipurpose Grants to States and Tribes	66.204	AA-99T60401	48,175	-
Multipurpose Grants to States and Tribes	66.204	AA-99T99201	2,401	-
			124,660	**-**
Water Pollution Control State, Interstate, and Tribal Program Support	66.419	I-00T20618	35,842	-
Water Pollution Control State, Interstate, and Tribal Program Support	66.419	I-00T20621	43,236	-
Water Pollution Control State, Interstate, and Tribal Program Support	66.419	I-00T20622	166,192	-
Water Pollution Control State, Interstate, and Tribal Program Support	66.419	I-00T20623	112,331	-
Water Pollution Control State, Interstate, and Tribal Program Support	66.419	I-97933621	825,832	23,234

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
Water Pollution Control State, Interstate, and Tribal Program Support	66.419	I-97933721	181,557	-
			1,364,990	**23,234**
State Public Water System Supervision	66.432	F-00910522	157,751	17,919
State Public Water System Supervision	66.432	F000910524	998,450	97,901
			1,156,201	**115,820**
State Underground Water Source Protection	66.433	G-00945623	92,251	-
Water Infrastructure Improvements for the Nation Small and Underserved Communities Emerging Contaminants Grant Program	66.442	4898T80701	76,226	-
Water Infrastructure Improvements for the Nation Small and Underserved Communities Emerging Contaminants Grant Program	66.442	L8 - 98T45701 - 0	14,746	-
			90,972	**-**
Voluntary School and Child Care Lead Testing and Reduction Grant Program (SDWA 1464(d))	66.444	M1-99T87901	81,702	-
Water Quality Management Planning	66.454	C6-97965922	17,477	17,477
Water Quality Management Planning	66.454	C6-97965923-0	64,808	-
			82,285	**17,477**
Clean Water State Revolving Fund	66.458	4C-98T49601-0	1,971,104	-
Clean Water State Revolving Fund	66.458	4C-98T68401	8,946,906	-
Clean Water State Revolving Fund	66.458	CS-32000122-0	76,188	-
Clean Water State Revolving Fund	66.458	CS-32000123	3,462,020	-
			14,456,218	**-**
Nonpoint Source Implementation Grants	66.460	C9-97908121	212,862	82,962
Nonpoint Source Implementation Grants	66.460	C9-97908122	203,486	185,667
Nonpoint Source Implementation Grants	66.460	C9-97908123	707,096	544,115
Nonpoint Source Implementation Grants	66.460	C9-97908124	55,173	-
			1,178,617	**812,744**
Drinking Water State Revolving Fund	66.468	98T53901-0-4D	610,116	135,598
Drinking Water State Revolving Fund	66.468	FS99996021-0	11,575	11,575
Drinking Water State Revolving Fund	66.468	FS99996022-0	5,673,366	641,107
			6,295,057	**788,280**

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
Performance Partnership Grants	66.605	BG 00T87021 0	333,901	-
Performance Partnership Grants	66.605	BG979588240	1,005,914	-
			1,339,815	**-**
Environmental Information Exchange Network Grant Program and Related Assistance	66.608	OS-83969201	77,791	-
Environmental Information Exchange Network Grant Program and Related Assistance	66.608	OS-84012401	29,265	-
Environmental Information Exchange Network Grant Program and Related Assistance	66.608	OS-84051001 - 0	60,690	-
Environmental Information Exchange Network Grant Program and Related Assistance	66.608	OS-883969201	4,000	-
			171,746	**-**
Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	66.802	98T38001	227,633	-
Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	66.802	98T44201	158,614	-
			386,247	**-**
Underground Storage Tank (UST) Prevention, Detection, and Compliance Program	66.804	99T86701	387,676	-
Leaking Underground Storage Tank Trust Fund Corrective Action Program	66.805	99T86801	475,000	-
State and Tribal Response Program Grants	66.817	4W-98T50401-0	562,790	-
State and Tribal Response Program Grants	66.817	98T37601	527,996	-
			1,090,786	**-**
Solid Waste Infrastructure for Recycling Infrastructure Grants	66.920	4Z-98T78501-0	2,021	-
Total Environmental Protection Agency			**30,338,119**	**2,742,093**
Department of Energy				
ARRA - State Energy Program	81.041	DE-EE-0000084	40,000	40,000
State Energy Program	81.041	DE-EE0009482	589,345	-
State Energy Program	81.041	DE-EE0010085	577,349	-
State Energy Program	81.041	DE-SE0000049	244,658	-
			1,451,352	**40,000**
Weatherization Assistance for Low-Income Persons	81.042	DE-EE0009915	1,167,954	1,006,436
Weatherization Assistance for Low-Income Persons	81.042	DE-EE0010000	1,009,545	862,610
			2,177,499	**1,869,046**

STATE OF NEVADA
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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
Environmental Remediation and Waste Processing and Disposal	81.104	DE-EM0005232	3,494,944	-
Environmental Remediation and Waste Processing and Disposal	81.104	DE-EM0005237	640,936	-
			4,135,880	**-**
Passed Through Western Governor's Association Transport of Transuranic Wastes to the Waste Isolation Pilot Plant: States	81.106	DE-EM0005229	71,294	-
Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	DE-SE0000480	20,746	-
Grid Infrastructure Deployment and Resilience	81.254	DE-GD0000029	11,827	-
Total Department of Energy			**7,868,598**	**1,909,046**
Department of Education				
Special Education (IDEA) CLUSTER				
Special Education Grants to States	84.027	H027A210043	1,777,918	1,705,586
Special Education Grants to States	84.027	H027A220043	33,461,555	31,523,585
Special Education Grants to States	84.027A	H027A230043	55,579,486	55,198,815
COVID-19 Special Education Grants to States	84.027X	H027X210043	3,657,588	3,657,588
			94,476,547	**92,085,574**
Special Education Preschool Grants	84.173	H173A210046	120,312	105,515
Special Education Preschool Grants	84.173	H173A220046	1,331,136	1,276,644
Special Education Preschool Grants	84.173	H173A230046	706,344	706,941
Special Education Preschool Grants	84.173	H173X210046	218,051	218,051
			2,375,843	**2,307,151**
Total Special Education (IDEA) CLUSTER			**96,852,390**	**94,392,725**
Adult Education - Basic Grants to States	84.002	V002A210029	37,135	31,882
Adult Education - Basic Grants to States	84.002	V002A220029	3,885,337	3,694,179
Adult Education - Basic Grants to States	84.002	V002A230029	4,584,557	3,709,131
			8,507,029	**7,435,192**
Title I Grants to Local Educational Agencies	84.010	S011A210028	3,009,697	2,806,434
Title I Grants to Local Educational Agencies	84.010A	S010A220028	53,588,427	51,865,033
Title I Grants to Local Educational Agencies	84.010A	S010A230028	124,414,166	123,924,895
			181,012,290	**178,596,362**
Migrant Education State Grant Program	84.011A	S011A210028	8,561	8,561

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Migrant Education State Grant Program	84.011A	S011A220028	5,594	5,287
Migrant Education State Grant Program	84.011A	S011A230028	46,417	37,039
			60,572	**50,887**
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013	S013A210028	13,866	13,866
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013A	S013A210028	208,469	139,340
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013A	S013A220028	332,830	207,182
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013A	S013A230028	244,688	59,638
			799,853	**420,026**
Career and Technical Education - Basic Grants to States	84.048	V048A200028	1,083	1,083
Career and Technical Education - Basic Grants to States	84.048A	V048A220028	6,609,462	5,957,208
Career and Technical Education - Basic Grants to States	84.048A	V048A230028	7,921,941	7,253,934
			14,532,486	**13,212,225**
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126A	H126A220041	5,095	-
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126A	H126A230041	6,756,162	-
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126A	H126A240041	16,840,308	-
			23,601,565	**-**
Migrant Education Program Consortium Incentive Grants	84.144F	S144F210028	54,499	39,840
Migrant Education Program Consortium Incentive Grants	84.144F	S144F220028	62,877	21,600
			117,376	**61,440**
Rehabilitation Services Independent Living Services for Older Individuals Who are Blind	84.177B	H177B230028	69,767	-
Rehabilitation Services Independent Living Services for Older Individuals Who are Blind	84.177B	H177B240028	234,460	-
			304,227	**-**
Special Education-Grants for Infants and Families	84.181	H181A220019	3,299,599	-
Special Education-Grants for Infants and Families	84.181	H181A230019	747,535	-
Special Education-Grants for Infants and Families	84.181	H181X210019	886,095	-
			4,933,229	**-**
School Safety National Activities	84.184	S184F180007	167,890	138,409
School Safety National Activities	84.184	S184H200012	1,346,031	586,275
			1,513,921	**724,684**

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
Supported Employment Services for Individuals with the Most Significant Disabilities	84.187A	H187A230042	3,492	-
Supported Employment Services for Individuals with the Most Significant Disabilities	84.187A	H187A240042	13,990	-
Supported Employment Services for Individuals with the Most Significant Disabilities	84.187B	H187B230042	5,700	-
Supported Employment Services for Individuals with the Most Significant Disabilities	84.187B	H187B240042	11,748	-
			34,930	**-**
Education for Homeless Children and Youth	84.196	S196A200029	26,591	26,591
Education for Homeless Children and Youth	84.196A	S196A210029	325,908	292,365
Education for Homeless Children and Youth	84.196A	S196A220029	403,622	166,227
Education for Homeless Children and Youth	84.196A	S196A230029	652,587	652,587
			1,408,708	**1,137,770**
21st Century Community Learning Centers Program	84.287C	S287C220028	6,252,869	5,782,095
21st Century Community Learning Centers Program	84.287C	S287C230028	5,769,503	5,466,366
			12,022,372	**11,248,461**
Indian Education -- Special Programs for Indian Children Demonstration Grants for Indian Children and Youth	84.299A	S299A220040	341,477	184,155
Special Education - State Personnel Development	84.323A	H323A200020	916,828	596,288
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	P334S190009	4,280,807	2,831,744
Rural and Low-Income Schools	84.358B	S358B220028	53,443	47,056
Rural and Low-Income Schools	84.358B	S358B230028	83,557	83,557
			137,000	**130,613**
English Language Acquisition State Grants	84.365A	S365A210028	548,200	504,776
English Language Acquisition State Grants	84.365A	S365A220028	3,545,731	3,299,053
English Language Acquisition State Grants	84.365A	S365A230028	5,746,713	5,728,897
			9,840,644	**9,532,726**
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	S367A210027	3,991,889	3,975,870
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	S367A220027	9,762,635	9,339,536
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	S367A230027	9,542,408	9,338,864
			23,296,932	**22,654,270**

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
Grants for State Assessments and Related Activities	84.369	S369A220029	4,802,038	-
Grants for State Assessments and Related Activities	84.369	S369A230029	218,522	-
			5,020,560	**-**
Statewide Longitudinal Data Systems	84.372	R372A230022	8,098	-
Statewide Longitudinal Data Systems	84.372A	R372A200020	578,800	-
			586,898	**-**
Disability Innovation Fund (DIF)	84.421	H421E230026	195,399	4,565
Student Support and Academic Enrichment Program	84.424D	S424D200002	483,145	-
Student Support and Academic Enrichment Program	84.424F	S424F220029	2,075,082	2,062,047
Student Support and Academic Enrichment Grants	84.424A	S424A210029	5,161,883	5,090,865
Student Support and Academic Enrichment Grants	84.424A	S424A220029	4,883,761	4,632,959
Student Support and Academic Enrichment Grants	84.424A	S424A230029	4,907,464	4,876,415
Student Support and Academic Enrichment Program	84.424C	S424C190005-19A	1,037,320	-
			18,548,655	**16,662,286**
COVID-19 Education Stabilization Fund	84.425U	S425U210018	436,040,338	421,678,212
COVID-19 Education Stabilization Fund	84.425C	S424C210033	3,662,964	2,909,796
COVID-19 Education Stabilization Fund	84.425R	Emergency Assistance to Non-Public Schools	6,176,373	467,811
COVID-19 Education Stabilization Fund	84.425D	S425D200018	306,820	306,820
COVID-19 Education Stabilization Fund	84.425D	S425D210018	101,976,271	96,381,356
COVID-19 Education Stabilization Fund	84.425G	V425G200036	2,163,073	168,593
COVID-19 Education Stabilization Fund - Emergency Assistance to Non-Public Schools	84.425V	S425BV210013	9,961,655	-
COVID-19 Education Stabilization Fund	84.425W	S425W210029	2,390,627	2,285,731
			562,678,121	**524,198,319**
Total Department of Education			**971,544,269**	**884,074,738**
National Archives and Records Administration				
National Historical Publications and Records Grants	89.003	RC-103499-23	11,984	3,211
Total National Archives and Records Administration			**11,984**	**3,211**
Election Assistance Commission				
HAVA Election Security Grants	90.404	EAC-ELSEC22NV-01	5,218,833	-
Total Election Assistance Commission			**5,218,833**	**-**

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
Department of Health and Human Services				
Aging CLUSTER				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	2101NVOASS	32,653	32,653
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	2201NVOASS	1,228,330	1,228,330
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	2301NVOASS-00	1,717,429	1,538,249
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	2401NVOASS-00	537,541	-
COVID-19 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	2101NVVAC5	41,865	41,865
COVID-19 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	2101NVSSC6-00	1,551,754	1,442,000
COVID-19 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	2201NVSTPH	78,610	-
			5,188,182	**4,283,097**
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	2101NVOACM	28,333	109,466
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	2101NVOAHD	18,821	27,801
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	2201NVOACM	501,827	428,409
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	2201NVOAHD	752,101	752,101
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	2301NVOACM-00	1,291,665	884,789
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	2301NVOAHD-00	3,689,258	3,689,258
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	2401NVOACM-00	727,608	12,852
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	2401NVOAHD-00	451,106	451,106
COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	2101NVHDC5	456	456
COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	2101NVCMC6-00	1,209,083	1,208,874
COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	2101NVHDC6-00	1,506,514	1,506,514
			10,176,772	**9,071,626**
Nutrition Services Incentive Program	93.053	2201NVOANS	7,528	7,528
Nutrition Services Incentive Program	93.053	2301NVOANS-00	860,120	860,120
Nutrition Services Incentive Program	93.053	2401NVOANS-00	467,500	467,500

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Nutrition Services Incentive Program	93.053	NSIP COMMODITIES	73,646	73,646
			1,408,794	**1,408,794**
Total Aging CLUSTER			**16,773,748**	**14,763,517**
CCDF CLUSTER				
Child Care and Development Block Grant	93.575	2101NVCCDF	185,089	185,089
Child Care and Development Block Grant	93.575	2201NVCCDD	1,632,314	1,394,628
Child Care and Development Block Grant	93.575	2301NVCCDD	47,269,527	37,417,269
COVID-19 Child Care and Development Block Grant	93.575	2101NVCDC6	64,656,268	63,979,242
COVID-19 Child Care and Development Block Grant	93.575	2101NVCSC6	11,372,295	11,372,133
COVID-19 Child Care and Development Block Grant	93.575	2001NVCCC3	1,259,350	988,397
COVID-19 Child Care and Development Block Grant	93.575	2101NVCCC5	21,942,099	21,826,901
			148,316,942	**137,163,659**
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	2201NVCCDF	439,188	439,188
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	2201NVCCDM	108,054	108,054
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	2301NVCCDF	2,580,422	2,580,422
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	2301NVCCDM	20,709,892	20,709,892
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	2402NVCCDF	2,193,359	2,193,359
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	2402NVCCDM	3,658,113	3,658,113
			29,689,028	**29,689,028**
Total CCDF CLUSTER			**178,005,970**	**166,852,687**
Head Start CLUSTER				
Head Start	93.600	09CD004076-02-02	57,171	-
Head Start	93.600	09CD004076-04-00	50,885	-
			108,056	**-**
Total Head Start CLUSTER			**108,056**	**-**
Medicaid CLUSTER				
State Medicaid Fraud Control Units	93.775	2301NV5050	521,259	-
State Medicaid Fraud Control Units	93.775	2401NV5050	1,945,091	-
			2,466,350	

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	93.777	2305NV5000	475,083	38,588
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	93.777	2305NV5002	24,057	-
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	93.777	2405NV5000	1,422,584	77,174
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	93.777	2405NV5002	87,443	-
			2,009,167	**115,762**
Grants to States for Medicaid	93.778	2105NV5MAP	980,780,108	-
Grants to States for Medicaid	93.778	2305NV5ADM	5,982,928	-
Grants to States for Medicaid	93.778	2405NV5ADM	146,734,130	-
Grants to States for Medicaid	93.778	2405NV5MAP	3,433,543,264	-
			4,567,040,430	**-**
Total Medicaid CLUSTER			**4,571,515,947**	**115,762**
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	2301NVOAEA-00	6,884	-
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	2401NVOAEA-00	20,693	-
			27,577	**-**
Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042	2201NVOAOM	121,084	-
Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042	2301NVOAOM-00	126,642	-
Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042	2401NVOAOM-00	36,774	-
			284,500	**-**
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	2101NVOAPH	765	765
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	2201NVOAPH	82,574	82,574
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	2301NVOAPH-00	191,969	191,969
COVID-19 Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	2101NVPHC6-00	3,602	3,602
			278,910	**278,910**
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	90MPPG004705	90,342	60,028
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	90MPPG0105-01-00	349,282	267,500

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Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	90MPPG0105-02-00	21,017	-
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	90NWGV0001-01-00	70,368	-
COVID-19 Special Programs for the Aging Title IV and Title II Discretionary Projects	93.048	90NWPH003801	115,522	-
			646,531	**327,528**
National Family Caregiver Support, Title III, Part E	93.052	2201NVOAFC	547,701	547,701
National Family Caregiver Support, Title III, Part E	93.052	2301NVOAFC-00	1,314,097	1,314,097
COVID-19 National Family Caregiver Support, Title III, Part E	93.052	2001NVFCC3	116	116
COVID-19 National Family Caregiver Support, Title III, Part E	93.052	2101NVFCC6-00	351,993	335,553
			2,213,907	**2,197,467**
Public Health Emergency Preparedness	93.069	NU90TP922047-04-00	1,823,971	1,823,971
Public Health Emergency Preparedness	93.069	5NU90TP922047-05-000	4,986,635	2,403,104
Medicare Enrollment Assistance Program	93.071	2201NVMIAA-00	96,736	93,289
Medicare Enrollment Assistance Program	93.071	2201NVMIDR-00	6,799	-
Medicare Enrollment Assistance Program	93.071	2201NVMISH-00	128,464	60,499
			231,999	**153,788**
Lifespan Respite Care Program	93.072	90LRLI035-03-00	23,184	50
Guardianship Assistance	93.090	2301NVGARD	1,478,009	1,478,009
Guardianship Assistance	93.090	2401NVGARD	14,384	14,384
			1,492,393	**1,492,393**
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	2101NVPREP	191,262	147,969
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	2201NVPREP	244,430	198,211
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	2301NVPREP	237	-
			435,929	**346,180**
Passed Through Association of Food and Drug Officials Food and Drug Administration Research	93.103	G-ME-2306-04060	15,991	-
Special Projects of Regional and National Significance	93.110	1 U2ZMC46636-01-00	603,011	79,066
Special Projects of Regional and National Significance	93.110	2 H18MC00032-30-00	30,460	-
Special Projects of Regional and National Significance	93.110	6 H18MC00032-31-01	68,385	-
			701,856	**79,066**

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	5 NU52PS910224-04-00	531,602	472,314
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	5 NU52PS910224-05-00	261,928	199,733
			793,530	**672,047**
Emergency Medical Services for Children	93.127	2 H33MC06694-18-00	65,887	-
Emergency Medical Services for Children	93.127	5 H33MC06694-19-00	6,110	-
			71,997	**-**
Projects for Assistance in Transition from Homelessness (PATH)	93.150	1X06SM085832-01	77,881	77,881
Projects for Assistance in Transition from Homelessness (PATH)	93.150	1X06SM087123-01	184,147	171,202
Projects for Assistance in Transition from Homelessness (PATH)	93.150	1X06SM088822-01	368,772	330,020
			630,800	**579,103**
Family Planning Services	93.217	5 FPHPA006586-03-00	22,780	-
COVID-19 Family Planning Services	93.217	5 FPHPA006586-02-00	129,740	-
			152,520	**-**
Title V State Sexual Risk Avoidance Education (Title V State SRAE) Program	93.235	2202NVSRAE	326,896	198,790
Title V State Sexual Risk Avoidance Education (Title V State SRAE) Program	93.235	2302NVSRAE	265,342	172,234
			592,238	**371,024**
Grants to States to Support Oral Health Workforce Activities	93.236	5T12HP46101-02-00	241,459	127,973
Grants to States to Support Oral Health Workforce Activities	93.236	T12HP46101	76,792	76,792
			318,251	**204,765**
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79FG001215-01	7,066	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79SM082235-01	1,973,881	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79SM086175-01	90,469	90,469
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79SM087191-01	464,187	305,231
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79TI086447-01	277,676	256,471
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	3H79SM086064-01S1	370,786	370,614
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H79SM080637-04	267,452	267,433

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H79SM086175-02	90,405	90,405
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H79SP080994-05	1,548,868	1,207,604
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	H79SM083645	1,893,293	957,960
COVID-19 Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	H79SM086064-01	456,392	454,347
			7,440,475	**4,000,534**
Early Hearing Detection and Intervention	93.251	2 H61MC25010-13-00	30,652	-
Early Hearing Detection and Intervention	93.251	5 H61MC25010-12-00	171,930	54,208
			202,582	**54,208**
Immunization Cooperative Agreements	93.268	1 NH23IP922609-01-00	44,914	44,914
Immunization Cooperative Agreements	93.268	5NH23IP22609-04	423,431	423,187
Immunization Cooperative Agreements	93.268	6 NH23IP922609-05	3,538,668	1,352,007
Immunization Cooperative Agreements	93.268	DIRECT ASSISTANCE	45,118,507	-
COVID-19 Immunization Cooperative Agreements	93.268	6NH23IP922609-04-01	636,098	230,273
COVID-19 Immunization Cooperative Agreements	93.268	6 NH23IP22609-02V	9,992,650	9,195,777
COVID-19 Immunization Cooperative Agreements	93.268	6 NH23IP922609-02C	19,908	-
			59,774,176	**11,246,158**
Viral Hepatitis Prevention and Control	93.270	5 NU51PS005157-03-00	264,308	137,552
Viral Hepatitis Prevention and Control	93.270	5 NU51PS005157-04-00	6,033	-
			270,341	**137,552**
Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	93.314	5NU50DD000090-04-00	123,598	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	5 NU50CK000560-04-00	612,236	550,203
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	5NU50CK000560-05-00	1,472,332	758,789
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	5 NU50CK000560-04-00	317,362	317,362
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	5 NU50CK000560-02-CV	24,113,925	22,917,997
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	5 NU50CK000560-03-00	3,787,514	2,559,670
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	6 NU50CK000560-01-05	1,418,334	340,316
			31,721,703	**27,444,337**

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
State Health Insurance Assistance Program	93.324	90SAPG0066-05-00	37,589	-
State Health Insurance Assistance Program	93.324	90SAPG006604-00	482,869	340,335
COVID-19 State Health Insurance Assistance Program	93.324	90SHPH003201	116,757	-
			637,215	**340,335**
The Healthy Brain Initiative: Technical Assistance to Implement Public Health Actions related to Cognitive Health, Cognitive Impairment, and Caregiving	93.334	5 NU58DP006924-03-00	240,389	192,799
The Healthy Brain Initiative: Technical Assistance to Implement Public Health Actions related to Cognitive Health, Cognitive Impairment, and Caregiving	93.334	6 NU58DP007499-01	180,607	82,421
			420,996	**275,220**
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	NU90TP922231-01	132,390	43,655
COVID-19 Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	NU90TP922191-01	2,805,502	2,586,566
			2,937,892	**2,630,221**
ACL Independent Living State Grants	93.369	2101NVILSG	1,064	-
ACL Independent Living State Grants	93.369	2201NVILSG	7,685	-
ACL Independent Living State Grants	93.369	2301NVILSG-00	215,758	129,820
ACL Independent Living State Grants	93.369	2401NVILSG-00	85,350	16,143
			309,857	**145,963**
National and State Tobacco Control Program	93.387	NU58DP006783-03	2,971	2,971
National and State Tobacco Control Program	93.387	5 NU58DP006783-05-00	83,703	-
National and State Tobacco Control Program	93.387	5NU58DP0067830400	1,306,721	778,032
			1,393,395	**781,003**
COVID-19 Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	1 NH75OT000092-01	8,562,783	7,011,511
The State Flexibility to Stabilize the Market Grant Program	93.413	PRPPR210154-01-00	214,624	-
The National Cardiovascular Health Program	93.426	1 NU58DP007591-01	290,557	124,652
The National Cardiovascular Health Program	93.426	1NU58DP0074640100	817,201	411,703
The National Cardiovascular Health Program	93.426	5 NU58DP007464-02-00	279	-
The National Cardiovascular Health Program	93.426	5 NU58DP006538-05	441,978	441,978
			1,550,015	**978,333**

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Every Student Succeeds Act/Preschool Development Grants	93.434	90TP0025-01-00	112	112
Every Student Succeeds Act/Preschool Development Grants	93.434	90TP0099-02-00	1,405,455	112,608
Every Student Succeeds Act/Preschool Development Grants	93.434	90TP00990100	760,284	-
			2,165,851	**112,720**
The Innovative Cardiovascular Health Program	93.435	5 NU58DP006624-05-00	376,249	306,010
Wellintegrated Screening and Evaluation for Women Across the Nation (Wisewoman)	93.436	1 NU58DP007674-01	158,947	94,479
Wellintegrated Screening and Evaluation for Women Across the Nation (Wisewoman)	93.436	5 NU58DP006840-03-00	427,574	368,668
			586,521	**463,147**
ACL Assistive Technology	93.464	2101NVATSG	56,121	56,121
ACL Assistive Technology	93.464	2202NVATSG-00	192,767	192,662
ACL Assistive Technology	93.464	2302NVATSG-00	20,849	10,907
ACL Assistive Technology	93.464	2401NVATSG-00	40,500	-
			310,237	**259,690**
Preventing Maternal Deaths: Supporting Maternal Mortality Review Committees	93.478	5 NU58DP006937-02-00	20,841	19,898
Preventing Maternal Deaths: Supporting Maternal Mortality Review Committees	93.478	5NU58DP006937-03	156,353	79,118
			177,194	**99,016**
COVID-19 Family Violence Prevention and Services/ Sexual Assault/ Rape Crisis Services and Supports	93.497	G-2201NVFSC6	510,517	463,054
COVID-19 Low Income Household Water Assistance Program	93.499	2101NVLWC6	4,457,711	-
COVID-19 State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges	93.525	SEMIE210014-01-01	196,900	-
MaryLee Allen Promoting Safe and Stable Families Program	93.556	2001NVFFTA	546,696	194,191
MaryLee Allen Promoting Safe and Stable Families Program	93.556	2201NVFPCV	184,082	118,841
MaryLee Allen Promoting Safe and Stable Families Program	93.556	2201NVFPSS	1,027,767	939,726
MaryLee Allen Promoting Safe and Stable Families Program	93.556	2201NVPKIN	71,865	71,865
MaryLee Allen Promoting Safe and Stable Families Program	93.556	2301NVFPCV	41,462	26,356
MaryLee Allen Promoting Safe and Stable Families Program	93.556	2301NVFPSS	1,849,356	1,722,417
MaryLee Allen Promoting Safe and Stable Families Program	93.556	2301NVPKIN	124,693	124,693
			3,845,921	**3,198,089**

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Temporary Assistance for Needy Families	93.558	2101NVTANF 2021G996115	2,664,763	268,386
Temporary Assistance for Needy Families	93.558	2201NVTANF 2022G9996115	16,948,379	6,298,441
Temporary Assistance for Needy Families	93.558	2301NVTANF-00	18,732,047	2,888,858
Temporary Assistance for Needy Families	93.558	2401NVTANF-00	12,443,219	11,352,446
COVID-19 Temporary Assistance for Needy Families	93.558	2021NVTANFC6 2021G990228	784,624	-
			51,573,032	**20,808,131**
Child Support Enforcement	93.563	2017 1704NVCEST	1,670,457	1,337,795
Child Support Enforcement	93.563	2018 1604NVCEST	295,866	295,866
Child Support Enforcement	93.563	2301NVCSES	11,907,490	7,694,973
Child Support Enforcement	93.563	2401NVSCSS	29,233,507	16,477,176
Child Support Enforcement	93.563	PROGRAM INCOME	5,447,720	4,494,711
			48,555,040	**30,300,521**
Low-Income Home Energy Assistance	93.568	2201NVLIEA 2022G992201	186,937	179,714
Low-Income Home Energy Assistance	93.568	2301NVLIEA	4,339,689	499,233
Low-Income Home Energy Assistance	93.568	2301NVLIEE	11,848,978	368,493
Low-Income Home Energy Assistance	93.568	2401NVLIEA	12,403,329	24,692
COVID-19 Low-Income Home Energy Assistance	93.568	2101NVLWC6	3,599,414	-
			32,378,347	**1,072,132**
Community Services Block Grant	93.569	2401NVCOSR	1,824,359	1,793,615
Community Services Block Grant	93.569	G-2201NVCOSR	415,907	415,907
Community Services Block Grant	93.569	G-2301NVCOSR	1,445,909	1,306,758
COVID-19 Community Services Block Grant	93.569	2001NVCSC3	1,276,889	1,276,866
			4,963,064	**4,793,146**
State Court Improvement Program	93.586	2201NVSCIP	128,646	24,800
State Court Improvement Program	93.586	2301NVSCIP	331,583	42,352
			460,229	**67,152**
Community-Based Child Abuse Prevention Grants	93.590	2201NVBCAP	367,940	307,234
Community-Based Child Abuse Prevention Grants	93.590	G-2101NVBCAP	25,863	24,428
COVID-19 Community-Based Child Abuse Prevention Grants	93.590	G-2101NVBCC6	437,828	435,028
			831,631	**766,690**
Grants to States for Access and Visitation Programs	93.597	2301NVSAVP	29,194	-

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Chafee Education and Training Vouchers Program (ETV)	93.599	2201NVCETV	218,173	218,173
Chafee Education and Training Vouchers Program (ETV)	93.599	2301NVCETV	322,798	322,798
			540,971	**540,971**
Adoption and Legal Guardianship Incentive Payments	93.603	2201NVAIPP	192,513	161,124
Adoption and Legal Guardianship Incentive Payments	93.603	G-2001NVAIPP	122,432	122,275
Adoption and Legal Guardianship Incentive Payments	93.603	G-2101NVAIPP	13,095	40
			328,040	**283,439**
Developmental Disabilities Basic Support and Advocacy Grants	93.630	2201NVSCDD-00	163,756	85,849
Developmental Disabilities Basic Support and Advocacy Grants	93.630	2301NVSCDD-00	611,629	163,629
Developmental Disabilities Basic Support and Advocacy Grants	93.630	2401NVSCDD-03	1,324	-
COVID-19 Developmental Disabilities Basic Support and Advocacy Grants	93.630	2201NVSCPH-00	42,025	-
			818,734	**249,478**
COVID-19 Section 9813: State Planning Grants for Qualifying Community-Based Mobile Crisis Intervention Services	93.639	2I2CMS331809-01-00	5,543	-
Children's Justice Grants to States	93.643	2202NVCJA1	65,013	62,328
Children's Justice Grants to States	93.643	G-2001NVCJA1	50,972	50,972
Children's Justice Grants to States	93.643	G-2102NVCJA1	108,188	79,074
			224,173	**192,374**
Stephanie Tubbs Jones Child Welfare Services Program	93.645	2201NVCWSS	825,438	605,879
Stephanie Tubbs Jones Child Welfare Services Program	93.645	2301NVCWSSS	2,432,182	294,072
			3,257,620	**899,951**
Foster Care Title IV-E	93.658	1701NVFOST	4,185,253	4,185,253
Foster Care Title IV-E	93.658	2301NVFOST	12,961,532	11,182,214
Foster Care Title IV-E	93.658	2401NVFOST	16,139,250	11,885,061
			33,286,035	**27,252,528**
Adoption Assistance	93.659	2301NVADPT	23,584,236	23,146,334
Adoption Assistance	93.659	2401NVADPT	27,099,476	23,743,543
			50,683,712	**46,889,877**
Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT) for Patients and Communities Act	93.664	2C2CMS331738-02-03	126,498	-

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Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Social Services Block Grant	93.667	2401NVSOSR	5,004,665	2,161,295
Social Services Block Grant	93.667	G-2201NVSOSR	269,411	269,411
Social Services Block Grant	93.667	G-2301NVSOSR	7,310,911	1,648,290
			12,584,987	**4,078,996**
Child Abuse and Neglect State Grants	93.669	G-1901NVNCAN	7,000	7,000
Child Abuse and Neglect State Grants	93.669	G-2001NVNCAN	431,572	274,131
COVID-19 Child Abuse and Neglect State Grants	93.669	G-2101NVNCC6	133,732	-
			572,304	**281,131**
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Servicess	93.671	2201NVFVPS	464,493	448,674
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Servicess	93.671	2301NVFVPS	631,157	520,582
COVID-19 Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	2101NVFVC6	257,045	211,722
COVID-19 Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	G-2201NVFTC6	1,204,980	1,148,860
			2,557,675	**2,329,838**
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	2301NVCILP	810,137	700,426
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	G-2201NVCILP	507,710	468,306
			1,317,847	**1,168,732**
Elder Abuse Prevention Interventions Program	93.747	90EJIG0022-02-03	255,103	-
COVID-19 Elder Abuse Prevention Interventions Program	93.747	2101NVAPC6-00	283,551	2,256
COVID-19 Elder Abuse Prevention Interventions Program	93.747	2101NVAPC6-01	726,514	143,297
COVID-19 Elder Abuse Prevention Interventions Program	93.747	2101NVAPC5	1,304	-
COVID-19 Elder Abuse Prevention Interventions Program	93.747	2101NVLOC5	2,745	-
			1,269,217	**145,553**
Children's Health Insurance Program	93.767	2105NV5021	17,866,505	-
Children's Health Insurance Program	93.767	2205NV5021	3,293	-
Children's Health Insurance Program	93.767	2305NV3002	63,096,281	-
Children's Health Insurance Program	93.767	2305NV5021	265,459	-
			81,231,538	**-**
Opioid STR	93.788	1H79TI085762-01	3,054,151	1,784,877
Opioid STR	93.788	5H79TI083310-02	12,018,618	10,395,640

STATE OF NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Opioid STR	93.788	5H79TI085762-02	4,669,307	4,227,392
			19,742,076	**16,407,909**
Money Follows the Person Rebalancing Demonstration	93.791	1LICMS331904-01-00	354,438	-
State Survey Certification of Health Care Providers and Suppliers (Title XIX) Medicaid	93.796	2405NV5001	1,351,002	-
Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870	1 X10MC43594-01-00	11,818	-
Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870	1 X10MC46877-01-00	1,267,593	848,134
Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870	1 X10MC50314-01	1,166,692	1,160,465
COVID-19 Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870	1 X11MC41943-01-00	147	147
COVID-19 Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870	1 X11MC45301-01-00	226,374	213,294
			2,672,624	**2,222,040**
National Bioterrorism Hospital Preparedness Program	93.889	5 U3REP190613-03-00	44,487	30,953
National Bioterrorism Hospital Preparedness Program	93.889	5 U3REP190613-04-00	847,806	835,215
National Bioterrorism Hospital Preparedness Program	93.889	5U3REP190613-05-00	1,678,599	1,074,467
COVID-19 National Bioterrorism Hospital Preparedness Program	93.889	6 U3REP190613-01V	279,348	279,348
			2,850,240	**2,219,983**
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	5 NU58DP007102-03-00	1,470	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	5NU58DP007102-02	3,870,276	2,504,791
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	NU58DP007102-01	705,210	705,210
			4,576,956	**3,210,001**
HIV Care Formula Grants	93.917	2 X08HA45089-02-00	1,131,078	1,113,243
HIV Care Formula Grants	93.917	2X08HA450890300	112,737	112,737
HIV Care Formula Grants	93.917	5 X07HA00001-33-00	8,102,310	7,451,299
HIV Care Formula Grants	93.917	5 X07HA00001-34-00	425,014	234,381
			9,771,139	**8,911,660**
HIV Prevention and Surveillance Activities-Health Department Based	93.940	5NU62PS924579-05-00	3,132,501	2,459,630
Block Grants for Community Mental Health Services	93.958	1B09SM086023-01	3,169,633	2,660,688
Block Grants for Community Mental Health Services	93.958	6B09SM087374-01M001	4,919,909	3,066,201

STATE OF NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
COVID-19 Block Grants for Community Mental Health Services	93.958	1B09SM085370-01	1,545,852	1,448,534
COVID-19 Block Grants for Community Mental Health Services	93.958	1B09SM085898-01	6,823	-
COVID-19 Block Grants for Community Mental Health Services	93.958	1B09SM083986-01	3,718,813	3,664,711
			13,361,030	**10,840,134**
Block Grants for Prevention and Treatment of Substance Abuse	93.959	6B08TI084628-0 I	6,837,175	5,666,138
Block Grants for Prevention and Treatment of Substance Abuse	93.959	6B08TI085790-01M001	11,448,220	9,872,883
COVID-19 Block Grants for Prevention and Treatment of Substance Abuse	93.959	1B08TI083925-01	4,362,702	4,285,657
COVID-19 Block Grants for Prevention and Treatment of Substance Abuse	93.959	1B08TI084566-01	30,449	-
COVID-19 Block Grants for Prevention and Treatment of Substance Abuse	93.959	1B08TI083493-01	6,006,578	5,381,588
			28,685,124	**25,206,266**
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	1 NE11OE000076-01-00	187,051	25,958
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	5 NE11OE000076-02	639,124	115,890
COVID-19 Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	1 NE11OE000076-01-00	557,978	223,382
			1,384,153	**365,230**
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	5 NH25PS005179-05-00	825,644	699,359
COVID-19 Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	5 NH25PS005179-05-00	1,521,648	1,512,166
			2,347,292	**2,211,525**
Cooperative Agreements for Diabetes Control Programs	93.988	1NU58DP0073680100	690,822	498,869
Cooperative Agreements for Diabetes Control Programs	93.988	5 NU58DP007368-02-00	158	-
			690,980	**498,869**
Preventive Health and Health Services Block Grant	93.991	1 NB01OT009495-01-00	211,492	99,340
Preventive Health and Health Services Block Grant	93.991	1 NB01TO000007-01	246,210	99,803
			457,702	**199,143**
Maternal and Child Health Services Block Grant to the States	93.994	1 B04MC45229-01-00	922,065	417,178
Maternal and Child Health Services Block Grant to the States	93.994	6 B04MC47431-01-01	993,907	287,855
			1,915,972	**705,033**
Total Department of Health and Human Services			**5,331,201,853**	**470,186,526**

STATE OF NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
Social Security Administration				
Disability Insurance/SSI CLUSTER				
Social Security Disability Insurance	96.001	04-2204NVDI00	4,024	-
Social Security Disability Insurance	96.001	04-2304NVDI00	5,966,813	-
Social Security Disability Insurance	96.001	04-2404NVDI00	17,177,548	-
			23,148,385	**-**
Total Disability Insurance/SSI CLUSTER			**23,148,385**	**-**
Total Social Security Administration			**23,148,385**	**-**
Department of Homeland Security				
Non-Profit Security Program	97.008	EMW-2020-UA-00044-S01	60,871	60,871
Non-Profit Security Program	97.008	EMW-2022-UA-00023-S0 1	102,024	102,024
Non-Profit Security Program	97.008	EMW-2023-UA-00040-S01	2,532	-
			165,427	**162,895**
Boating Safety Financial Assistance	97.012	70Z02323MO0000522	393,319	-
Boating Safety Financial Assistance	97.012	70Z02324MO0002730	683,561	-
			1,076,880	**-**
Community Assistance Program State Support Services Element (CAP-SSSE)	97.023	EMF-2022-CA-00012-S01	20,627	-
Community Assistance Program State Support Services Element (CAP-SSSE)	97.023	EMF-2023-GR-05008	34,932	-
			55,559	**-**
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4708-DR	417,391	226,590
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-09-NV-4303	279,356	279,356
COVID-19 Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-3443-EM-NV	7,436,914	7,158,192
			8,133,661	**7,664,138**
Hazard Mitigation Grant	97.039	FEMA-4307-DR-NV	3,611	3,611
Hazard Mitigation Grant	97.039	FEMA-4523-DR-NV	148,667	109,027
Hazard Mitigation Grant	97.039	FM-5154-NV	183,484	79,388
Hazard Mitigation Grant	97.039	FM-5283-03-01	101,814	44,324
			437,576	**236,350**
National Dam Safety Program	97.041	EMF-2022-GR-00005-S01	50,111	-

STATE OF NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor Program Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
National Dam Safety Program	97.041	EMF-2023-GR-05016	24,218	-
			74,329	**-**
Emergency Management Performance Grants	97.042	EMF-2021-EP-00005-S01	1,923,921	354,755
Emergency Management Performance Grants	97.042	EMF-2022-EP-00002-S0 1	2,000,078	1,417,251
Emergency Management Performance Grants	97.042	EMF-2023-EP-00004-S010 1	787,754	783,888
COVID-19 Emergency Management Performance Grants	97.042	EMF-2021-EP-00013-S01	750,299	139,971
			5,462,052	**2,695,865**
Cooperating Technical Partners	97.045	EMF-2021-CA-00012	24,435	-
Cooperating Technical Partners	97.045	EMF-2023-CA-05002	89,060	-
			113,495	**-**
BRIC: Building Resilient Infrastructure and Communities	97.047	EMF-2019-PC-0007	323,414	-
BRIC: Building Resilient Infrastructure and Communities	97.047	EMF-2020-BR-090	97,736	97,736
BRIC: Building Resilient Infrastructure and Communities	97.047	EMF-2020-PC-0012	3,910,977	3,756,206
BRIC: Building Resilient Infrastructure and Communities	97.047	EMF-2021-BR-016	30,025	-
			4,362,152	**3,853,942**
Homeland Security Grant Program	97.067	EMW-2019-SS-00061-S01	237,277	221,344
Homeland Security Grant Program	97.067	EMW-2020-SS-00056	1,259,505	752,750
Homeland Security Grant Program	97.067	EMW-2021-SS-00046-S01	3,363,796	2,732,848
Homeland Security Grant Program	97.067	EMW-2022-SS-00019-S01	3,079,559	2,069,638
Homeland Security Grant Program	97.067	EMW-2023-SS-00044-S01	374,030	-
			8,314,167	**5,776,580**
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2021-FF-01251	63,808	-
Homeland Security Biowatch Program	97.091	13OHBIO00025-10-00	261,705	261,705
Homeland Security Biowatch Program	97.091	13OHBIO00025-11-00	1,094,853	1,079,964
Homeland Security Biowatch Program	97.091	13OHBIO00025-12-00	897	-
			1,357,455	**1,341,669**
State and Local Cybersecurity Grant Program Tribal Cybersecurity Grant Program	97.137	EMW-2022-CY-00007-S01	9,773	-
Total Department of Homeland Security			**29,626,334**	**21,731,439**
Total Federal Financial Assistance			**$ 9,824,469,002**	**$ 2,361,769,780**

Note 1 - Basis of Presentation and Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the State of Nevada (the State) under programs of the federal government for the year ended June 30, 2024. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the State, it is not intended to and does not present the net position, fund balance, or cash flows of the State.

Expenditures reported in the Schedule are reported on the modified accrual basis of accounting, except for subrecipient expenditures, which are recorded on the cash basis. The State received federal awards directly from federal agencies.

The Schedule is used as a managerial tool by the State Controller's Office, primarily to monitor compliance with the Cash Management Improvement Act. As such, the Schedule separately identifies the expenditures for each federal program at the grant award level.

The State has not elected to use the 10% de minimis cost rate.

The "Expenditures" column includes the amounts reported in the "Payments to Subrecipients" column.

The expenditures for the following programs include the dollar value of food commodities, as determined by the U.S. Department of Agriculture or U.S. Department of Health and Human Services, distributed to eligible recipients during the year:

National School Lunch Program (10.555)
Child and Adult Care Food Program (10.558)
Summer Food Service Program for Children (10.559)
Commodity Supplemental Food Program (10.565)
Food Distribution Program on Indian Reservations (10.567)
Emergency Food Assistance Program (Food Commodities) (10.569)
Nutrition Services Incentive Program (93.053)

Note 2 - Unemployment Insurance Program (17.225)

The expenditures reported on the Schedule include both federal funds and state funds, as required. The state funds represent the amounts expended from the Unemployment Trust Fund to pay benefits under the federally approved state unemployment law.

The following identifies the state and federal portions of the expenditures reported:

State Benefits	$ 429,856,433
Federal Funds - Grants	40,407,946
Total Reported	$ 470,264,379

Note 3 - Special Supplemental Nutrition Program for Women, Infants, and Children (10.557)

The expenditures for this program include the cost of food vouchers in the amount of $ 36,276,472.

Note 4 - Identification of COVID-19 Related Awards

To maximize the transparency of COVID-19 related award expenditures, the State has separately identified COVID-19 expenditures in the Schedule with the prefix "COVID-19" in the program name when a new grant award was received for a COVID-19 related grant or program. In addition, in some cases, the State received increased federal participation rates, which increased the amount of federal expenditures of a given grant or program in relation to the State's own local expenditures. The most significant increase in federal participation rate is the change in the Federal Medical Assistance Percentages (FMAP) which was increased by 6.2% under the Families First Coronavirus Response Act (FFCRA) beginning on January 1, 2020. Starting April 1, 2023, the FMAP amount was gradually phased down and ended on December 31, 2023. Increased federal participation rates were not separately identified in the Schedule of the State as they related to the same pre-existing grant or program.

Note 5 - Medicaid and Children's Health Insurance Program Liability (93.778, 93.767)

The expenditures reported on the Schedule include an adjustment for Medicaid and Children's Health Insurance Program (CHIP) liabilities due to incurred but not reported (IBNR) costs. IBNR are costs that cannot be cleared quickly. Providers have 60 days to submit claims. The average clearing is about 90 days for approximately 95-96% of claims. A small number of claims are disputed and take longer. If a claim is submitted within 60 days, but not correct, additional time, up to a year, is allowed to resubmit. The following identifies the adjustment to each program:

Medicaid 93.778	$ (104,025,481)
CHIP 93.767	109,275
Total Adjusted Amount	$ (103,916,206)

A. Summary of Auditor's Results

FINANCIAL STATEMENTS

Type of auditor's report issued:	Unmodified
Internal control over financial reporting: Material weaknesses identified?	Yes
Significant deficiencies identified not considered to be material weaknesses?	Yes
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major program: Material weaknesses identified?	Yes
Significant deficiencies identified not considered to be material weaknesses?	Yes

Type of auditor's report issued on compliance for major programs:

Unmodified for all major federal programs except for the Homeland Security Grant Program, which was an adverse opinion and the following, which were qualified opinions:

- Child Nutrition Cluster
- Coronavirus State and Local Fiscal Recovery Fund
- Special Education (IDEA) Cluster
- Education Stabilization Fund
- Temporary Assistance for Needy Families
- Low-Income Home Energy Assistance
- CCDF Cluster

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516?	Yes

B. Identification of Major Programs:

Name of Federal Program	Assistance Listing Number
U.S. Department of Agriculture:	
Pandemic EBT Food Benefits	10.542
Child Nutrition Cluster:	
School Breakfast Program	10.553
National School Lunch Program	10.555
Special Milk Program for Children	10.556
Summer Food Service Program for Children	10.559
Fresh Fruit and Vegetable Program	10.582
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557
SNAP Cluster:	
Supplemental Nutrition Assistance Program (SNAP)	10.551
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561
U.S. Department of Treasury:	
Homeowner Assistance Fund	21.026
Coronavirus State and Local Fiscal Recovery Fund	21.027
U.S. Department of Education:	
Title I Grants to Local Educational Agencies	84.010
Special Education (IDEA) Cluster:	
Special Education Grants to States	84.027
Special Education Preschool Grants	84.173
Education Stabilization Fund	84.425
U.S. Department of Health and Human Services:	
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323
Temporary Assistance for Needy Families (TANF)	93.558
Low-Income Home Energy Assistance	93.568
CCDF Cluster:	
Child Care and Development Block Grant	93.575
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596
Children’s Health Insurance Program (CHIP)	93.767

Medicaid Cluster:	
State Medicaid Fraud Control Units	93.775
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	93.777
Medical Assistance Program	93.778
Social Security Administration:	
Disability Insurance/SSI Cluster:	
Social Security Disability Insurance	96.001
U.S. Department of Homeland Security	
Homeland Security Grant Program	97.067
Dollar threshold used to distinguish between type A and type B programs:	$29,473,407
Auditee qualified as low-risk auditee:	No

C. Findings – Financial Statement Audit

2024-001: Controller's Office - Overall Risk Assessment and Monitoring Activities Material Weakness

Criteria: Management is responsible for establishing and maintaining an effective and timely system of internal control over financial reporting.

Condition: Although there has been some improvement in the analysis of financial reporting information received from various state agencies, the analysis and review processes within the Controller's Office are still not operating effectively. Moreover, the financial close and reconciliation process and related tasks to prepare the Annual Comprehensive Financial Report is not timely.

Cause: Financial reporting information received from the various state agencies is frequently misstated or otherwise in error. However, the Controller's Office does not have adequate internal controls to effectively analyze and review this information. In some cases, information is compiled for financial reporting without adequate review and follow-up with state agencies for potential material errors.

In addition, the Controller's Office does not have adequate tools in place to manage the timely completion of financial close which allows for a complete and reviewed trial balance to be presented timely for audit.

Effect: Materially misstated information is compiled and recorded for financial reporting. In addition, the financial close process and preparation of the Annual Comprehensive Financial Report is significantly delayed, which loses relevancy for users of the financial statements. As a result, our audit procedures identified adjustments for:

- Cash and Investments
- Accounts Receivable
- Capital Assets
- Unearned Revenue
- Unavailable Revenue
- Accounts Payable
- Revenue
- Expenses
- Other Financing Uses

Recommendation: We recommend the Controller's Office enhance the overall control environment surrounding the financial close process.

At a minimum, we recommend the Controller's Office enhance internal review procedures and analysis for:

- Information provided by agencies for reasonableness
- Controller's Office closing entries

Views of Responsible Officials: Management agrees with this finding

2024-002: Controller's Office - Cash and Investments – Bank Reconciliation
Material Weakness

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Properly reconciling bank accounts in a timely and accurate manner is a key component of effective internal control over financial reporting.

Condition: The Controller's Office reconciles the bank accounts within the Treasurer's Pool each month and has a significant tolerance for unreconciled variances.

The June 30, 2024 bank reconciliation for the Treasurer's Pool includes an unreconciled variance of $(23,289,296) between the book balance and the bank balance. The bank balance was reconciled at $(159,697,425) and the adjusted book balance was reconciled to $(182,986,720).

Lastly, the unreconciled variance continues to grow and may or may not relate to cumulative variances as reported previously:

- Finding 2019-005: $13,542,147
- Finding 2020-003: $7,691,973
- Finding 2021-004: $7,802,169
- Finding 2022-002: $19,331,785
- Finding 2023-004: $18,591,859

Cause: The Treasurer's Pool includes four separate bank accounts and four separate brokerage accounts, all of which are commingled into the same general ledger account with a large volume of transactions, which makes reconciliation a significant challenge. Due to the challenges of this reconciliation, the Controller's Office is not able to effectively reduce the unreconciled variance to a more tolerable level.

Effect: Differences between cash recorded in the bank and the amounts represented in the general ledger are not investigated which indicates the cash balance recorded in the general ledger may not be correct.

Recommendation: We recommend the Controller's Office set a tolerable variance limit to ensure clear accountability, while considering the cost/benefit of further investigation.

In addition, given the current variance, we recommend the Controller's Office perform the additional investigation necessary to reduce the variance to a more acceptable level.

Views of Responsible Officials: Management agrees with this finding

2024-003: Controller's Office – Refunding reclassification
Material Weakness

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. GASB Codification Section D20 – *Debt Extinguishments and Troubled Debt Restructuring* provides that payments to the escrow agent on current refundings that defease general long-term debt from resources provided by new debt be reported as an other financing use (payment to refunded bond escrow agent).

Condition: Refunding payments made to the escrow agent were originally classified as debt service expenditures, rather than an other financing use.

Cause: The Controller's Office did not have adequate internal controls to ensure appropriate classification of debt service and other financing uses.

Effect: The following error was noted in the Consolidated Bond Interest and Redemption Fund:

- Overstated debt service -principal by $58,473,338
- Understated other financing uses – payment to refunded bond agent by $58,473,338

Recommendation: We recommend the Controller's Office enhance internal controls to ensure appropriate classification of debt service and other financing uses.

Views of Responsible Officials: Management agrees with this finding.

2024-004: Controller's Office – Opioid Settlement
Significant Deficiency

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring liabilities are recorded in the correct fund is a key component of effective internal control over financial reporting.

Condition: The State of Nevada entered litigation with respect to the opioid epidemic in Nevada. Several of these lawsuits have been settled and the settlement recoveries are allocated in accordance with the One Nevada Agreement.

The One Nevada Agreement prescribes the allocation of recoveries to the State, litigating entities, and non-litigating entities within the State. The State's portion of the recoveries is recorded within the Resilient Nevada Fund. The litigating entity recoveries are recorded within the Intergovernmental Custodial Fund, and the non-litigating entity recoveries are recorded within the Miscellaneous - Attorney General Fund.

The Controller's Office recorded the portion due to local governments in the Attorney General Fund rather than the Intergovernmental Custodial Fund as appropriate.

Cause: The Controller's Office did not have adequate internal controls to ensure the year-end liability was recorded in the proper fund.

Effect: The following errors were noted:

Miscellaneous – Attorney General Fund
- Overstatement of liabilities by $17,194,051
- Overstatement of cash by $17,194,051

Intergovernmental Custodial Fund
- Understatement of liabilities by $17,194,051
- Understatement of cash by $17,194,051

Recommendation: We recommend the Controller's Office enhance its internal controls to ensure amounts are recorded in the proper fund.

Views of Responsible Officials: Management agrees with this finding.

2024-005: Controller's Office – Nonmajor Special Revenue Fund Budgets
Significant Deficiency

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. The State of Nevada's financial report includes budgetary schedules in supplementary information. This supplementary information should be accurate with respect to the financial statements as a whole and ensuring the supplementary information is accurate is a key component of effective internal control over financial reporting.

Condition: The Controller's Office did not properly present supplementary budgetary information in the State Highway Fund.

Cause: The Controller's Office did not have adequate internal controls to ensure amounts were presented properly in the budgetary schedules.

Effect: The following errors were noted in the State Highway Fund:

- Understatement of fund balances final budget by $113,693,289
- Overstatement of actual expenditures reported for reversions of $50,000,000
- Understatement of proceeds from sale of bonds (final budget and actual) by $150,000,000 and 150,019,438, respectively

Recommendation: We recommend the Controller's Office enhance its internal controls to ensure amounts are presented accurately in the budgetary schedules.

Views of Responsible Officials: Management agrees with this finding.

2024-006: Controller's Office – Supportive Housing Development Fund
Material Weakness

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting.

Governmental Accounting Standards Board (GASB) Statement 54 *Fund Balance Reporting and Governmental Fund Type Definitions* provides that special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term proceeds of specific revenue sources establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. Those specific restricted or committed revenues may be initially received in another fund and subsequently distributed to a special revenue fund. Those amounts should not be recognized as revenue in the fund initially receiving them; however, those inflows should be recognized as revenue in the special revenue fund in which they will be expended in accordance with specified purposes.

Condition: Assembly Bill No. 310 of the 82nd Session required the Housing Division of the Department of Business and Industry to develop and implement a supportive housing grant program and create the Nevada Supportive Housing Development Fund.

This fund does not have a dedicated restricted or committed revenue source and is funded through appropriations. Therefore, the Fund does not qualify as a special revenue fund under GASB 54. Rather, the Fund should be presented in supplementary information and ultimately consolidated into the fund that provides the appropriations (i.e. the General Fund) in the basic financial statements.

Cause: The Controller's Office did not have adequate internal controls to ensure new special revenue funds met the criteria for recognition as a special revenue fund.

Effect: The following errors were noted:

The General Fund and Supporting Housing Development Fund transactions are not eliminated in the basic financial statements, thus:

The General Fund Due to Other Funds and Transfers Out is overstated by $32,200,000 and the Nonmajor Governmental Funds Due From Other Funds and Transfers In is overstated by $32,200,000.

Recommendation: We recommend the Controller's Office enhance internal controls to ensure new special revenue funds meet the criteria for recognition as a special revenue fund.

In addition, we recommend the Controller's Office consolidate the Supporting Housing Development Fund into the General Fund with the schedules shown in supplementary information as appropriate.

Views of Responsible Officials: Management agrees with this finding.

2024-007: Controller's Office and Department of Taxation – Gold and Silver Taxes
Material Weakness

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Properly reviewing and reporting receivable balances is a key component of effective internal control over financial reporting.

Condition: The Department of Taxation aggregates and summarizes various tax receivable information. This information is reported to the Controller's Office for adjustment in the general ledger. Balances for gold and silver taxes were not accurate.

Cause: The Controller's Office and Department of Taxation did not have adequate internal controls to ensure receivables were properly recorded.

Effect: The following errors were noted:

State Education Fund

- Understatement of receivables by $44,402,957
- Understatement of unavailable revenue by $44,402,957

Governmental Activities

- Understatement of receivables by $44,402,957
- Understatement of beginning net position by $35,864,986
- Understatement of revenue by $8,537,971

Recommendation: We recommend the Controller's Office and Department of Taxation enhance internal controls to provide for the reconciliation and review of receivables.

Views of Responsible Officials: Management agrees with this finding.

2024-008: Department of Taxation – Centrally Assessed Property Taxes
Significant Deficiency

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Properly reviewing and reporting receivable balances is a key component of effective internal control over financial reporting.

Condition: The Department of Taxation aggregates and summarizes various tax receivable information. This information is reported to the Controller's Office for adjustment in the general ledger. Balances for property taxes were not accurate.

Cause: Amounts receipted for fiscal year 2025 property taxes were recorded to fiscal year 2024 in error.

Effect: The following error was noted in the General Fund and Governmental Activities:

- Overstatement of receivables by $10,598,184
- Overstatement of deferred inflows by $10,598,184

Recommendation: We recommend the Department of Taxation enhance internal controls to provide for the reconciliation and review of receivables.

Views of Responsible Officials: Management agrees with this finding.

2024-009: Controller's Office – GASB 96 SBITA Contracts
Material Weakness

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring right of use subscription assets and liabilities are recorded appropriately and in accordance with Governmental Accounting Standards Board (GASB) Statement No. 96 *Subscription-Based Information Technology Arrangements* (SBITA) is a key component of effective internal control over financial reporting.

Condition: The Controller's Office is responsible for reviewing potential SBITA arrangements that are reported by agencies.

A SBITA contract (MYNT) entered into during the fiscal year in the total amount of $81,266,380 was reported for evaluation by the Department of Taxation. However, the analysis was not completed accurately by the Controller's Office. As such, implementation costs incurred during the fiscal year were directly expensed and should have been capitalized.

Cause: The Controller's Office did not have adequate internal controls to ensure potential subscription assets and liabilities were appropriately evaluated and recorded in accordance with GASB Statement No. 96.

Effect: The following error was noted in the General Fund and Governmental Activities:

- Understatement of prepaid assets by $14,050,000
- Overstatement of expenses by $14,050,000

Recommendation: We recommend the Controller's Office enhance internal controls to ensure potential subscription assets and liabilities are properly evaluated to ensure they are recorded in accordance with GASB Statement No. 96.

Views of Responsible Officials: Management agrees with this finding.

2024-010: Department of Transportation – Capital Assets
Material Weakness

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring infrastructure and construction in progress is recorded appropriately is a key component of effective internal control over financial reporting.

Condition: The Department of Transportation is responsible for maintaining a capital asset roll-forward for projects it manages, which are typically construction in progress related to infrastructure (i.e., roads) and completed infrastructure.

This roll-forward is provided to the Controller's Office and ultimately considered within the State's aggregate capital asset activity.

Amounts provided in the roll-forward by the Department of Transportation were not accurate for construction in progress.

Cause: The Department of Transportation did not have adequate internal controls to ensure infrastructure projects were appropriately reflected within the roll-forward that was provided to the Controller's Office.

Effect: The following error was noted within Governmental Activities:

- Overstatement of construction in progress by $212,885,395

Recommendation: We recommend the Department of Transportation enhance its review process of the roll-forward prior to providing it to the Controller's Office.

Views of Responsible Officials: Management agrees with this finding.

2024-011: Department of Transportation – Accounts Payable
Significant Deficiency

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring liabilities are recorded in the correct period is a key component of effective internal control over financial reporting.

Condition: The Department of Transportation improperly excluded partial amounts from an invoice from accounts payable where the expenditures were incurred within the fiscal year.

An invoice was presented for $45,103,884 that included work performed in both fiscal year 2024 and fiscal year 2025. Due to certain administrative items with respect to agreements and timing of payment from the federal agency to pass-through the amount to the underlying vendor, the invoice was not paid until December 2024, well after the State's fiscal year close for posting. This invoice was for services from December 2023 through September 2024. Due to the timing of the billing, the full invoice was recorded to fiscal year 2025.

Cause: The Department of Transportation did not have adequate internal controls to ensure liabilities were recorded in the correct period when an invoice spanning fiscal years was paid after financial close.

Effect: The following error was noted in the State Highway Fund:

- Understatement of accounts payable by $15,120,468
- Understatement of expenditures by $15,120,468

Recommendation: We recommend the Department of Transportation enhance internal controls to ensure liabilities are properly reflected in the correct fiscal year.

When invoices for services performed span across fiscal years, communication should be made to the Controller's Office for appropriate consideration and potential adjustment to the State's GAAP basis financial records.

Views of Responsible Officials: Management agrees with this finding.

2024-012: Nevada Health Authority – Due to Other Governments
Material Weakness

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. The State of Nevada bills local governments for their participation in supplemental payment programs under Medicaid. Ensuring local governments are billed accurately is a key component of effective internal control over financial reporting.

Condition: The Nevada Health Authority did not accurately bill local governments for the supplemental payment program under Medicaid.

Cause: During the pandemic, changes were made to the Federal Medical Assistance Percentage (FMAP), which required updated billing amounts to the local governments. However, the Nevada Health Authority (previously Division of Healthcare Financing and Policy) did not have adequate internal controls to reconcile the adjustments necessary in a timely manner.

Effect: The local governments overpaid amounts to the State of Nevada for the supplemental payment program and the State of Nevada did not accurately record the liability back to the local governments.

The following error was noted in the General Fund:

- Overstatement of fund balance by $45,964,017 (amounts owed at the end of June 30, 2023)
- Understatement of expense by $31,065,604
- Overstatement of due to other governments by $14,898,413 (amounts still owed at end of June 30, 2024)

Recommendation: We recommend the Nevada Health Authority enhance internal controls to ensure any changes to FMAP are reflected timely in the billings to local governments and that overpayments are accurately recorded as a liability.

Views of Responsible Officials: Management agrees with this finding.

2024-013: Nevada Health Authority – Medicaid Estimates
Significant Deficiency

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring Medicaid estimates are accurate is a key component of effective internal control over financial reporting.

Condition: The Nevada Health Authority is responsible for monitoring and estimating the Medicaid incurred but not reported liability. A component of this liability is the amount that would also be owed by the federal government. A key component of the estimate of the amount that would be due from the federal government is the amount of subsequent claims liability, multiplied by the federal medical assistance percentage (FMAP).

Claims are reimbursed by the federal government based on the underlying claim date or service date of the claim/service. Therefore, the FMAP used in the estimate should relate to the underlying claim period. However, the calculation by the Nevada Health Authority used the FMAP for the anticipated year of collection. In addition, the estimate included a formula error in the intended multiplication of the FMAP and the estimated liability.

Cause: The Nevada Health Authority did not have adequate internal controls to ensure the correct FMAP was used in calculating the Medicaid receivable estimate and that the calculation was free from formula errors.

Effect: The following error was noted in the General Fund:

- Understatement of due from other governments by $8,101,747
- Understatement of deferred inflows of resources by $6,347,105
- Understatement of revenue by $1,754,642

Recommendation: We recommend the Nevada Health Authority enhance internal controls to ensure an appropriate FMAP is used in the calculation of the estimated Medicaid receivable.

Views of Responsible Officials: Management agrees with this finding.

2024-014: Department of Human Services – Allowance for Doubtful Accounts
Significant Deficiency

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Evaluating, monitoring, and reviewing the collectability of delinquent receivables is a key component of effective internal control over financial reporting.

Condition: The Department of Human Services (the Department) aggregates and summarizes receivable information, including the age of receivables and delinquent receivables. The Department is responsible for estimating the likelihood of collection and reporting the estimated collectible amounts to the Controller's Office. The Department missed evaluating uncollectible receivables for a subset of receivables totaling $15,546,330.

Cause: The Department of Human Services did not have adequate internal controls to properly evaluate receivables for collectability using reasonable and currently known facts and circumstances.

Effect: The estimate for the collectability of receivables was revised and an error noted for an increase in uncollectible receivables by $11,818,680 in the General Fund.

Recommendation: We recommend the Department of Human Services enhance internal controls to evaluate the collectability of receivables reported to the Controller's Office on an annual basis. These should include, at a minimum, consideration towards:

- Historical collections by age of receivable
- Currently known facts and circumstances

Views of Responsible Officials: Management agrees with this finding.

2024-015: Division of Forestry – Fire Suppression Receivables
Significant Deficiency

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring receivables are recorded timely and accurately is a key component of effective internal control over financial reporting.

Condition: The Division of Forestry (the Division) is responsible for billing reimbursable expenditures to various agencies (i.e. federal agencies or local jurisdictions) when assisting with fire incidents.

The Division of Forestry is responsible for reporting to the Controller's Office any amounts of unbilled receivables for appropriate consideration and financial reporting. The Division did not accurately report the unbilled receivables to the Controller's Office in which reimbursable expenditures had occurred.

Cause: The Division of Forestry did not have adequate internal controls to track and monitor unbilled fire suppression receivables to report to the Controller's Office.

Effect: The following error was noted in the General Fund:

- Understatement of receivables by $13,243,609

Recommendation: We recommend the Division of Forestry enhance internal controls to track and monitor unbilled fire suppression receivables to ensure accurate reporting to the Controller's Office.

Views of Responsible Officials: Management agrees with this finding.

2024-016: Department of Corrections – Payroll Internal Controls
Significant Deficiency

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Proper reconciliation of payroll is a key component of effective internal control over financial reporting.

To ensure proper reconciliation occurs, the State of Nevada's internal control policies require that agencies with a timekeeper function print reports from the Payroll Data Warehouse for each employee's timesheet entered by a timekeeper. The agency must verify that time and pay entries reported on the payroll register agree with the timesheet. For all employees, if the leave or overtime was not preapproved in the Nevada Employee Action and Timekeeping System (NEATS), then an approved hard copy must be on file. This is performed by the agencies every pay period. In addition, on the Monday following payday, agencies also reconcile the expenditures from the Budget Status Report to the Detail Cost Listing report (provided by Advantage-HR).

Condition: No reconciliation of payroll occurred during fiscal year 2024 by the Department of Corrections in accordance with the State of Nevada internal control policy.

Cause: The Department of Corrections did not monitor and follow established internal control policies.

Effect: Errors could occur and not be corrected or detected by the Department of Corrections.

Recommendation: We recommend the Department of Corrections follow the State of Nevada payroll reconciliation internal control policies.

Views of Responsible Officials: Management agrees with this finding.

2024-017: Higher Education Tuition Trust Enterprise Fund – Investment Reconciliations
Material Weakness

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. One of the components of an effective system of internal control over financial reporting is reconciliation of investment balances within brokerage accounts to the trial balance.

Condition: Investment balances recorded by the Higher Education Tuition Trust Enterprise Fund's (the Trust Fund) did not agree to information provided by investment managers or custodians. Adjustments were necessary to reflect the investment performance of the Trust Fund for the year ended June 30, 2024 within the financial statements.

Cause: The Trust Fund does not have adequate internal controls to ensure investment balances are properly recorded in accordance with U.S. GAAP.

Effect: The following errors were noted in the Nevada Higher Education Tuition Trust Enterprise Fund:

- Investment income was overstated by $2,526,264
- Unrealized gain/loss on investments was overstated by $8,395,107
- Investments were overstated by $7,755,020
- Cash was overstated by $3,000,000
- Miscellaneous other expenses was overstated by $166,351

These reconciling items also can cause delays in providing information to the Trust Fund's actuary and in turn, delay receipt of the valuation of tuition contract receivable and payable estimates.

Recommendation: We recommend the Trust Fund implement procedures and internal controls to reconcile investment balances in accordance with U.S. GAAP.

Views of Responsible Officials: Management agrees with this finding.

2024-018: Nevada Unemployment Compensation Enterprise Fund – Revenue, Receivables, and Allowance for Doubtful Accounts
Material Weakness

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Accurate reconciliation of employer assessment revenues and receivables is a key component of internal control. In addition, an evaluation of known facts and circumstances that impact an allowance for doubtful accounts is also a key component of internal control.

Condition: The Department of Employment, Training, and Rehabilitation (DETR) has policies that evaluate an allowance for doubtful accounts to approximate historical collection rates. During our testing, it was noted that currently known facts and circumstances differed significantly from the historical estimate, which required adjustment within the financial statements for reasonableness.

In addition, DETR generates and queries reports from its information system to record and support certain overpayment information. During our testing, it was noted that these reports had errors in how they were generated and were not complete. Therefore, adjustments were required to the financial statements.

Cause: DETR did not have adequate internal controls to provide for sufficient evaluation of the allowance for doubtful accounts and did not have sufficient internal controls to ensure accurate system reports were used in preparing year end adjusting journal entries.

Effect: The following errors were noted in the Nevada Unemployment Compensation Enterprise Fund:

- Understatement of gross receivables by $2,016,689
- Understatement of allowance for doubtful accounts by $25,079,264
- Overstatement of amounts due to federal government by $18,389,858
- Overstatement of revenues by $6,689,406
- Overstatement of claims expense by $2,016,689

Recommendation: We recommend DETR enhance internal controls to provide for the initial identification and analysis of allowance for uncollectible accounts and overpayment amounts.

Views of Responsible Officials: Management agrees with this finding.

2024-019: Controller's Office – Noncash Federal Assistance
Material Weakness

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Accurate reconciliation and recording of noncash federal assistance is a key component of effective internal control over financial reporting.

Condition: Certain amounts recorded for noncash federal assistance were duplicated in error.

Cause: The Controller's Office reconciles and records information provided by the Division of Social Services for noncash federal assistance related to the Supplemental Nutrition Assistance Program and Pandemic EBT Food Benefits.

Certain amounts had initially been posted to one general ledger account and during the reconciliation of the amounts, posted again to a separate general ledger account, thus double recording the transactions.

The Controller's Office did not have adequate internal controls for the reconciliation of noncash federal assistance with respect to the Supplemental Nutrition Assistance Program and Pandemic EBT Food Benefits program.

Effect: The following error was noted in the General Fund:

- Overstatement of expenditures by $64,002,341
- Overstatement of revenues by $64,002,341

Recommendation: We recommend the Controller's Office enhance internal controls for the reconciliation of noncash federal assistance with respect to the Supplemental Nutrition Assistance Program and Pandemic EBT Food Benefits program.

Views of Responsible Officials: Management agrees with this finding.

2024-020: Nevada Health Authority – Unmet Free Care Program
Material Weakness

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Communication of a change in accounting for a revenue stream to the Controller's Office is a key component of effective internal control over financial reporting.

Condition: Amounts for the unmet free care program were recorded as a liability when they were earned and should have been recorded as a revenue.

Cause: The Nevada Health Authority changed how collections for the unmet free care program were recorded during the fiscal year and recorded the amounts in an account that was previously used as an internal translating account for a different revenue stream. This was not communicated and the Controller's Office was not aware that a new revenue stream was being recorded in the internal translating account. Subsequently, the Controller's Office recorded transactions consistent with previous revenue stream during financial close.

The Nevada Health Authority did not have adequate internal controls to communicate to the Controller's Office that they were recording a different revenue stream to the internal translating account than what was previously recorded to allow the Controller's Office to effectively record the activity during financial close.

Effect: The following error was noted in the General Fund:

- Overstatement of liabilities by $24,380,990
- Understatement of revenues by $24,380,990

Recommendation: We recommend the Nevada Health Authority enhance internal controls to communicate to the Controller's Office any change in recording of revenue streams to allow for appropriate financial close analysis.

Views of Responsible Officials: Management agrees with this finding.

2024-021: Nevada Housing Division – Unearned Federal Grant Revenue
Material Weakness

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring unearned revenues are recorded appropriately is a key component of effective internal control over financial reporting.

Condition: The Housing Division reported cash on hand balances related to federal grants that are administered by the Housing Division as revenue. However, certain amounts related to the American Rescue Plan did not yet meet the criteria for revenue recognition and should have been recorded as unearned revenue.

Cause: The Housing Division did not have adequate internal controls to ensure balance forward classifications reported to the Controller's Office were accurate.

Effect: The following error was noted in the General Fund:

- Overstatement of revenues by $37,681,267
- Understatement of unearned revenue by $37,681,267

Recommendation: We recommend the Housing Division enhance internal controls to ensure balance forward classifications reported to the Controller's Office are accurate.

Views of Responsible Officials: Management agrees with this finding.

C. Findings and Questioned Costs – Major Federal Award Programs

2024-022: U.S. Department of Agriculture
Child Nutrition Cluster:
School Breakfast Program, 10.553
National School Lunch Program, 10.555
Special Milk Program for Children, 10.556
Summer Food Service Program for Children, 10.559
Fresh Fruit and Vegetable Program, 10.582

Reporting
Significant Deficiency in Internal Control Over Compliance

Grant Award Number: Affects all grant awards with pass-through payments included under assistance listings 10.555 and 10.556 on the Schedule of Expenditures of Federal Awards.

Criteria: The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency include all activity of the reporting period, are supported by underlying accounting information, and are presented in accordance with program requirements.

The Nevada Department of Agriculture (NDA) is required to submit the *FNS-10: Report of School Program Operations*.

Condition: Amounts reported on the FNS-10 report were not supported by the underlying accounting information.

Cause: NDA did not have adequate internal controls to ensure FNS-10 reports were accurate or supporting documentation for reconciling items was maintained.

Effect: Inaccurate information was reported to the federal awarding agency.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of three out of a population of 12 monthly FNS-10 reports was selected for testing. In addition, Part B of the FNS-10 report is only completed annually and the annual Part B reporting was also selected for testing.

The following variance was noted in the annual Part B report:

October 2023 FNS-10 Report (Part B)

	Amount Reported	Amount Supported
Line 10d – School Breakfast Program Average Daily Meals (Col E)	83	No Support Provided
Line 10e – Sever Need School Breakfast Program Average Daily Meals (Col E)	83	No Support Provided
Line 11a – National School Lunch Program Average Daily Meals (Col E)	50	No Support Provided
Line 11b – NSLP Snacks Average Daily Meals (Col E)	30	No Support Provided
Line 11c – School Breakfast Program Average Daily Meals (Col E)	60	No Support Provided
Line 11d – Severe Need School Breakfast Program Average Daily Meals (Col E)	60	No Support Provided
Line 16 – Number of Nonresidential Child Care Institutions (Col L)	2	No Support Provided

Repeat Finding from Prior Year: No

Recommendation: We recommend NDA enhance internal controls to ensure FNS-10 reports are accurate or supporting documentation for reconciling items is maintained.

Views of Responsible Officials: The Nevada Department of Agriculture agrees with this finding.

2024-023: **U.S. Department of Agriculture**
Child Nutrition Cluster:
School Breakfast Program, 10.553
National School Lunch Program, 10.555
Special Milk Program for Children, 10.556
Summer Food Service Program for Children, 10.559
Fresh Fruit and Vegetable Program, 10.582

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Grant Award Number: Affects all grant awards with pass-through payments included under assistance listings 10.553, 10.555, 10.556, 10.559, and 10.582 on the Schedule of Expenditures of Federal Awards.

Criteria: The Federal Funding Accountability and Transparency Act (FFATA) requires direct recipients of certain federal awards to report subaward information by the end of the month following the month in which the prime awardee obligates a subgrant award equal to or greater than $30,000.

Condition: Required subaward information was not reported in the FFATA Subaward Reporting System (FSRS).

Cause: The Nevada Department of Agriculture (NDA) did not have internal controls to ensure subaward information was submitted in accordance with the FFATA.

Effect: Subaward obligations were not reported in the FSRS and therefore not included on the FFATA's website for public information disclosure.

Questioned Costs: None

Context/Sampling: No sampling was utilized. NDA pass-through obligations are under permanent agreements with amounts obligated each year to the subrecipients. There has been no documentation provided to support that these annual obligations are excluded from reporting under the FFATA. However, given the nature of the permanent agreements, NDA has not reported any of the obligations under FFATA. Total pass-through amounts for the year ended June 30, 2024 were $213,367,448 across 93 subrecipients.

Repeat Finding from Prior Year: Yes – prior year finding 2023-022.

Recommendation: We recommend NDA implement internal controls to ensure subaward information is submitted in accordance with the FFATA or to seek guidance for applicability towards permanent agreements with annual obligations.

Views of Responsible Officials: The Nevada Department of Agriculture agrees with this finding.

2024-024: **U.S. Department of Agriculture**
Child Nutrition Cluster:
School Breakfast Program, 10.553
National School Lunch Program, 10.555
Special Milk Program for Children, 10.556
Summer Food Service Program for Children, 10.559
Fresh Fruit and Vegetable Program, 10.582

Other
Significant Deficiency in Internal Control over Compliance

Grant Award Number: Affects all grant awards included under assistance listing 10.555 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements* for Federal Awards (Uniform Guidance) requires the State of Nevada to prepare a Schedule of Expenditures of Federal Awards (SEFA) showing both total federal expenditures and payments to subrecipients for the year. Total federal expenditures include the distribution or use of food commodities.

Condition: Food commodities were reported for the wrong federal program in the SEFA.

Cause: The Nevada Department of Agriculture (NDA) did not have adequate internal controls to ensure commodities were identified for the appropriate federal program in the SEFA.

Effect: Prior to correction, commodities of $9,950,720 were identified under the National School Lunch Program, 10.555, rather than the Emergency Food Assistance Program, 10.569.

Questioned Costs: None

Context/Sampling: No sampling was used; all program expenditures on the SEFA were reconciled to supporting records.

Repeat Finding from Prior Year: No

Recommendation: We recommend NDA enhance internal controls to ensure commodities are identified for the appropriate federal program in the SEFA.

Views of Responsible Officials: The Nevada Department of Agriculture agrees with this finding.

2024-025: U.S. Department of Agriculture
Direct and Pass-through Gretchen Swanson Center for Nutrition
WIC Supplemental Nutrition Program for Women, Infants, and Children, 10.557
COVID-19 WIC Supplemental Nutrition Program for Women, Infants, and Children, 10.557

Procurement, Suspension, and Debarment
Significant Deficiency in Internal Control over Compliance

Grant Award Number: Affects all grant awards included under assistance listing 10.557 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) requires contracts contain the applicable provisions described in Appendix II to Part 200 for contracts under federal awards.

Condition: Certain applicable provisions described in Appendix II to Part 200 were not included in contracts as required.

Cause: The Nevada State Purchasing Department (State Purchasing) did not have adequate internal controls to ensure contracts under federal awards contained all of the applicable contract provisions.

Effect: Contractors may not be aware of required terms and conditions.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of 40 procurement transactions out of approximately 3,306 was selected for testing, including 7 contracts subject to Appendix II to Part 200.

We noted the following contract provisions were missing:

- Debarment and Suspension – one contract missing this provision
- Termination for cause and convenience – two contracts missing this provision
- Legal remedies for breach of contract – one contract missing this provision
- Byrd Anti-Lobbying – five contracts missing this provision
- Clean Air Act and Federal Water Pollution Control Act – four contracts missing this provision

Repeat Finding from Prior Year: No

Recommendation: We recommend State Purchasing enhance internal controls to ensure all contracts under federal awards contain the applicable provisions.

Views of Responsible Officials: The Nevada State Purchasing Department agrees with this finding.

2024-026: U.S. Department of Treasury
COVID-19 Homeowner Assistance Fund, 21.026

Subrecipient Monitoring
Material Weakness in Internal Control over Compliance

Grant Award Number: Affects all grant awards included under assistance listing 21.026 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.332 requires that:

Pass-through entities establish policies for subrecipient monitoring that have a risk-based approach to determine the appropriate monitoring.

Pass-through entities ensure every subaward includes certain information at the time of the subaward and that the award's assistance listing number is identified to the subrecipient at the time of disbursement.

Pass-through entities evaluate each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring.

Condition: The Nevada Housing Division (NHD) does not have subrecipient monitoring policies. Subawards and disbursements did not contain all the required information, an evaluation of each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring was not performed. Lastly the assistance listing number was not communicated at the time of disbursement.

Cause: NHD did not have internal controls to ensure compliance with subrecipient monitoring requirements.

Effect: Noncompliance at the subrecipient level may occur and not be detected.

Questioned Costs: None

Context/Sampling: No subrecipient monitoring policies were in place at NHD.

The entire population of one subrecipient was selected for testing, which included two payments. The subaward was missing required information, a risk assessment was not performed, and both payments were missing the assistance listing number.

Repeat Finding from Prior Year:	Yes – prior year finding 2023-029.
Recommendation:	We recommend NHD implement internal controls to ensure compliance with subrecipient monitoring requirements.
Views of Responsible Officials:	The Nevada Housing Division agrees with this finding.

2024-027: U.S. Department of Treasury
COVID-19 Coronavirus State and Local Fiscal Recovery Funds, 21.027

Procurement, Suspension, and Debarment
Significant Deficiency in Internal Control over Compliance

Grant Award Number: Affects all grant awards included under assistance listing 21.027 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) requires contracts contain the applicable provisions described in Appendix II to Part 200 for contracts under federal awards.

Condition: Certain applicable provisions described in Appendix II to Part 200 were not included in contracts as required.

Cause: The Nevada State Purchasing Division of the Department of Administration (State Purchasing) did not have adequate internal controls to ensure contracts under federal awards contained all of the applicable contract provisions.

Effect: Contractors may not be aware of required terms and conditions.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of 60 procurement transactions out of approximately 3,400 was selected for testing, including 27 contracts subject to Appendix II to Part 200.

We noted the following contract provision was missing:

- Clean Air Act and Federal Water Pollution Control Act – 19 contracts missing this provision

Repeat Finding from Prior Year: Yes – prior year finding 2023-030.

Recommendation: We recommend State Purchasing enhance internal controls to ensure all contracts under federal awards contain the applicable provisions.

Views of Responsible Officials: The Nevada State Purchasing Division of the Department of Administration agrees with this finding.

2024-028: U.S. Department of Treasury
COVID-19 Coronavirus State and Local Fiscal Recovery Funds, 21.027

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Grant Award Number: Affects all grant awards included under assistance listing 21.027 on the Schedule of Expenditures of Federal Awards.

Criteria: The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency include all activity of the reporting period, are supported by applicable accounting or performance records, and are fairly presented in accordance with governing requirements.

The Nevada Governor's Finance Office (GFO) must submit quarterly *Project and Expenditure Reports* that contain COVID-19 related costs and obligations incurred during the covered period. Critical information includes:

- Current period obligation
- Cumulative obligation
- Current period expenditure
- Cumulative expenditure
- Revenue Loss Calculation
- Capital Expenditures

Condition: Certain amounts included in the reports submitted did not agree to underlying support.

Cause: GFO did not have adequate internal controls to ensure *Project and Expenditure Reports* were reconciled to underlying supporting documentation.

Effect: Inaccurate information was reported to the federal awarding agency.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of two *Project and Expenditure Reports* from a population of four was selected for testing. Variances were noted as follows for cumulative impacts:

Reporting Period Ended September 30, 2023:

	Amount Reported	Amount Supported by Underlying Documentation
Cumulative Obligations	$1,014,916,952	$1,013,501,805

Reporting Period Ended March 31, 2024:

	Amount Reported	Amount Supported by Underlying Documentation
Current Period Expenditures	$93,660,766	$93,663,991
Revenue Loss Allowance	$3,225,231,412	$1,325,530,462

Repeat Finding from Prior Year: Yes – prior year finding 2023-031.

Recommendation: We recommend the GFO enhance internal controls to ensure *Project Expenditure Reports* are reconciled to underlying supporting documentation.

Views of Responsible Officials: The Nevada Governor's Finance Office agrees with this finding.

2024-029: U.S. Department of Treasury
COVID-19 Coronavirus State and Local Fiscal Recovery Funds, 21.027

Subrecipient Monitoring
Material Weakness in Internal Control over Compliance and Material Noncompliance

Grant Award Number: Affects all grant awards included under assistance listing 21.027 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.332 requires that:

- Pass-through entities ensure every subaward is clearly identified to the subrecipient as a subaward.
- Pass-through entities ensure every subaward includes certain information at the time of the subaward and the assistance listing number is communicated at the time of disbursement to subrecipients.
- Pass-through entities evaluate each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring.
- Pass-through entities verify every subrecipient is audited as required by Uniform Guidance, issue management decisions for audit findings, as applicable, and ensure the subrecipient takes timely corrective action on all audit findings, as applicable.
- Pass-through entities perform monitoring over subrecipients to attain reasonable assurance the subaward was used for authorized purposes.

Condition: Subawards were missing required elements, assistance listing numbers were not communicated at the time of disbursement, an evaluation of the subrecipients risk for noncompliance for purposes of determining the appropriate subrecipient monitoring was not performed, subrecipient audit reports were not reviewed, and subrecipients were not monitored to ensure subawards were being used for authorized purposes.

Cause: Adequate internal controls were not in place to ensure compliance with subrecipient monitoring requirements for the following agencies:

- Attorney General's Office
- Department of Agriculture
- Department of Conservation and Natural Resources
- Department of Native American Affairs
- Governor's Finance Office
- Governor's Office of Economic Development
- Housing Division
- Judicial Office of the Courts

Effect: Noncompliance at the subrecipient level may occur and not be detected.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of 46 subrecipients out of a population of 246 across all State agencies was selected for testing. A nonstatistical sample of 60 pass-through payments out of a population of approximately 4,000 was selected for testing.

The following errors were noted by agency:

Attorney General's Office
We tested one subrecipient applicable to the Attorney General's Office and noted a risk assessment was not performed and the subaward agreement did not contain all of the required provisions.

Department of Agriculture
We tested three subrecipients applicable to the Department of Agriculture. A risk assessment was not performed for any of the subrecipients.

Department of Conservation and Natural Resources
We tested four subrecipients applicable to the Department of Conservation and Natural Resources. All four subawards were missing required provisions.

Department of Native American Affairs
We tested two subrecipients applicable to the Department of Native American Affairs. A risk assessment was not performed for either subrecipient.

Governor's Finance Office
We tested five subrecipients applicable to the Governor's Finance Office. A risk assessment was not performed for one of the subrecipients tested.

Governors' Office of Economic Development
We tested one subrecipient applicable to the Governor's Office of Economic Development. A risk assessment was not performed, monitoring over the subrecipient did not take place, and it was not verified if the subrecipient was audited or if a management decision was necessary.

Housing Division
We tested two subrecipients applicable to the Housing Division. Both subawards were missing required provisions and risk assessments were not performed. We tested four pass-through payments applicable to the Housing Division. The assistance listing number was not communicated to the subrecipient at the time of payment for any of the payments.

Judicial Office of the Courts
We tested one subrecipient applicable to the Judicial Office of the Courts. The subaward was missing required provisions.

Repeat Finding from Prior Year: Yes – prior year finding 2023-032.

Recommendation: We recommend the State agencies listed above enhance internal controls to ensure compliance with subrecipient monitoring requirements.

Views of Responsible Officials: The State of Nevada agrees with this finding.

2024-030: U.S. Department of Education
Title I Grants to Local Educational Agencies, 84.010

Matching, Level of Effort, and Earmarking
Significant Deficiency in Internal Control over Compliance

Grant Award Number: Affects all grant awards included under assistance listing 84.010 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

A Local Educational Agency (LEA) may receive funds under Title I only if the State Educational Agency (SEA) finds that the combined fiscal effort per student or the aggregate expenditures of the LEA from State and local funds for free public education for the preceding year was not less than 90 percent of the combined fiscal effort or aggregate expenditures for the second preceding year, unless specifically waived by the U.S. Department of Education (34 CFR section 299.5).

Condition: The Nevada Department of Education (NDE) monitors the LEA fiscal effort; however, there was no documentation retained to evidence that two individuals (segregation of duties) were involved in the review of the LEA information.

Cause: NDE did not have adequate internal controls to ensure maintenance of effort monitoring was reviewed by a party other than the preparer for accuracy and appropriate review of compliance.

Effect: Noncompliance with maintenance of effort requirements may not be detected and NDE may not make required funding adjustments.

Questioned Costs: None

Context/Sampling: No sampling was performed, the maintenance of effort is monitored in an excel workbook as a whole.

Repeat Finding from Prior Year: Yes – prior year finding 2023-034.

Recommendation: We recommend NDE enhance internal controls to ensure maintenance of effort monitoring is reviewed by a party other than the preparer for accuracy and appropriate review of compliance.

Views of Responsible Officials: The Nevada Department of Education agrees with this finding.

2024-031: U.S. Department of Education
Special Education (IDEA) Cluster
Special Education Grants to States, 84.027
COVID-19 Special Education Grants to States, 84.027
Special Education Preschool Grants, 84.173

Matching, Level of Effort, and Earmarking
Material Weakness in Internal Control over Compliance and Material Noncompliance

Grant Award Number: Affects all grant awards included under assistance listing 84.027 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Local Educational Agencies (LEA) must meet a local maintenance of effort. IDEA, Part B funds received by an LEA cannot be used, except under certain limited circumstances, to reduce the level of expenditures for the education of children with disabilities made by the LEA from local funds, or a combination of state and local funds, below the level of those expenditures for the preceding fiscal year. To meet this requirement, LEAs must meet (1) the eligibility standard and (2) the compliance standard. The eligibility standard is budgeted expenditures and the compliance standard is actual expenditures.

For purposes of establishing the LEA's eligibility for an award for a fiscal year, the State Educational Agencies (SEA) must determine that the LEA is meeting the eligibility standard (34 CFR section 300.203(a)).

Condition: The Nevada Department of Education (NDE) monitors the LEA's maintenance of effort with regards to the compliance standard (actual expenditures) rather than to the eligibility standard (by budget). In addition, the actual expenditures used in the monitoring did not agree to the underlying supporting documentation.

Cause: NDE did not have adequate internal controls to ensure the amounts used in monitoring the LEA maintenance of effort were accurate.

Effect: LEA's may not be in compliance with the maintenance of effort requirement and it may not be detected.

Questioned Costs:	None
Context/Sampling:	A non-statistical sample of four school districts out of a population of 18 was selected for testing. In addition, the State Public Charter School Authority (SPCSA) is a LEA and aggregates 43 underlying charter schools. A nonstatistical sample of five out of 43 charter schools was also selected for testing. For one school district, we noted the amounts did not agree to the underlying supporting records. However, when using the underlying supporting records, the school district still met the maintenance of effort. In addition, we could not verify the amounts reported for all five charter schools selected for testing. Although financial statements were maintained, the amounts used to monitor the maintenance of effort were not reconciled or maintained.
Repeat Finding from Prior Year:	No
Recommendation:	We recommend NDE enhance internal controls to ensure the amounts used in monitoring the LEA maintenance of effort is accurate. In addition, we recommend documentation sounding in the eligibility standard be maintained in accordance with 34 CFR section 300.230(a).
Views of Responsible Officials:	The Nevada Department of Education agrees with this finding.

2024-032: U.S. Department of Education
COVID-19 Education Stabilization Fund, 84.425

Matching, Level of Effort, and Earmarking
Material Weakness in Internal Control over Compliance

Grant Award Number: Affects grant award *S425U210018* included under assistance listing 84.425 on the Schedule of Expenditures of Federal Awards.

Criteria: The *OMB Compliance Supplement* provides the following requirements:

- ESSER
  - A State Educational Agency (SEA) must allocate at least 90% of ESSER funds to Local Educational Agencies (LEA) using the statutorily prescribed formula.
- ARP ESSER
  - Under section 2001(f) of the ARP act, each SEA must reserve: (1) at least 5% of ARP ESSER funds for evidence-based interventions that address the academic impact of lost instructional time; (2) at least 1% of ARP ESSER funds for evidence-based summer enrichment programs; (3) at least 1% of ARP ESSER funds for evidence-based comprehensive after school programs.
- Allowances for Administrative Costs
  - Under section 18001(e) of the CARES act and section 313(e) of the CRRSA act, an SEA may reserve up to 0.5% of its total ESSER I and ESSER II allocations for administrative cost.
  - Under Section 2001(f)(4) of the ARP Act, an SEA may reserve not more than 0.5% of the state's total ARP ESSER award for administrative costs.
  - Under section 312(d)(5) of the CRRSA Act, an SEA may reserve up to 0.5% of it's total allocation or up to $200,000, whichever is greater, to administer the EANS program.

Condition: The Nevada Department of Education (NDE) did not meet the earmarking set aside for evidence-based summer enrichment programs and evidence-based after school programs. In addition, there is no evidence that compliance with the earmarking requirements (i.e., actual amounts meeting the allocations or that there could be future changes to allocated amounts) is monitored.

Cause: NDE did not have adequate internal controls to ensure earmarking requirements were initially met and to ensure on-going compliance was monitored.

Effect: Earmarking requirements were not met and may not be met in the future.

Questioned Costs: None

Context/Sampling:

We tested all earmarking computations required to be completed in State fiscal year 2023. There was no evidence of monitoring the earmarking requirements.

Under section 2001(f) of the ARP act, each SEA must reserve: (2) at least 1% of ARP ESSER funds for evidence-based summer enrichment programs; (3) at least 1% of ARP ESSER funds for evidence-based comprehensive after school programs.

- The minimum amount to allocate to evidence-based summer enrichment programs and evidence-based after school programs was $21,455,664 and the actual amount allocated was $21,087,689.

The allocated amounts above were identified and reported in the prior year. However, there was no evidence of adjustments to these allocations in the current year.

Repeat Finding from Prior Year:

Yes – prior year finding 2023-035.

Recommendation:

We recommend NDE enhance internal controls to ensure earmarking requirements are initially met and implement internal controls to ensure on-going compliance is monitored.

Views of Responsible Officials:

The Nevada Department of Education agrees with this finding.

2024-033: U.S. Department of Education
COVID-19 Education Stabilization Fund, 84.425

Matching, Level of Effort, and Earmarking
Material Weakness in Internal Control over Compliance and Material Noncompliance

Grant Award Number: Affects all grant awards included under assistance listing 84.425 on the Schedule of Expenditures of Federal Awards.

Criteria: Under section 317 of the CRRSA Act, a state that receives ESSER II, GEER II, or EANS funds under CRRSA Act must:

- Maintain state support for elementary and secondary education in fiscal year (FY) 2023 at least at the proportional level of the state's overall spending, averaged over FYs 2017, 2018, and 2019; and
- Maintain state support for higher education in FY 2023 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 2017, 2018, and 2019.

The CRRSA and ARP Acts have two MOE baselines:

- Elementary and secondary education baseline, which averages the percentages of total spending that are used to support elementary and secondary education over the three baseline years (FYs 2017, 2018, and 2019).
- Higher education baseline, which averages percentages of total state spending that are used to support higher education over the three baseline years (FYs 2017, 2018, and 2019).

Condition: The Nevada Department of Education (NDE) did not maintain the underlying supporting documentation or reconciliations to support amounts reported for the overall state spending.

NDE reported state expenditure amounts for elementary and secondary education as well as higher education, with a failure to meet the maintenance of effort as a percentage of overall state spending. However, as noted above, the amounts reported for the overall state spending could not be verified.

Lastly, there was no evidence of review and approval (segregation of duties) between the preparer and the reviewer of the maintenance of effort calculations.

Cause: NDE did not have internal controls to ensure maintenance of effort was tracked, complied with, and supporting documents maintained.

Effect: Maintenance of effort requirements may not be met.

Questioned Costs: None

Context/Sampling: We tested maintenance of effort computations required to be completed in State fiscal year 2024 (fiscal year 2023 actual amounts). As noted above, the amounts reported for overall state spending could not be verified. However, NDE's reported amounts indicated that the maintenance of effort was not met as follows:

Elementary and Secondary Education

- Baseline percentage reported as 37.11% and actual percentage for state fiscal year 2023 was reported as 36.79%.

Higher Education

- Baseline percentage reported as 15.47% and actual percentage for state fiscal year 2022 was reported as 15.32%.

Repeat Finding from Prior Year: Yes – prior year finding 2023-036.

Recommendation: We recommend NDE implement internal controls to ensure maintenance of effort is tracked, complied with, and supporting documents maintained.

Views of Responsible Officials: The Nevada Department of Education agrees with this finding.

2024-034: U.S. Department of Education
COVID-19 Education Stabilization Fund, 84.425

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Grant Award Number: Affects all grant awards included under assistance listing 84.425 on the Schedule of Expenditures of Federal Awards.

Criteria: The *OMB Compliance Supplement* provides that State Educational Agencies submit annual reports over Governor's Emergency Education Relief (GEER), Elementary and Secondary School Emergency Relief (ESSER) Grants and Emergency Assistance to Non-Public Schools (EANS). Each report contains data on expenditures, planned expenditures, subrecipients, and use of funds, including mandatory reservations.

Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Condition: Certain amounts included in the annual reports submitted did not agree to underlying support or underlying support for amounts reported were not maintained. In addition, there was no evidence of review and approval (segregation of duties) between the preparer and reviewer of the reports.

Cause: The Nevada Department of Education (NDE) did not have internal controls to identify required information to be reported, ensure accuracy, or maintain adequate document retention to support compliance.

Effect: Inaccurate or incomplete information was reported to the federal awarding agency or was not reported timely.

Questioned Costs: None

Context/Sampling: All six annual reports required to be filed in the fiscal year were selected for testing; three reports for ESSER, two for GEER and one for EANS.

Variances were noted as follows:

ESSER I Year 4 Annual Report

- Amounts reported for key line 3b.1 – LEA expenditures by ESSER subgrant fund, expenditure category, and object code
  - Support for two schools reported was not maintained
  - Three schools did not agree to the underlying support, with variances ranging from variances of $367 to $746,160
- Amounts reported for key line 3c – allocation of ESSER funds to schools and criteria used to allocate funds to schools
  - Support for three schools reported was not maintained
  - Seven schools were improperly excluded from the report

ESSER II Year 3 Annual Report

- Amounts reported for key line 3b.1 – LEA expenditures by ESSER subgrant fund, expenditure category, and object code
  - One school was improperly excluded from the report
  - 22 schools did not agree to underlying support, with variances ranging from $64 to $113,620,036.

ESSER III Year 3 Annual Report

- Amounts reported for key line 3b.1 – LEA expenditures by ESSER subgrant fund, expenditure category, and object code
  - Support for one school reported was not maintained
  - Seven schools were improperly excluded from the report
  - Ten schools did not agree to underlying support, with variances ranging from $6 to $150,869,445

All ESSER Reports

- Amounts reported for key line 5a – full time equivalent positions
  - Support for three schools reported was not maintained
  - Nine schools did not agree to the underlying support, with variances ranging from 3.98 FTE to 252 FTE
- Amounts reported for key line 3b.10 – Number of specific positions supported with ESSER funds
  - Support for three schools reported was not maintained
  - Six schools were improperly excluded from the report
  - Eight schools did not agree to the underlying support, with variances ranging from 0.5 FTE to 175 FTE

GEER I Year 4 Report

- Amounts reported for Key Line 2.c and 2.d – administrative and non-administrative expenditures by Governors
  - Support was not maintained
- Amounts reported for key line 9.a – reporting on LEA expenditures by GEER subgrant fund and expenditure category
  - Three schools did not agree to the underlying support, with variances ranging from $6,419 to $60,495
- Amounts reported for key line 10.a and 11.a – reporting IHE expenditures by GEER subgrant and expenditure category
  - One school did not agree to the underlying support, with a variance of $4,000,237

GEER II Year 3 Report

- Amounts reported for Key Line 2.c and 2.d – administrative and non-administrative expenditures by Governors
  - Support was not maintained
- Amounts reported for key line 9.a – reporting on LEA expenditures by GEER subgrant fund and expenditure category
  - Support was not maintained for two schools
  - Two schools did not agree to the underlying support, with variances ranging from $676 to $63,578

EANS Year 3 Annual Report

- Amounts reported for Key Line 13 – reporting on SEA obligations by allowable activity for CRRSA EANS
  - Support was not maintained
- Amounts reported for key line 15 – reporting on non-public schools receiving services or assistance under CCRSA EANS
  - Support for four schools was not maintained
  - Two schools did not agree to the underlying support, with variances ranging from 7 to 12 students

Lastly, there was no evidence of review and approval (segregation of duties) for all reports tested.

Repeat Finding from Prior Year: Yes – prior year finding 2023-037.

Recommendation: We recommend NDE implement internal controls to identify required information to be reported, ensure accuracy, and maintain adequate document retention to support compliance.

Views of Responsible Officials: The Nevada Department of Education agrees with this finding.

2024-035: U.S. Department of Education
COVID-19 Education Stabilization Fund, 84.425

Reporting
Significant Deficiency in Internal Control over Compliance

Grant Award Number: Affects all grant awards with pass-through payments included under assistance listing 84.425 on the Schedule of Expenditures of Federal Awards.

Criteria: The Federal Funding Accountability and Transparency Act (FFATA) requires direct recipients of certain federal awards to report subaward information by the end of the month following the month in which the prime awardee obligates a subgrant award equal to or greater than $30,000.

Condition: Required subaward information was not reported timely in the FFATA Subaward Reporting System (FSRS).

Cause: The Nevada Department of Education (NDE) did not have internal controls to ensure subaward information was submitted timely in accordance with the FFATA.

Effect: Subaward information was not reported timely to FSRS.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of three out of a population of eight applicable subaward obligations was selected for testing. The quantity and subaward obligation errors were noted as follows:

	Subawards	Obligations
Total Tested	3	$858,931
Not Reported	0	$0
Not Timely	1	$99,210
Obligation Incorrect	0	$0
Missing Key Elements	0	$0

The one subaward that was not submitted timely was entered into in August 2023 and submitted to the FSRS in December 2023.

Repeat Finding from Prior Year: No

Recommendation: We recommend NDE implement internal controls to ensure subaward information is submitted timely in accordance with the FFATA.

Views of Responsible Officials: The Nevada Department of Education agrees with this finding.

2024-036: U.S. Department of Health and Human Services
Epidemiology and Laboratory Capacity for Infectious Diseases, 93.323
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases, 93.323

Procurement, Suspension, and Debarment
Significant Deficiency in Internal Control over Compliance

Grant Award Number: Affects all grant awards included under assistance listing 93.323 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) requires contracts contain the applicable provisions described in Appendix II to Part 200 for contracts under federal awards.

Condition: Certain applicable provisions described in Appendix II to Part 200 were not included in contracts as required.

Cause: The Nevada State Purchasing Division of the Department of Administration (State Purchasing) did not have adequate internal controls to ensure contracts under federal awards contained all of the applicable contract provisions.

Effect: Contractors may not be aware of required terms and conditions.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of 40 procurement transactions out of approximately 1,320 was selected for testing, including 7 contracts subject to Appendix II to Part 200.

We noted the following contract provisions were missing:

- Debarment and Suspension – one contract missing this provision
- Termination for cause and convenience – one contract missing this provision
- Legal remedies for breach of contract – one contract missing this provision
- Byrd Anti-Lobbying – one contract missing this provision
- Clean Air Act and Federal Water Pollution Control Act – four contracts missing this provision

Repeat Finding from Prior Year: No

Recommendation: We recommend State Purchasing enhance internal controls to ensure all contracts under federal awards contain the applicable provisions.

Views of Responsible Officials: The Nevada State Purchasing Division of the Department of Administration agrees with this finding.

2024-037: U.S. Department of Health and Human Services
Epidemiology and Laboratory Capacity for Infectious Diseases, 93.323
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases, 93.323

Reporting
Significant Deficiency in Internal Control over Compliance

Grant Award Number: Affects all grant awards included under assistance listing 93.323 on the Schedule of Expenditures of Federal Awards.

Criteria: The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency include all activity of the reporting period, are supported by applicable accounting or performance records, and are fairly presented in accordance with governing requirements.

The Nevada Division of Public and Behavioral Health (DPBH) must submit certain quarterly fiscal reports in accordance with the grant agreements.

Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Condition: Certain amounts included in the reports submitted did not agree to underlying support. Additionally, DPBH did not have internal controls in place to document the review by an individual independent of the preparation of the reports (segregation of duties).

Cause: DPBH did not have adequate internal controls to ensure quarterly fiscal reports were reviewed by a person other than the preparer and that certain information reconciled to underlying supporting documentation.

Effect: Inaccurate information was reported to the federal awarding agency.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of six *Quarterly Fiscal Reports* out of a population of 40 was selected for testing. Variances were noted as follows:

Reporting Period Ended March 31, 2024 (6 NU50CK000560-01-06):

	Amount Reported	Amount Supported
Contractual Expenditures	$3	$385
Total Expenditures	$2,319	$2,701

In addition, there was no evidence of segregation of duties for all six reports tested.

Repeat Finding from Prior Year: No

Recommendation: We recommend the DPBH enhance internal controls to ensure *Quarterly Fiscal Reports* are reconciled to underlying supporting documentation and are reviewed by an individual independent of the preparation of the reports.

Views of Responsible Officials: The Nevada Division of Public and Behavioral Health agrees with this finding.

2024-038: U.S. Department of Health and Human Services
Epidemiology and Laboratory Capacity for Infectious Diseases, 93.323
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases, 93.323

Reporting
Material Weakness in Internal Control over Compliance

Grant Award Number: Affects all grant awards with payments to subrecipients included under assistance listing 93.323 on the Schedule of Expenditures of Federal Awards.

Criteria: The Federal Funding Accountability and Transparency Act (FFATA) requires direct recipients of certain federal awards to report subaward information by the end of the month following the month in which the prime awardee obligates a subgrant award equal to or greater than $30,000.

Condition: Required subaward information was not reported in the FFATA Subaward Reporting System (FSRS).

Cause: The Nevada Division of Public and Behavioral Health (DPBH) did not have internal controls to ensure subaward information was submitted in accordance with the FFATA.

Effect: Subaward obligations were not reported in the FSRS, and, therefore, not included on the FFATA's website for public information disclosure.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of seven out of a population of 29 applicable subaward obligations was selected for testing. The quantity and subaward obligation errors were noted as follows:

	Subawards	Obligations
Total Tested	7	$57,497,399
Not Reported	1	$5,988,542
Not Timely	1	$5,988,542
Obligation Incorrect	1	$5,988,542
Missing Key Elements	1	$5,988,542

Repeat Finding from Prior Year: No

Recommendation: We recommend DPBH enhance internal controls to ensure subaward information is submitted in accordance with the FFATA.

Views of Responsible Officials: The Nevada Division of Public and Behavioral Health agrees with this finding.

2024-039: U.S. Department of Health and Human Services
Epidemiology and Laboratory Capacity for Infectious Diseases, 93.323
COVID-19 Epidemiology and Laboratory Capacity for Infectious Disease, 93.323

Subrecipient Monitoring
Material Weakness in Internal Control over Compliance

Grant Award Number: Affects all grant awards with pass-through payments included under assistance listing 93.323 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.332 requires that:

- Pass-through entities perform monitoring over subrecipients to attain reasonable assurance the subaward was used for authorized purposes.

The Nevada Division of Public and Behavioral Health's (DPBH) subrecipient monitoring policy describes the scope and procedures to be performed to ensure reasonable assurance of subrecipient compliance is obtained. As part of those procedures, a subrecipient onsite monitoring visit is conducted at a minimum of at least once in a two-year period.

Condition: Onsite monitoring was not performed in accordance with policy.

Cause: DPBH did not have adequate internal controls in place to ensure compliance with its subrecipient monitoring policy occurred.

Effect: Noncompliance at the subrecipient level may occur and not be detected.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of six subrecipients out of a population of 27 was selected for testing. Onsite monitoring procedures within a two-year period were not completed for all six subrecipients tested.

Repeat Finding from Prior Year: No

Recommendation: We recommend DPBH enhance internal controls to ensure compliance with its subrecipient monitoring policies.

Views of Responsible Officials: The Nevada Division of Public and Behavioral Health agrees with this finding.

2024-040: U.S. Department of Health and Human Services
Temporary Assistance for Needy Families, 93.558
COVID-19 Temporary Assistance for Needy Families, 93.558

Matching, Level of Effort, and Earmarking
Significant Deficiency in Internal Control over Compliance

Grant Award Number: Affects all grant awards included under assistance listing 93.558 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

As provided by 45 CFR section 264.1, the average monthly number of families that include an adult or minor child head of household, or the spouse of the head of household, who has received assistance under any state program funded by federal TANF funds for more than 60 countable months (whether or not consecutive) may not exceed 20 percent of the average monthly number of all families to which the state provided assistance during the fiscal year or the immediately preceding fiscal year (but not both), as the state may elect.

Condition: The Nevada Division of Social Services (DSS) compiles the caseload criteria above in a *TANF NEON Cash Cases Hardship Report*. There was no evidence that this report was approved, reviewed, or otherwise monitored.

Cause: DSS did not have internal controls to ensure caseload earmarking requirements are monitored.

Effect: Noncompliance with earmarking requirements may not be detected.

Questioned Costs: None

Context/Sampling: The caseload report was generated for the entire state fiscal year. The average cases with more than 60 countable months were 0.21% of the total cases for the state fiscal year, which is below the 20% maximum allowed. However, this report is generated internally by DWSS on a quarterly basis (and aggregated to be summarized annually), and there was no evidence of a review being performed.

Repeat Finding from Prior Year:	Yes – prior year finding 2023-038.
Recommendation:	We recommend DSS enhance internal controls to ensure caseload earmarking requirements are monitored.
Views of Responsible Officials:	The Nevada Division Social Services agrees with this finding.

2024-041: U.S. Department of Health and Human Services
Temporary Assistance for Needy Families, 93.558
COVID-19 Temporary Assistance for Needy Families, 93.558

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Grant Award Number: Affects grant award 2301NVTANF-01 included under assistance listing 93.558 on the Schedule of Expenditures of Federal Awards.

Criteria: The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency include all activity of the reporting period, are supported by underlying accounting information or performance records, and are fairly presented in accordance with governing requirements.

The Nevada Division of Social Services (DSS) must submit the *ACF-196R, TANF Financial Reports* quarterly and the *ACF-204, TANF Financial Reports* annually.

Condition: Certain amounts reported on the ACF-196R and ACF-204 did not agree to underlying documentation.

Cause: DSS did not have internal controls to ensure the amounts reported on the ACF-196R and ACF-204 were adequately documented and supported.

Effect: Inaccurate information was reported to the federal awarding agency.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of seven ACF-196R reports out of a population of 14 submitted during the audit period was selected for testing. Variances were noted as follows:

Quarter Ended March 31, 2024 (Grant Year 2024 –2301NVTANF-01)

	Amount Reported	Amount Supported
Line 6a – Basic Assistance (Col B)	$26,381,804	$24,607,810
Line 6a – Basic Assistance (Col C)	$9,385,040	$0
Line 9a – Subsidized Employment (Col B)	$0	$44,000
Line 9b – Education and Training (Col C)	$0	$11,670

	Amount Reported	Amount Supported
Line 9c – Additional Work Activities (Col B)	$0	$590,632
Line 10 – Work Supports (Col C)	$0	$152
Line 11a- Child Care (Col C)	$0	$5,812,594
Line 12 – Financial Education and Asset Development (Col C)	$0	$9,332
Line 15 – Non – Recurrent Short-Term Benefits (Col C)	$0	$1,769,623
Line 16- Supportive Services (Col B)	$0	$952,887
Line 16- Supportive Services (Col C)	$0	$1,563,479
Line 17 – Services for Children and Youth (Col C)	$0	$655,000
Line 18 – Prevention of Out-of-Wedlock Pregnancies (Col C)	$0	$7,210
Line 20a – Family Support/Family Preservation/Reunification Services (Col C)	$0	$5,980

No sampling was used for the annual ACF-204 report. The following error was noted for the Grant Period 2301NVTANF (Report Period 10/1/22 – 9/30/23) report:

	Amount Reported	Amount Supported
Total State MOE Expenditures for the Program for the Fiscal Year (Attachment B0 Line 7)	$31,134,064	$32,134,064

Repeat Finding from Prior Year: No

Recommendation: We recommend DSS implement internal controls to ensure the amounts reported on the ACF-196R and ACF-204 are adequately documented and supported.

Views of Responsible Officials: The Division of Social Services agrees with this finding.

2024-042: U.S. Department of Health and Human Services
Temporary Assistance for Needy Families, 93.558
COVID-19 Temporary Assistance for Needy Families, 93.558

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Grant Award Number: Affects all grant awards with pass-through payments included under assistance listing 93.558 on the Schedule of Expenditures of Federal Awards.

Criteria: The Federal Funding Accountability and Transparency Act (FFATA) requires direct recipients of certain federal awards to report subaward information by the end of the month following the month in which the prime awardee obligates a subgrant award equal to or greater than $30,000.

Condition: Required subaward information was not reported in the FFATA Subaward Reporting System (FSRS).

Cause: The Nevada Division of Social Services (DSS) did not have internal controls to ensure subaward information was submitted in accordance with the FFATA.

Effect: Subaward obligations were not reported in the FSRS, and, therefore, not included on the FFATA's website for public information disclosure.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of two out of a population of four was originally selected for testing. However, upon testing it was noted that no reports were submitted for the program during the fiscal year. Therefore, the aggregate quantity and subaward obligation errors were noted as follows:

	Subawards	Obligations
Total Tested	4	$10,213,767
Not Reported	4	$10,213,767
Not Timely	4	$10,213,767
Obligation Incorrect	4	$10,213,767
Missing Key Elements	4	$10,213,767

Repeat Finding from Prior Year: Yes – prior year finding 2023-039.

Recommendation: We recommend DSS implement internal controls to ensure subaward information is submitted in accordance with the FFATA.

Views of Responsible Officials: The Nevada Division of Social Services agrees with this finding.

2024-043: U.S. Department of Health and Human Services
Low-Income Home Energy Assistance, 93.568
COVID-19 Low-Income Home Energy Assistance, 93.568

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Grant Award Number: Affects all grant awards included under assistance listing 93.568 on the Schedule of Expenditures of Federal Awards.

Criteria: The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency include all activity of the reporting period, are supported by underlying accounting information, and are presented in accordance with program requirements.

In addition, DSS is required to submit the *LIHEAP Quarterly Performance and Management Report* each quarter, which includes certain data and information about LIHEAP during the current fiscal year including success, challenges, needs, and innovations.

Condition: Amounts reported for obligated funds did not have underlying documentation to support the amount reported.

Cause: DSS did not have adequate internal controls to ensure amounts reported on the *LIHEAP Quarterly Performance and Management Report* were appropriately supported.

Effect: Inaccurate information was reported to the federal awarding agency.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of two out of a population of four quarterly *LIHEAP Quarterly Performance and Management Report's* was selected for testing.

Variances are noted as follows:

LIHEAP Quarterly Performance Management Report (1/1/24 – 3/31/24)

	Amount Reported	Amount Supported
Section 3 Line 1 – Amount of Funds Obligated	$4,729,253	$0

Repeat Finding from Prior Year: Yes – prior year finding 2023-044.

Recommendation: We recommend DSS enhance internal controls to ensure amounts reported on the *LIHEAP Quarterly Performance and Management Report* are appropriately supported.

Views of Responsible Officials: The Nevada Division of Social Services agrees with this finding.

2024-044: U.S. Department of Health and Human Services
Low-Income Home Energy Assistance, 93.568
COVID-19 Low-Income Home Energy Assistance, 93.568

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Grant Award Number: Affects all grant awards with pass-through payments included under assistance listing 93.568 on the Schedule of Expenditures of Federal Awards.

Criteria: The Federal Funding Accountability and Transparency Act (FFATA) requires direct recipients of certain federal awards to report subaward information by the end of the month following the month in which the prime awardee obligates a subgrant award equal to or greater than $30,000.

Condition: Required subaward information was not reported in the FFATA Subaward Reporting System (FSRS).

Cause: The Nevada Housing Division (NHD) did not have internal controls to ensure subaward information was submitted in accordance with the FFATA.

Effect: Subaward obligations were not reported in the FSRS and therefore not included on the FFATA's website for public information disclosure.

Questioned Costs: None

Context/Sampling: We tested the entire population of 4 subawards obligated during the year. The quantity and subaward obligation errors were noted as follows:

	Subawards	Obligations
Total Tested	4	$1,194,371
Not Reported	4	$1,194,371
Not Timely	4	$1,194,371
Obligation Incorrect	4	$1,194,371
Missing Key Elements	4	$1,194,371

Repeat Finding from Prior Year: Yes – prior year finding 2023-046.

Recommendation: We recommend NHD implement internal controls to ensure subaward information is submitted in accordance with the FFATA.

Views of Responsible Officials: The Nevada Housing Division agrees with this finding.

2024-045: U.S. Department of Health and Human Services
CCDF Cluster:
Child Care and Development Block Grant, 93.575
COVID-19 Child Care and Development Block Grant, 93.575
Child Care Mandatory and Matching Funds of the Child Care and Development Fund, 93.596

Matching, Level of Effort, and Earmarking
Significant Deficiency in Internal Control over Compliance

Grant Award Number: Affects all grant awards included under assistance listing 93.596 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Applicable to the matching fund (assistance listing 93.596), state expenditures will be matched at the Federal Medical Assistance Percentage (FMAP) rate for the applicable fiscal year. Private or public donated funds may be counted as state expenditures for this purpose subject to the limitations in 45 CFR section 98.53.

Condition: The Nevada Division of Social Services (DSS) utilizes donated in-kind services from partner agencies and subrecipients to satisfy the match requirement for the matching fund. The in-kind services are cumulatively tracked and applied against the required match.

During our audit procedures, we noted instances where the amount reported for matching expenditures did not agree to the in-kind cumulative tracker and instances where the underlying support (certified match letters received from partner agencies and subrecipients) did not agree to the tracker.

Cause: DSS did not have adequate internal controls to ensure the in-kind service match amounts are reconciled and reported accurately.

Effect: Inaccurate amounts available for match may be maintained and may impact whether the matching requirement is met.

Questioned Costs: None

Context/Sampling:	The matching fund was tested for the federal fiscal year 2021 matching grant, which had a period performance end of September 30, 2023. The match required was $9,070,648. The match reconciled in the cumulative balance tracker was $10,087,427. The match contributed from partner agencies and subrecipients from support maintained was noted as $8,731,155; however, the cumulative available match available from prior years exceeded $45 million and was adequate for the required current year match of $9,070,648.
Repeat Finding from Prior Year:	Yes – prior year finding 2023-047.
Recommendation:	We recommend DSS enhance internal controls to ensure in-kind service match amounts are reconciled and reported accurately.
Views of Responsible Officials:	The Nevada Division of Social Services agrees with this finding.

2024-046: U.S. Department of Health and Human Services
CCDF Cluster:
Child Care and Development Block Grant, 93.575
COVID-19 Child Care and Development Block Grant, 93.575
Child Care Mandatory and Matching Funds of the Child Care and Development Fund, 93.596

Reporting
Material Weakness in Internal Control over Compliance

Grant Award Number: Affects grant award 2201NVCCDF included under assistance listing 93.596 on the Schedule of Expenditures of Federal Awards.

Criteria: The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency include all activity of the reporting period, are supported by underlying accounting information or performance records, and are fairly presented in accordance with governing requirements.

The Nevada Division of Social Services (DSS) must submit the *ACF-696, Child Care and Development Fund Financial Reports* quarterly.

Condition: Certain amounts reported on the ACF-696 did not agree to underlying documentation.

Cause: DSS did not have internal controls to ensure the amounts reported were adequately documented and supported.

Effect: Inaccurate information was reported to the federal awarding agency.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of four reports out of a population of 16 submitted during the audit period was selected for testing. Variances were noted as follows for one report:

Quarter Ended September 30, 2023 (FFY2022 – 2201NVCCDF)

	Amount Reported	Amount Supported
Line 1 – Total Expenditures	$20,938,630	$25,544,805
Line 2a – State Share of Expenditures – Regular (col B)	$0	$4,606,175

Repeat Finding from Prior Year:	Yes – prior year finding 2023-048.
Recommendation:	We recommend DSS implement internal controls to ensure the amounts reported are adequately documented and supported.
Views of Responsible Officials:	The Nevada Division of Social Services agrees with this finding.

2024-047: U.S. Department of Health and Human Services
CCDF Cluster:
Child Care and Development Block Grant, 93.575
COVID-19 Child Care and Development Block Grant, 93.575
Child Care Mandatory and Matching Funds of the Child Care and Development Fund, 93.596

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Grant Award Number: Affects all grant awards with pass-through payments included under assistance listings 93.575 and 93.596 on the Schedule of Expenditures of Federal Awards.

Criteria: The Federal Funding Accountability and Transparency Act (FFATA) requires direct recipients of certain federal awards to report subaward information by the end of the month following the month in which the prime awardee obligates a subgrant award equal to or greater than $30,000.

Condition: Required subaward information was not reported in the FFATA Subaward Reporting System (FSRS).

Cause: The Nevada Division of Social Services (DWSS) did not have internal controls to ensure subaward information was submitted in accordance with the FFATA.

Effect: Subaward obligations were not reported in the FSRS, and, therefore, not included on the FFATA's website for public information disclosure.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of three out of a population of four applicable subaward obligations was selected for testing. The quantity and subaward obligation errors were noted as follows:

	Subawards	Obligations
Total Tested	3	$66,798,513
Not Reported	1	$60,535,465
Not Timely	3	$66,798,513
Obligation Incorrect	1	$60,535,465
Missing Key Elements	1	$60,535,465

The subaward obligations were reported non-timely, all more than a year late, if reported.

Repeat Finding from Prior Year: Yes – prior year finding 2023-049.

Recommendation:	We recommend DSS implement internal controls to ensure subaward information is submitted in accordance with the FFATA.
Views of Responsible Officials:	The Nevada Division of Social Services agrees with this finding.

2024-048: U.S. Department of Health and Human Services
Children's Health Insurance Program (CHIP), 93.767

Reporting
Material Weakness in Internal Control over Compliance

Grant Award Number: Affects all grant awards included under assistance listing 93.767 on the Schedule of Expenditures of Federal Awards.

Criteria: The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency include all activity of the reporting period, are supported by underlying accounting information, and are presented in accordance with program requirements.

The Nevada Health Authority (NVHA) is required to submit *Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program* (CMS-21) reports based on actual recorded expenditures (42 CFR 430.30).

Condition: Amounts reported on the CMS-21 were not supported by the underlying accounting information.

Cause: NVHA did not have adequate internal controls to ensure CMS-21 reports were accurate or supporting documentation for reconciling items was maintained.

Effect: Inaccurate information was reported to the federal awarding agency.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of two CMS-21 reports out of a population of four was selected for testing. NVHA was unable to provide support for the following variances:

December 31, 2023 CMS-21 Report

	Amount Reported	Amount Supported
Line 1a – Premiums Up to 150% of Poverty Level – Gross Premiums Paid	$12,790,058	$10,620,925
Line 9 – Dental Services	$603,625	$2,772,759
Line 18 – Screening Services	$54,880	$57,168

March 31, 2024 CMS-21 Report

	Amount Reported	Amount Supported
Line 1a – Premiums Up to 150% of Poverty Level – Gross Premiums Paid	$9,192,633	$7,629,522
Line 8 – Prescribed Drugs	$295,759	$321,092
Line 9 – Dental Services	$755,375	$2,318,487

Repeat Finding from Prior Year: No

Recommendation: We recommend NVHA enhance internal controls to ensure CMS-21 reports are accurate and supporting documentation is maintained.

Views of Responsible Officials: The Nevada Health Authority agrees with this finding.

2024-049: U.S. Department of Health and Human Services
Children's Health Insurance Program (CHIP), 93.767

Other
Significant Deficiency in Internal Control over Compliance

Grant Award Number: Affects all grant awards included under assistance listing 93.767 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements* for Federal Awards (Uniform Guidance) requires the State of Nevada to prepare a Schedule of Expenditures of Federal Awards (SEFA) showing both total federal expenditures and payments to subrecipients for the year.

Condition: Subrecipient amounts were originally reported incorrectly on the SEFA.

Cause: The Nevada Health Authority (NVHA) did not have adequate internal controls to ensure payments to providers were not coded as subrecipient payments in accordance with the State of Nevada's accounting policy.

Effect: Prior to correction, amounts passed through to subrecipients on the SEFA were overstated by $977,084.

Questioned Costs: None

Context/Sampling: No sampling was used; all program expenditures on the SEFA were reconciled to supporting records.

Repeat Finding from Prior Year: No

Recommendation: We recommend NVHA enhance internal controls to ensure payments to providers are not coded as subrecipient payments in accordance with the State of Nevada's accounting policy.

Views of Responsible Officials: The Nevada Health Authority agrees with this finding.

2024-050: **U.S. Department of Health and Human Services**
Children's Health Insurance Program (CHIP), 93.767
Medicaid Cluster:
State Medicaid Fraud Control Units, 93.775
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare, 93.777
Medical Assistance Program (Medicaid; Title XIX), 93.778

Eligibility
Material Weakness in Internal Control over Compliance

Grant Award Number: Affects all grant awards included under assistance listing 93.767 and 93.778 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 42 *Public Health* section 435.403 *State Residence* provides that the State must provide Medicaid to eligible residents of the State, including residents who are absent from the State, except in cases where another state has determined that the person is a resident there for purposes of Medicaid.

The Medicaid State Plan provides that the State has an eligibility determination system for data matching through the Public Assistance Reporting Information System (PARIS). The information that is requested is to be exchanged with states and other entities legally entitled to verify Title XIX applications and individuals eligible for covered Title XIX services consistent with applicable PARIS agreements. The State will transmit and receive data quarterly (February, May, August, and November).

The State enrolls beneficiaries on a mandatory basis into managed care entities (managed care organizations and/or primary care case managers) in the absence of certain allowable waivers. The State contracts with managed care organizations and reimburses them for capitation payments.

Condition: PARIS data was not utilized by the Nevada Health Authority (NVHA) or the Nevada Division of Social Services (DSS) to monitor residency changes to determine when managed care benefits needed to be terminated because the beneficiary was a resident of another state for Medicaid purposes.

Cause: NVHA and DSS did not have internal controls in place to effectively communicate the PARIS data between the two agencies to ensure managed care benefits were terminated when appropriate.

Effect: Individuals are enrolled in Medicaid (and CHIP) plans in multiple states and benefits are not being terminated timely. Therefore, the State of Nevada is paying capitation payments to managed care organizations, when the benefits should have been terminated.

Questioned Costs: Projected questioned costs are $16,257,975 for Medicaid and $1,111,448 for CHIP.

Context/Sampling: No sampling was used. The PARIS data was obtained and examined in total. The PARIS data included 50,007 participants with dual enrollment. Of those 50,007 participants, 11,654 participants were enrolled in another state after the State of Nevada. The projected questioned costs were estimated by performing the following:

- Identifying individuals who enrolled in another state after they had enrolled in Nevada (termination date for Nevada).
- Estimating a weighted average capitation payment based on demographics that determine the payment amount.
- Applying the weighted average capitation payments from the termination date through June 30, 2024 to determine the total projected questioned costs.
- The total projected questioned costs were then allocated between Medicaid and CHIP using participant counts in each plan between the ages of 0-18. Participants older than 18 were allocated to Medicaid. The allocated projected questioned costs were then multiplied by a weighted average Federal Medical Assistance Percentage (FMAP) to determine the final projected federal questioned costs.

Repeat Finding from Prior Year: Yes – prior year finding 2023-054.

Recommendation: We recommend NVHA and DSS implement internal controls to effectively communicate the PARIS data between each other and to ensure managed care benefits are terminated when appropriate.

Views of Responsible Officials: The Nevada Health Authority and the Nevada Division of Social Services agrees with this finding.

2024-051: Social Security Administration
Disability Insurance/SSI Cluster:
Social Security – Disability Insurance, 96.001

Reporting
Significant Deficiency in Internal Control over Compliance

Grant Award Number: Affects grant award 04-2204NVDI00 included under assistance listing 96.001 on the Schedule of Expenditures of Federal Awards.

Criteria: The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency include all activity of the reporting period, are supported by underlying accounting information or performance records, and are fairly presented in accordance with governing requirements.

The Nevada Division of Employment, Training and Rehabilitation (DETR) must submit the *SSA-4513, State Agency Report of Obligations for SSA Disability Programs* quarterly for each fiscal year still open in order to account for program disbursement and unliquidated obligations (POMS DI 39506.202).

Condition: Certain amounts reported on the SSA-4513 did not agree to underlying documentation.

Cause: DETR did not have internal controls to ensure the amounts reported were adequately documented and supported.

Effect: Inaccurate information was reported to the federal awarding agency.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of ten reports out of a population of 21 submitted during the audit period was selected for testing. Variances were noted as follows:

Quarter Ended March 31, 2024 (FFY2024 – 04-2204NVDI00)

	Amount Reported	Amount Supported
Line 1 – Personnel Service Costs (col A)	$6,917,131	$6,918,176
Line 1 – Personnel Service Costs (col B)	$164,294	$163,250

Repeat Finding from Prior Year:	No
Recommendation:	We recommend DETR implement internal controls to ensure the amounts reported are adequately documented and supported.
Views of Responsible Officials:	The Nevada Division of Employment, Training and Rehabilitation agrees with this finding.

2024-052: Social Security Administration
Disability Insurance/SSI Cluster
Social Security – Disability Insurance, 96.001

Special Tests and Provisions – Qualified Providers
Significant Deficiency in Internal Control over Compliance

Grant Award Number: Affects all grant awards included under assistance listing 96.001 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Title 20 U.S *Code of Federal Regulations* (CFR) Part 404 *Federal Old-Age, Survivors and Disability Insurance* states that each State agency is responsible for comprehensive oversight management of its process and for ensuring accuracy, integrity, and economy of its process. As part of these duties, disability determination services must have, and follow, procedures for performing medical license verifications to ensure that only qualified providers perform disability determination services' task.

Condition: The Nevada Division of Employment, Training and Rehabilitation (DETR) does not have written procedures for verifying, before engaging the services of a provider and at least annually thereafter, whether provides have valid medical licenses and are not currently excluded, suspended, or barred from participation in federal or federally assisted programs; and whose license to provide health care is not currently lawfully revoked or suspended by any state licensing authority for reasons of fraud, abuse, or professional misconduct.

In addition, DETR has an individual assigned to this task as part of the position's job duties. However, there is no evidence of monitoring by someone other than the individual (segregation of duties and oversight) that this procedure was followed and the results were appropriate.

Cause: DETR does not have written procedures in place for this process.

Effect: Providers may not have valid medical licenses or be suspended or debarred and not detected.

Questioned Costs: None

Context/Sampling:	DETR does not have written policies and procedures. A nonstatistical sample of ten out of a population of 41 providers (i.e., medical staff, consultative examination providers, medical consultants, and psychological consultants). All were appropriately verified but the results were not monitored or reviewed by an individual other than the individual performing the verification.
Repeat Finding from Prior Year:	No
Recommendation:	We recommend DETR develop written policies and procedures over this process and implement a review and monitoring procedure to ensure the task has been completed accurately and timely.
Views of Responsible Officials:	The Nevada Division of Employment, Training, and Rehabilitation agrees with this finding.

2024-053: U.S. Department of Homeland Security
Homeland Security Grant Program, 97.067

Activities Allowed or Unallowed and Allowable Costs/Cost Principles
Material Weakness in Internal Control over Compliance and Material Noncompliance

Grant Award Number: Affects all grant awards included under assistance listing 97.067 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.430 provides that:

- Charges to Federal awards for salaries and wages must be based on records that accurately reflect work performed. These records must:
  - Be supported by a system of internal control that provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
  - Be incorporated into the official records of the subrecipient;
  - Reasonably reflect the total activity for which the employee is compensated by the recipient or subrecipient, not exceeding 100 percent of compensated activities;
  - Encompass federally-assisted and all other activities compensated by the recipient on an integrated basis but may include the use of subsidiary records as defined in the recipient's written policy;
  - Comply with the established accounting policies and procedures of the recipient;
  - Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity;
  - Budget estimates alone do not qualify as support for charges to Federal awards, but may be used for interim accounting purposes provided that all necessary adjustments are made so that the final amount charged to the Federal award is accurate, allowable, and properly allocated.

Condition: The Nevada Division of Emergency Management (DEM) did not have underlying supporting documentation to support the allocation of employee payroll to the grant program.

Cause:	DEM did not have internal controls to ensure documentation to support the distribution of the employee's salary or wages was maintained.
Effect:	Personnel costs may be charged to the program that are not representative of the actual time spent.
Questioned Costs:	$698,756
Context/Sampling:	A nonstatistical sample of 40 transactions ($42,821) out of a population of 682 transactions ($698,756) was selected for testing. No underlying or subsidiary documentation to support the distribution of employee compensation was provided for any of the sample transactions. Given this, we questioned the entire payroll related population of $698,756.
Repeat Finding from Prior Year:	No
Recommendation:	We recommend DEM implement internal controls to ensure documentation to support the distribution of the employee's salary or wages is maintained.
Views of Responsible Officials:	The Nevada Division of Emergency Management partially agrees with this finding as specified in the corrective action plan.
Auditor's Comments to Views of Responsible Officials:	The Uniform Guidance requires entities to demonstrate compliance. While DEM is in partial agreement as more fully described in their corrective action plan, our finding is predicated on the fact that allowable costs must be adequately documented. DEM could not produce the documentation in accordance with standards for documentation of our sampled payroll records.

2024-054: U.S. Department of Homeland Security
Homeland Security Grant Program, 97.067

Matching, Level of Effort, and Earmarking
Material Weakness in Internal Control over Compliance and Material Noncompliance

Grant Award Number: Affects all grant awards included under assistance listing 97.067 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

As directed by section 2008(b)(2) of the Homeland Security Act of 2002 (codified as amended at 6 USC 609(b)(2)), all personnel and personnel-related costs, including those of intelligence analysts and operational overtime, are allowed up to 50 percent of HSGP funding without time limitation placed on the period of time that such personnel can serve.

Condition: Support that demonstrated this requirement was monitored and evaluated was not provided.

Cause: The Nevada Division of Emergency Management (DEM) did not have adequate internal controls to ensure personnel and personnel-related costs funded by HSGP were tracked, accumulated, and monitored for compliance with the earmarking requirement.

Effect: Noncompliance with earmarking requirements may not be detected by DEM.

Questioned Costs: None

Context/Sampling: Personnel and personnel-related costs occur at both DEM and its subrecipients. At least 80% of the HSGP funding is provided to subrecipients where budgets are developed by program area. However, the personnel and personnel-related costs within the program areas are not accumulated, combined with DEM's own costs, and evaluated for compliance with the 50% earmarking requirement. Therefore, this information was not provided for us to conclude the requirement was met.

Repeat Finding from Prior Year: No

Recommendation: We recommend DEM enhance internal controls to ensure personnel and personnel-related costs funded by HSGP are tracked, accumulated, and monitored for compliance with the earmarking requirement.

Views of Responsible Officials: The Nevada Division of Emergency Management disagrees with this finding as specified in the corrective action plan.

Auditor's Comments to Views of Responsible Officials: The Uniform Guidance requires entities to demonstrate compliance. While we appreciate all the activities that DEM performs as described in their corrective action plan, ultimately DEM was unable to demonstrate that it complied with the requirement. There was no documentation made available for audit that would indicate DEM either met or did not meet the requirement as it was not monitored or compiled at an aggregate level.

2024-055: U.S. Department of Homeland Security
Homeland Security Grant Program, 97.067

Reporting
Material Weakness in Internal Control over Compliance

Grant Award Number: Affects all grant awards included under assistance listings 97.067 on the Schedule of Expenditures of Federal Awards.

Criteria: The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency include all activity of the reporting period, are supported by applicable accounting or performance records, and are fairly presented in accordance with governing requirements.

The Nevada Division of Emergency Management (DEM) is required to submit the *SF-425, Federal Financial Report* on a quarterly basis.

Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Condition: Certain amounts included in the reports submitted did not agree to underlying support. Additionally, DEM did not have internal controls in place to document the review by an individual independent of the preparation of the reports (segregation of duties).

Cause: DEM did not have adequate internal controls to ensure SF-425 reports were reviewed by a person other than the preparer and that reported information reconciled to underlying supporting documentation.

Effect: Inaccurate information was reported to the federal awarding agency.

Questioned Costs: None

Context/Sampling: A nonstatistical sample nine out of a population of 17 SF-425 reports was selected for testing.

A variance was noted as follows:

Quarter End 9/30/2023 Grant Award EMW-2023-SS-00044

	Amount Reported	Amount Supported
d. Total Federal Funds Authorized	$0	$10,097,500

In addition, there was no evidence of segregation of duties for all nine reports tested.

Repeat Finding from Prior Year: No

Recommendation: We recommend DEM enhance internal controls to ensure SF-425 reports are reviewed by a person other than the preparer and that reported information reconciles to the underlying supporting documentation.

Views of Responsible Officials: The Nevada Division of Emergency Management agrees with this finding.

2024-056: U.S. Department of Homeland Security
Homeland Security Grant Program, 97.067

Reporting
Significant Deficiency in Internal Control over Compliance

Grant Award Number: Affects all grant awards with pass-through payments included under assistance listing 97.067 on the Schedule of Expenditures of Federal Awards.

Criteria: The Federal Funding Accountability and Transparency Act (FFATA) requires direct recipients of certain federal awards to report subaward information by the end of the month following the month in which the prime awardee obligates a subgrant award equal to or greater than $30,000.

Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Condition: Required subaward information reported in the FFATA Subaward Reporting System (FSRS) did not have evidence of review and approval by an individual independent of the submission of the information.

Cause: The Nevada Division of Emergency Management (DEM) did not have internal controls to evidence review (segregation of duties) of subaward information submitted in accordance with the FFATA.

Effect: Subaward obligations may not be accurately reported in the FSRS, and, therefore, the public information on FFATA's website may be in error.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of six out of a population of 39 applicable subaward obligations was selected for testing. There was no evidence of review for all six subaward obligations tested.

	Subawards	Obligations
Total Tested	6	$2,314,263
Not Reported	0	$0
Not Timely	0	$0
Obligation Incorrect	0	$0
Missing Key Elements	0	$0

Repeat Finding from Prior Year:	No
Recommendation:	We recommend DEM implement internal controls to evidence review (segregation of duties) of subaward information submitted in accordance with the FFATA.
Views of Responsible Officials:	The Nevada Division of Emergency Management agrees with this finding.

2024-057: U.S. Department of Homeland Security
Homeland Security Grant Program, 97.067

Subrecipient Monitoring
Material Weakness in Internal Control over Compliance and Material Noncompliance

Grant Award Number: Affects all grant awards with pass-through payments included under assistance listing 97.067 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.332 requires that:

- Pass-through entities ensure every subaward includes certain information at the time of the subaward.
- Pass-through entities evaluate each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring.
- Pass-through entities perform monitoring over subrecipients to attain reasonable assurance the subaward was used for authorized purposes.

Condition: Subawards did not contain all the required information, an evaluation of each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring was not performed, and monitoring procedures were not performed.

Cause: The Nevada Division of Emergency Management (DEM) did not have adequate internal controls to ensure compliance with subrecipient monitoring requirements.

Effect: Noncompliance at the subrecipient level may occur and not be detected.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of three subrecipients out of a population of 14 was selected for testing. All three subawards were missing required information, a risk assessment was not performed for any of the subrecipients, and one subrecipient was not monitored.

Repeat Finding from Prior Year: No

Recommendation: We recommend DEM implement internal controls to ensure compliance with subrecipient monitoring requirements.

Views of Responsible Officials: The Nevada Division of Emergency Management agrees with this finding.

2024-058: U.S. Department of Homeland Security
Homeland Security Grant Program, 97.067

Special Tests and Provisions – Subgrant Awards
Material Weakness in Internal Control over Compliance and Material Noncompliance

Grant Award Number: Affects grant award EMW-2023-SS-00044 included under assistance listing 97.067 on the Schedule of Expenditures of Federal Awards.

Criteria: States (with the exception of the District of Columbia, Guam, American Samoa, the US Virgin Islands, and the Commonwealth of the Northern Mariana Islands) must obligate at least 80 percent of the funds awarded to them under SHSP and UASI to local or tribal governments within 45 calendar days of receipt of the funds (6 USC 604(d)(2)). "Obligate" has the same meaning as in federal appropriations law (i.e., there must be an action by the state to establish a firm commitment; the commitment must be unconditional on the part of the state; there must be documentary evidence of the commitment; and the award terms must be communicated to the subrecipient and, if applicable, accepted by the recipient).

The Notice of Funding Opportunity (NOFO) published by FEMA, provides that states may retain more than 20% of funding for expenditures made by the state on behalf of the local unit(s) of government. This may occur only with the written consent such as a memorandum of understanding between the State and the local unit(s) of government. Separate written consent is necessary for each local unit of government in which more than 20% of the funding is retained on their behalf by the State. The written consent must specify the amount of funds to be retained and the intended use of funds, including whether any goods or services will be passed through in lieu of cash. It must also be signed by authorized representatives of the both the State and the local unit of government.

Condition: At least 80% of funds awarded were not obligated to local or tribal governments within 45 calendar days of receipt and written consent was not obtained from the units of local government to allow the State to retain more than 20%.

Cause: The Nevada Division of Emergency Management (DEM) did not have adequate internal controls to ensure 80% was obligated or written consent was obtained if 80% was not obligated to local or tribal governments.

Effect: Local and tribal governments did not consent to the State retaining more than 20%.

Questioned Costs: None

Context/Sampling:	Obligations are tracked and monitored by DEM in one inclusive population. We tested the aggregate population and noted DEM notated obligations of $9,592,625 of the total awarded funds of $10,097,500 (95%). However, upon review of the organizations with recorded obligations, we noted $1,997,238 was obligated to DEM or other State agencies and an additional $60,000 was originally intended to be obligated to local governments but later declined. Therefore, when the $1,997,238 and $60,000 was removed from the obligation total, only $7,535,387 had been obligated to units of local or tribal governments (74.6%). Written consent for the $2,057,238 retained by the State was not obtained.
Repeat Finding from Prior Year:	No
Recommendation:	We recommend DEM enhance internal controls to ensure 80% is obligated or written consent is obtained if 80% is not obligated to local or tribal governments.
Views of Responsible Officials:	The Nevada Division of Emergency Management disagrees with this finding as specified in the corrective action plan.
Auditor's Comments to Views of Responsible Officials:	The Uniform Guidance requires entities to demonstrate compliance. While we appreciate all the activities that DEM performs as described in their corrective action plan, ultimately DEM was unable to provide documentation that written consent had been obtained.

2024-059: **U.S. Department of Education**
Special Education (IDEA) Cluster
Special Education Grants to States, 84.027
COVID-19 Special Education Grants to States, 84.027
Special Education Preschool Grants, 84.173

U.S. Department of Health and Human Services
CCDF Cluster:
Child Care and Development Block Grant, 93.575
COVID-19 Child Care and Development Block Grant, 93.575
Child Care Mandatory and Matching Funds of the Child Care and Development Fund, 93.596

Cash Management
Material Weakness in Internal Control over Compliance and Material Noncompliance

Grant Award Number: Affects all grant awards included under assistance listing 84.027 and 93.575 on the Schedule of Expenditures of Federal Awards.

Criteria: US Department of the Treasury (Treasury) regulations at 31 CFR Part 205 implement the Cash Management Improvement Act of 1990 (CMIA), as amended (Pub. L. No. 101-453; 31 USC 6501 et seq.). Subpart A of those regulations requires state recipients to enter into Treasury-State Agreements that prescribe specific methods of drawing down federal funds (funding techniques) for federal programs listed in the Assistance Listing (Catalog of Federal Domestic Assistance) that meet the funding threshold for a major federal assistance program under the CMIA.

The major federal assistance program threshold for the State of Nevada's 2024 Treasury-State Agreement was $60,000,000 in accordance with 31 CFR Part 205.5, which was determined based on the State's Single Audit for the year ended June 30, 2021.

Condition: Major federal assistance programs were not included in the State of Nevada's Treasury-State Agreement as required.

Cause: The State of Nevada Controller's Office (SCO) did not have adequate internal controls to ensure major federal assistance programs were completely identified.

Effect: Two assistance listing programs were not subject to the specific methods of drawing down federal funds that would have been negotiated within the Treasury-State Agreement.

Questioned Costs: None

Context/Sampling:	No sampling was used. We reviewed the expenditures by assistance listing on the State of Nevada's Schedule of Expenditures of Federal Awards for the year ended June 30, 2021. We noted Special Education Grants to States, 84.027, and the Child Care and Development Block Grant, 93.575, both exceeded $60,000,000 and were not included. In addition, there was no documentation available to support whether these programs met any allowable exclusions or exemptions.
Repeat Finding from Prior Year:	No
Recommendation:	We recommend SCO enhance internal controls to ensure major federal assistance programs are completely identified.
Views of Responsible Officials:	The State of Nevada Controller's Office agrees with this finding.

Management's Response to Auditor's Findings:
Status of Prior Audit Findings and Corrective Action Plans
June 30, 2024

Prepared by Management of

Nevada State Agencies

Management's Response to Auditor's Findings

Status of Prior Audit Findings A-1
Corrective Action Plans A-92

ANDY MATTHEWS
Controller

STATE OF NEVADA

JAMES SMACK
Chief Deputy Controller

NIELSINE SHERK
Deputy Controller-
Financial Reporting

OFFICE OF THE
STATE CONTROLLER

July 29, 2026

Eide Bailly LLP
5441 Kietzke Lane
Reno, NV 89511

Dear Sirs:

In accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), please accept the following Summary Schedule of Prior Audit Findings for the year ended June 30, 2024.

2023-001, 2022-001, 2021-017: **Controller's Office - Overall Risk Assessment and Monitoring Activities Material Weakness**

Initial Fiscal Year Finding Occurred: 2021

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting.

Analysis and review of financial reporting information received by the Controller's Office from the various state agencies is not operating effectively. Moreover, the financial close and reconciliation process and related tasks to prepare the Annual Comprehensive Financial Report is not operating effectively.

Financial reporting information received from the various state agencies is frequently misstated or otherwise in error. However, the Controller's Office does not have adequate internal controls to effectively analyze and review this information. In some cases, information is compiled for financial reporting without adequate review and follow-up with state agencies for potential material errors.

In addition, the Controller's Office does not have effective tools in place to manage internal tasks, such as an order of tasks to complete, timeline to complete, and adequate review of financial information which allows for a complete and reviewed trial balance to be presented for audit.

Materially misstated information is compiled and recorded for financial reporting. In addition, the financial close process and preparation of the Annual Comprehensive Financial Report is significantly delayed, which loses relevancy for users of the financial statements. As a result, our audit procedures identified adjustments for:

- Cash and Investments
- Accounts Receivable
- Capital Assets
- Prepaid Assets
- Inventory
- Interfund Eliminations
- Unearned Revenue
- Unavailable Revenue
- Beginning Equity Balances
- Revenue
- Expenses

We recommend the Controller's Office enhance the overall control environment surrounding the financial close process.

At a minimum, we recommend the Controller's Office do so by developing (and actively maintaining) a complete timeline of tasks which includes:

- A listing of routine procedures that must be completed each year
- Who is responsible for completion of the procedures
- Who is responsible for review of the work performed
- A timeline and order of operations for those procedures and review to be completed
- A risk assessment and analytical process to review information from the agencies for reasonableness

State's Response: The Controller's Office will continue to provide staff with policies, procedures, and training and will strengthen the analysis of information provided by agencies as well as the financial close and reconciliation process.

Estimated completion April 2027

Status: Not Corrected

2023-002: Controller's Office - Separately Audited Financial Statements Material Weakness

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Evaluating and accounting for adjustments in separately audited financial statements for components of the State is a key component of effective internal control over financial reporting.

The Nevada College Savings Plan (Private Purpose Trust Fund) includes five separately issued savings plan financial statements. These separately issued financial statements are provided to the Controller's Office for compilation into the Private Purpose Trust Fund.

During our testing, it was noted the Private Purpose Trust Fund did not reconcile with the separately issued financial statements.

The Controller's Office reconciled the separately issued financial statements and presented internal classifications of balances rather than the presentation of balances included in the separately audited financial statements.

The following errors were noted in the Nevada College Savings Plan Private Purpose Trust Fund:

- Overstatement of cash and investments by $18,829,850
- Understatement of receivables by $30,530,878
- Understatement of liabilities by $12,207,942
- Understatement of deductions by $31,894,812
- Understatement of additions by $31,387,898

We recommend the Controller's Office enhance internal controls to present balances consistent with separately issued financial statements.

State's Response: Retroactive to June 30, 2024; corrected September 2025

Status: Corrected

2023-003, 2022-002, 2021-005, 2021-004, 2020-003, 2019-005: **Controller's Office - Cash and Investments - Treasurer's Pool Reconciliation Material Weakness**

Initial Fiscal Year Finding Occurred: 2019

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Properly reconciling the Treasurer's Pool in a timely and accurate manner is a key component of effective internal control over financial reporting.

Amounts originally recorded for the Treasurer's Pool did not appropriately reconcile to the underlying bank statements and brokerage accounts within the pool.

The Controller's Office reconciles the Treasurer's Pool bank accounts each month. However, there was a $75,369,262 reconciling item (posted to the general ledger) in the bank reconciliation that was not appropriately

investigated and resolved. Therefore, the Controller's Office did not have adequate internal controls to ensure unusual reconciling items were properly recorded.

The following errors were noted in the Intergovernmental Custodial Fund:

- Overstatement of cash and investments by $75,369,262
- Overstatement of beginning net position by $75,369,262

We recommend the Controller's Office enhance internal controls to ensure unusual reconciling items within the bank reconciliation are appropriately investigated and resolved.

State's Response: Retroactive to June 30, 2024; corrected September 2025

Status: Corrected

2023-004, 2022-002, 2021-005, 2021-004, 2020-003, 2019-005: **Controller's Office - Cash and Investments – Bank Reconciliation Material Weakness**

Initial Fiscal Year Finding Occurred: 2019

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Properly reconciling bank accounts in a timely and accurate manner is a key component of effective internal control over financial reporting.

The Controller's Office reconciles the bank accounts within the Treasurer's Pool each month and has a significant tolerance for unreconciled variances.

The June 30, 2023 bank reconciliation for the Treasurer's Pool includes an unreconciled variance of $18,591,859 between the book balance and the bank balance. The bank balance was reconciled at $9,538,997 and the adjusted book balance was reconciled to $28,130,856.

In addition, we randomly selected the January 2023 bank reconciliation and were not able to see evidence of review by an individual independent of the preparer and the unreconciled variance was $20,704,884. The adjusted bank balance was reconciled at a deficit of $498,562,321 and the adjusted book balance at a deficit of $477,857,436 (deficit caused by significant outstanding electronic funds transfers that are included).

Lastly, the unreconciled variance continues to grow and may or may not relate to cumulative variances as reported previously:

- Finding 2019-005: $13,542,147
- Finding 2020-003: $7,691,973
- Finding 2021-004: $7,802,169
- Finding 2022-002: $19,331,785

The Treasurer's Pool includes four separate bank accounts and four separate brokerage accounts, all of which are commingled into the same general ledger account, which makes reconciliation a significant challenge. Due to the challenges of this reconciliation, the Controller's Office is not able to effectively reduce the unreconciled variance to a more tolerable level.

Differences between cash recorded in the bank and the amounts represented in the general ledger are not investigated, which indicates the cash balance recorded in the general ledger may not be correct.

We recommend the Controller's Office work with their ERP provider and banks to explore the viability of creating subledgers for each bank account and brokerage account that can be independently reconciled. Although this would create additional reconciliations that would be needed, the challenges of eight commingled accounts within the same ledger account continue to pose a significant hurdle to remediating the unreconciled variances.

In addition, we recommend the Controller's Office set a tolerable variance limit to ensure clear accountability, while considering the cost/benefit of further investigation.

Lastly, we recommend the Controller's Office enhance internal controls to ensure all bank reconciliations are reviewed.

State's Response: **Reason for recurrence, if applicable:** Need additional funding for an independent audit firm to assist in researching and resolving the bank reconciliation variance.

New corrective action: Approval for additional funding for an independent audit firm to assist in researching and resolving the bank reconciliation variance was approved in January 2024. The audit firm was engaged. We are seeking contract approval in August 2025, for additional funding for the independent audit firm's assistance. Further review will occur to determine if subledgers for each bank account and brokerage account can be made to assist with the bank reconciliation. Due date: March 2026

Status: Not Corrected

2023-005: **Controller's Office – Unearned Federal Grant Revenue**
Material Weakness

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring unearned revenues are recorded appropriately is a key component of effective internal control over financial reporting.

The Housing Division reported cash on hand balances related to federal grants that are administered by the Housing Division. The Housing Division identified certain amounts as unearned revenue in the classification of the carry-forward balance. However, the Controller's Office recorded the carry-forward balance as revenue, in error.

The Controller's Office did not have adequate internal controls to ensure balance forward classifications reported by an agency were appropriately reflected in the year-end adjustment.

The following error was noted in the General Fund:

- Understatement of unearned revenue by $85,761,901
- Overstatement of revenue by $85,761,901

We recommend the Controller's Office enhance internal controls to ensure balance forward classifications reported by an agency are appropriately reflected in the year-end adjustment.

If the Controller's Office potentially disagrees with a classification reported by an agency, appropriate communication with the agency should occur to determine the ultimate disposition of the balance forward.

State's Response: Controller's Office:
Retroactive to June 30, 2024; corrected September 2025

Housing Division:
The Division, in partnership with the Department of Business & Industry, will enhance internal controls including increasing communications with the Controller's office on carryforward balances prior to submission to ensure they are classified and recorded properly.

Adoption of Corrective Action: June 2026
Anticipated Completion: September 2026

Status: Controller's Office: Corrected
Housing Division: Partially Corrected

2023-006, 2022-003: Controller's Office – Opioid Settlement Material Weakness

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring accounts receivables, revenue, and unavailable revenue related to long- term settlement agreements are recorded in the appropriate time period and meet the criteria for recognition is a key component of effective internal control over financial reporting.

The State of Nevada entered litigation with respect to the opioid epidemic in Nevada. Several of these lawsuits have been settled and the settlement recoveries are allocated in accordance with the One Nevada Agreement.

The One Nevada Agreement prescribes the allocation of recoveries to the State, litigating entities, and non-litigating entities within the State. The State's portion of the recoveries is recorded within the Resilient Nevada Fund. The litigating entity recoveries are recorded within the Intergovernmental Custodial Fund, and the non-litigating entity recoveries are recorded within the Miscellaneous - Attorney General Fund.

The Attorney General's Office prepares a schedule of the expected recoveries along with the dates the settlements reached.

The Controller's Office did not originally reconcile, and record amounts related to Opioid recoveries in accordance with the One Nevada Agreement.

The Controller's Office did not have adequate internal controls and moreover, a complete enough understanding of the One Nevada Agreement allocations, to ensure amounts were recorded in accordance with the One Nevada Agreement and with U.S. GAAP.

The following errors were noted: Resilient Nevada Fund

- Overstatement of receivables by $192,095,013
- Understatement of revenues by $16,713,491
- Overstatement of unavailable revenue by $208,808,504

Miscellaneous – Attorney General Fund

- Overstatement of receivables by $4,317,080
- Understatement of revenues by $348,098
- Overstatement of unavailable revenue by $4,665,178

Intergovernmental Custodial Fund

- Overstatement of receivables by $134,824,837
- Overstatement of revenues by $137,304,062
- Overstatement of expenses by $2,479,225

We recommend the Controller's Office enhance its understanding of the One Nevada Agreement allocations and enhance internal controls to ensure amounts are recorded in accordance with the One Nevada Agreement and U.S. GAAP.

State's Response: The Controller's Office will continue to provide staff training and strengthen internal controls to ensure the opioid amounts due to local governments are recorded in the appropriate fund.

Estimated completion April 2027

Status: Partially Corrected

2023-007: Controller's Office – Prior Period Taxes Receivable Material Weakness

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring taxes are appropriately allocated across funds is a key component of effective internal control over financial reporting.

Certain taxes are allocated to multiple funds as provided by statute. State agencies will allocate taxes on actual collection of the tax. However, the Controller's Office is responsible for reconciling and allocating receivables across the multiple funds.

It was determined in the current year that the prior year allocation of receivables for cigarette tax, live entertainment tax, liquor tax, net proceeds of mines, unitary tax, sales and use tax, retail marijuana tax, and transportation connection tax were not appropriately allocated based on the underlying revenue allocations.

The Controller's Office did not have adequate internal controls to ensure various tax receivables were allocated to the underlying funds appropriately.

A prior period adjustment was recorded as follows:
Governmental Activities (General Fund)

- Overstatement of prior year receivables by $12,622,783

Governmental Activities (State Education Fund)

- Understatement of prior year receivables by $78,044,570

Governmental Activities (Consolidated Bond Interest and Redemption Fund)

- Understatement of prior year receivables by $65,809

Intergovernmental Custodial Fund

- Overstatement of prior year receivables by $65,001,038

In addition to the prior period adjustment, the following errors were noted for the Intergovernmental Custodial Fund:

- Understatement of receivables by $26,691,262
- Overstatement of revenues by $3,402,756
- Understatement of beginning net position by $30,094,018

We recommend the Controller's Office enhance internal controls to ensure taxes receivable are allocated across the respective funds appropriately.

State's Response: Retroactive to June 30, 2024; corrected September 2025

Status: Corrected

2023-008: Controller's Office – Unclaimed Property
Material Weakness

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring unclaimed property is recorded appropriately is a key component of effective internal control over financial reporting.

The Controller's Office is responsible for reconciling unclaimed property receipts and determining the amount to recognize as revenue and the amount to retain as a liability for amounts probable to be reclaimed and paid to claimants.

The Controller's Office did not appropriately adjust unclaimed property receipts for what should have been recorded as revenue and what was estimated to remain as a liability.

The Controller's Office did not have adequate internal controls to ensure unclaimed property receipts were appropriately reconciled and allocated between revenue and the liability.

The following error was noted in the General Fund:

- Overstatement of liability by $64,165,254
- Understatement of revenue by $64,165,254

We recommend the Controller's Office enhance internal controls to ensure unclaimed property receipts are appropriately reconciled and allocated between revenue and the liability.

State's Response: Retroactive to June 30, 2024; corrected September 2025

Status: Corrected

2023-009: **Controller's Office - Eliminations**
Significant Deficiency

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring certain interfund or intra-fund transactions are eliminated is a key component of effective internal control over financial reporting.

Some transactions relating to the Nevada System of Higher Education are recorded within the General Fund for internal processing purposes. The Controller's Office is responsible for eliminating these transactions from the General Fund for financial reporting during the year-end close process as these amounts are reported by the Nevada System of Higher Education in their separately issued financial statements and by the State as part of the aggregate discretely presented component units.

Therefore, certain transactions that are recorded within the General Fund must be eliminated to avoid duplication.

The Controller's Office did not have adequate internal controls to ensure transactions related to the Nevada System of Higher Education were properly eliminated within the General Fund.

The following error was noted in the General Fund:

- Overstatement of revenues by $6,888,369
- Overstatement of expenditures by $6,888,369

We recommend the Controller's Office enhance internal controls to ensure transactions related to the Nevada System of Higher Education are properly eliminated within the General Fund.

State's Response: Retroactive to June 30, 2024; corrected September 2025

Status: Corrected

2023-010: **Controller's Office – Capital Asset and Long-Term Obligation Disclosures**
Material Weakness

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring disclosure information relating to the change in capital assets and long- term debt balances in accordance with U.S. GAAP is a key component of effective internal control over financial reporting.

The Controller's Office is responsible for reporting capital asset activity in Note 7 and long-term debt activity in Note 9.

Software costs were originally reported as furniture and equipment and subscription-based software beginning balances and additions were not reported accurately in Note 7.

Activity for lease liabilities, software subscription liabilities, and bond premiums were not reported accurately in Note 9. In addition, certain disclosures related to leased assets, amortization, and pledged revenues were also not accurately disclosed in Note 9.

The Controller's Office did not have adequate internal controls to ensure disclosures in Note 7 and Note 9 were accurate.

The following errors were noted:

Note 7 – Capital Assets

- Furniture and equipment were overstated by $6,961,000
- Software costs were understated by $6,961,000
- Subscription based software beginning balances were understated by $348,715,000
- Subscription based software additions were overstated by$348,715,000

Note 9 – Short and Long-term Obligations

- Lease additions were understated by $32,853,000
- Lease reductions were understated by $32,853,000
- Software subscription beginning balances were understated by $291,232,000

Note 9 – Short and Long-term Obligations (continued)

- Software subscription additions was overstated by $206,227,000
- Software subscription reductions was understated by $85,005,000
- Issuance premium additions was understated by $384,000
- Issuance premium reductions was understated by $384,000
- The carry amounts of right to use leased assets was understated by $30,584,000
- The accumulated amortization of right to use leased assets was understated by $32,890,000
- Total principal and interest remaining on pledged revenue highway bonds was understated by $6,300,450
- Total principal and interest remaining on certificates of participation was understated by $6,479,545

We recommend the Controller's Office enhance internal controls to ensure disclosures in Note 7 and Note 9 are accurate.

State's Response: Retroactive to June 30, 2024; corrected September 2025

Status: Corrected

2023-011, 2022-003, 2022-007: **Controller's Office and Department of Taxation – Unallocated (Undistributed) Taxes**
Material Weakness

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring clearing accounts are appropriately adjusted during financial close is a key component of effective internal control over financial reporting.

Taxpayer payments are receipted into a clearing account prior to matching the payment to records, such as tax returns. Once records are matched, the payments are recorded (distributed) to the appropriate tax revenue.

During financial close, the tax clearing accounts are examined to determine the ultimate disposition (allocation) of the payments received for appropriate financial reporting.

The Controller's Office and the Department of Taxation did not adequately communicate information to allocate the remaining balances in the clearing accounts for appropriate financial reporting.

The Controller's Office and the Department of Taxation did not have adequate internal controls to ensure the clearing accounts were appropriately allocated during financial close.

The following errors in the General Fund were noted:

- Unearned revenue was overstated by $54,991,240
- Unavailable revenue was overstated by $6,491,516
- Revenues were understated by $634,746
- Receivables were overstated by $44,716,548
- Beginning fund balance was understated by $16,131,462

We recommend the Controller's Office and Department of Taxation implement a process to analyze the clearing accounts and enhance internal controls to ensure the clearing accounts for unallocated taxes are appropriately allocated during financial close.

State's Response: **Department of Taxation:**
Status of Corrective Action: No corrective action was implemented as of June 30, 2024. (Taxation will collaborate with the Controller's Office to enhance internal controls for analyzing and appropriately allocating unallocated accounts before financial close. Estimated Completion Date: 12/1/2026.)

Reason for recurrence, if applicable: The Department has a Modernization Project currently under way to replace the legacy system. The legacy system had inadequacies causing the audit finding. The Department is working with developers on the new modernized system to ensure future compliance with this audit finding.

Controller's Office:
The State Controller's Office will collaborate with the Department of Taxation to strengthen internal controls over the reconciliation and review of tax receivables.

Estimated completion April 2027

Status: **Department of Taxation:** Not Corrected
Controller's Office: Not Corrected

2023-012: **Department of Taxation – Allowance for Doubtful Accounts**
Material Weakness

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Evaluating, monitoring, and reviewing the collectability of delinquent receivables is a key component of effective internal control over financial reporting.

The Department of Taxation aggregates and summarizes tax receivable information, including the age of receivables and delinquent receivables. The Department is responsible for estimating the likelihood of collection and reporting the estimated collectible amounts to the Controller's Office. The Department reported $413,946,513 in total receivables, with $336,340,425 being over 120 days old. The Department's original estimate of uncollectible receivables was $16,294,820.

An allowance was estimated for these receivables using historical collections of all taxes but failed to adequately consider additional information such as actual subsequent collections, refunds or payment plans, and historical collections of older delinquent receivables.

The Department of Taxation did not have adequate internal controls to properly evaluate receivables for collectability using reasonable and currently known facts and circumstances.

The estimate for the collectability of delinquent tax receivables was revised and increased by $215,604,717. The Controller's Office allocated the allowance to several funds and the following errors were noted:

General Fund
- Overstated receivables by $115,843,414

State Education Fund
- Overstated receivables by $41,642,065

Intergovernmental Custodial Fund
- Overstated receivables by $58,119,238

We recommend the Department of Taxation implement new policies and internal controls to evaluate the collectability of receivables reported to the Controller's Office on an annual basis. These should include, at a minimum, consideration towards:
- Historical collections by age of receivable
- Currently known facts and circumstances

State's Response: No corrective action was implemented as of June 30, 2024. (Corrective action was subsequently completed on 8/11/2025, and a revised A/R Report for FY24 was submitted on 9/29/2025 to avoid the same finding.)

Status: Corrected

2023-013, 2022-007: Department of Taxation – Net Proceeds of Minerals and Unitary Taxes Material Weakness

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Properly reviewing and reporting receivable balances is a key component of effective internal control over financial reporting.

The Department of Taxation aggregates and summarizes various tax receivable information. This information is reported to the Controller's Office for adjustment in the general ledger.

Balances reported by the Department of Taxation for net proceeds of minerals and unitary taxes were not accurate.

The Department of Taxation did not have adequate internal controls to ensure receivables were properly reported to the Controller's Office.

The Department of Taxation improperly overstated net proceeds of minerals and unitary taxes by $144,024,816. The Controller's Office allocated those receivables to several funds and the following errors were noted:

<u>General Fund</u>
- Overstated receivables by $1,426,493

State Education Fund

- Overstated receivables by $10,307,066

Consolidated Bond Interest and Redemption Fund

- Overstated receivables by $8,355,212

Intergovernmental Custodial Fund

- Overstated receivables by $123,936,045

We recommend the Department of Taxation implement internal controls to provide for the reconciliation and review of receivable amounts provided to the Controller's Office.

State's Response: No corrective action was implemented as of June 30, 2024. (Corrective action was subsequently implemented on August 11th, 2025.)

Status: Corrected

2023-014: Division of Forestry – Fire Suppression Receivables
Significant Deficiency

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring receivables are recorded timely and accurately is a key component of effective internal control over financial reporting.

The Division of Forestry is responsible for billing reimbursable expenditures to various agencies (i.e. federal agencies or local jurisdictions) when assisting with fire incidents.

The Division of Forestry is responsible for reporting to the Controller's Office any amounts of unbilled receivables for appropriate consideration and financial reporting. The Division did not accurately report the unbilled receivables to the Controller's Office in which reimbursable expenditures had occurred.

The Division of Forestry did not have adequate internal controls to track and monitor unbilled fire suppression receivables to report to the Controller's Office.

The following error was noted in the General Fund:

- Understatement of receivables by $19,547,876

We recommend the Division of Forestry enhance internal controls to track and monitor unbilled fire suppression receivables to ensure accurate reporting to the Controller's Office.

State's Response: **Status of Corrective Action:** CORRECTED

Date of Completion: January 2025

This finding was originally brought up in LCB audit LA26-04 and has been addressed. NDF's past standard practice was to report the accounts receivable for reimbursable fires when the invoice was sent for reimbursement. NDF corrected this practice in January 2025 and has updated policies and procedures and staff training.

Date of Completion: January 2025

Status: Partially Corrected

2023-015, 2022-011: Department of Administration - Inventory Material Weakness

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Inventory management and accurate unit pricing is a key component of effective internal control over financial reporting.

The Department of Administration is responsible for managing personal protective equipment (inventory), including determining the amount of units on hand and the cost per unit. The cost per unit of inventory was not accurately recorded.

The Department of Administration did not have adequate internal controls to ensure the value of inventory was reasonable.

The following error was noted in the General Fund:

- Overstatement of inventory by $450,967,169

We recommend the Department of Administration enhance internal controls to ensure the value of inventory is reasonable.

State's Response: **New Corrective Action**: As of September 5, 2025, the Purchasing Division updated our internal control to ensure that, in the event of acquiring inventory from another agency, we receive records reflecting accurate quantities and pricing. (Internal Control Procedures Section 16.1.15). Retroactive to June 30, 2024 and corrected.

Status: Corrected

2023-016: **Division of Health Care Financing and Policy – Medicaid Capitation Payments Material Weakness**

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring expenses are recorded in the appropriate time period is a key component of effective internal control over financial reporting.

The Division of Health Care Financing and Policy (now the Nevada Health Authority) is responsible for monitoring and accounting for capitation payments under the Medicaid program. Medicaid capitation refers to a payment model where managed care organizations receive a fixed, predetermined payment per member per month to cover the healthcare costs of enrolled individuals.

Capitation payments paid in July 2022 were identified as fiscal year 2022 related costs; however, they were related to July 2022 and should have been identified as fiscal year 2023. In addition, capitation payments paid in late June 2023 were identified as fiscal year 2023 related costs; however, they were related to July 2023 and should have been identified as a prepaid expense.

The Division of Health Care Financing and Policy (now Nevada Health Authority) did not have adequate internal controls to ensure capitation payment periods were appropriately identified and communicated to the Controller's Office.

The following errors were noted in the General Fund:

- Understatement of prepaid expenses by $214,342,210
- Understatement of expenses by $23,158,071
- Understatement of beginning fund balance by $237,500,281

We recommend the Nevada Health Authority enhance internal controls to ensure capitation payment periods are appropriately identified and communicated to the Controller's Office.

State's Response: NVHA will enhance internal controls to ensure capitation payment periods are appropriately identified and communicated to the Controller's Office. NVHA will provide the Capitation History Summary report (provided by our fiscal agent, Gainwell) on an annual basis, every July, for the prior fiscal year that details the dollar amount, date of payment, and applicable capitation month for each capitation payment via email to the Controller's Office. This was corrected and retroactive to June 30, 2024

Status: Corrected

2023-017, 2022-012, 2021-008, 2020-006: **Department of Transportation – Infrastructure and Construction in Progress Material Weakness**

Initial Fiscal Year Finding Occurred: 2020

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Ensuring infrastructure and construction in progress is recorded appropriately is a key component of effective internal control over financial reporting.

The Department of Transportation is responsible for maintaining a capital asset roll-forward for projects it manages, which are typically construction in progress related to infrastructure (i.e., roads) and completed infrastructure.

This roll-forward is provided to the Controller's Office and ultimately considered within the State's aggregate capital asset activity.

Amounts provided in the roll-forward by the Department of Transportation were not accurate for construction in progress and completed infrastructure.

The Department of Transportation did not have adequate internal controls to ensure infrastructure projects were appropriately reflected within the roll-forward that was provided to the Controller's Office.

The following errors were noted for capital assets within Governmental Activities:

- Construction in progress additions were understated by $1,295,000
- Construction in progress deletions were understated by $167,584,000
- Construction in progress was aggregately overstated by $166,289,000
- Infrastructure additions were understated by $180,322,000
- Infrastructure deletions were overstated by $167,630,000
- Infrastructure was aggregately understated by $347,952,000

We recommend the Department of Transportation implement a review process of the roll-forward prior to providing it to the Controller's Office.

The roll-forward review should, at a minimum, consider unusual relationships such as:

- Transfers out of construction in progress not matching transfers in (additions) to completed assets
- Significant adjustments to capacity (final voucher) amounts with no beginning construction in progress or project balance
- Significant adjustments to capacity (final voucher) amounts where the addition to completed infrastructure is higher than the construction in progress project total

State's Response: **New corrective action:** NDOT will institute a review process of the report of construction in progress and infrastructure assets, with special attention to the roll-forward and unusual relationships noted below, prior to the submittal of this data to the Controller's Office.

- Transfers out of construction in progress not matching Transfers in (additions) to completed assets.
- Significant adjustments to capacity (final voucher) amounts with no beginning construction in progress or project balance.
- Significant adjustments to capacity (final Voucher) amounts where the addition to completed infrastructure is higher than the construction in progress project total.

Status: Not Corrected

2023-018, 2022-016: Department of Corrections – Payroll Internal Controls Significant Deficiency

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Proper reconciliation of payroll is a key component of effective internal control over financial reporting.

To ensure proper reconciliation occurs, the State of Nevada's internal control policies require that agencies with a timekeeper function print reports from the Payroll Data Warehouse for each employee's timesheet entered by a timekeeper. The agency must verify that time and pay entries reported on the payroll register agree with the timesheet. For all employees, if the leave or overtime was not preapproved in the Nevada Employee Action and Timekeeping System (NEATS), then an approved hard copy must be on file. This is performed by the agencies every pay period. In addition, on the Monday following payday, agencies also reconcile the expenditures from the Budget Status Report to the Detail Cost Listing report (provided by Advantage- HR).

No reconciliation of payroll occurred during fiscal year 2023 by the Department of Corrections in accordance with the State of Nevada internal control policy.

The Department of Corrections did not monitor and follow established internal control policies.

Errors could occur and not be corrected or detected by the Department of Corrections.

We recommend the Department of Corrections follow the State of Nevada payroll reconciliation internal control policies.

State's Response: **Status of Corrective Action:** Not Corrected

Reason for recurrence, if applicable: NDOC Support Services staff turnover.

New corrective action: Department of Corrections will update the internal control procedures to ensure reconciliation of payroll is in accordance with the State of Nevada Internal Control Policy. Estimated completion July 2026

Status: Not Corrected

2023-019, 2022-017: Department of Health and Human Services – Payroll Internal Controls Significant Deficiency

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Proper reconciliation of payroll is a key component of effective internal control over financial reporting.

To ensure proper reconciliation occurs, the State of Nevada's internal control policies require that agencies with a timekeeper function print reports from the Payroll Data Warehouse for each employee's timesheet entered by a timekeeper. The agency must verify that time and pay entries reported on the payroll register agree with the timesheet. For all employees, if the leave or overtime was not preapproved in the Nevada Employee Action and Timekeeping System (NEATS), then an approved hard copy must be on file. This is performed by the agencies every pay period. In addition, on the Monday following payday, agencies also reconcile the expenditures from the Budget Status Report to the Detail Cost Listing report (provided by Advantage- HR).

No reconciliation of payroll occurred during fiscal year 2023 by the Department of Health and Human Services, in accordance with the State of Nevada internal control policy.

The Department of Health and Human Services did not monitor and follow established internal control policies.

Errors could occur and not be corrected or detected by the Department of Health and Human Services.

We recommend the Department of Health and Human Services follow the State of Nevada payroll reconciliation internal control policies.

State's Response: Corrected as of March 19, 2024

Status: Corrected

2023-020: **Housing Division – Recognition of Receivables and Amortization Expense in Proper Period**
Material Weakness

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Proper reconciliation and recording of financial statement balances in the proper period is a key component of effective internal control over financial reporting.

During the year ended June 30, 2023, management noted that the amortization expense recorded for Home is Possible Teacher Grants in the prior year was overstated and had also been incorrectly recorded in the current year. While management noted the error, they did not properly correct, and we recorded an audit adjustment to properly record.

The Housing Division did not have adequate internal controls to ensure that the Home is Possible Teach Grants and related amortization expense were properly recorded in the proper period.

The following errors were noted in the Housing Division Fund:

- Amortization expense was understated by $4,775,200
- Program fee revenues was understated by $1,445,000
- Accumulated amortization was understated by $530,750
- Beginning net position was understated by $2,799,450

We recommend the Housing Division enhance internal controls for the proper review of the financial statement balances to ensure they are appropriately recorded.

State's Response: Complete January 2024.

Status: Corrected

2023-021: **Controller's Office – Government Wide Settlement Liability**
Significant Deficiency

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Proper reconciliation of government-wide liability conversion entries is a key component of effective internal control over financial reporting.

The Controller's Office is responsible for converting governmental fund balances to government-wide governmental activity balances. During this conversion process, a settlement liability was recorded for a liability that had already been paid in a prior period.

The Controller's Office did not have adequate internal controls to review and evaluate conversion entries to ensure prior year amounts were properly recorded.

The following errors were noted within Governmental Activities:

- Overstatement of accounts payable by $20,240,725
- Understatement of beginning net position by $20,240,725

We recommend the Controller's Office enhance internal controls to provide for the review and evaluation of conversion entries to ensure entries are properly recorded.

State's Response: Retroactive to June 30, 2024; corrected September 2025

Status: Corrected

2023-022, 2022-019: **U.S. Department of Agriculture**
Child Nutrition Cluster:
School Breakfast Program, 10.553
National School Lunch Program, 10.555
Special Milk Program for Children, 10.556
Summer Food Service Program for Children, 10.559
Fresh Fruit and Vegetable Program, 10.582

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: The Federal Funding Accountability and Transparency Act (FFATA) requires direct recipients of certain federal awards to report subaward information by the end of the month following the month in which the prime awardee obligates a subgrant award equal to or greater than $30,000.

Required subaward information was not reported in the FFATA Subaward Reporting System (FSRS).

The Nevada Department of Agriculture (NDA) did not have internal controls to ensure subaward information was submitted in accordance with the FFATA.

Subaward obligations were not reported in the FSRS and therefore not included on the FFATA's website for public information disclosure.

A nonstatistical sample of nine out of a population of 61 applicable subaward obligations was selected for testing. The quantity and subaward obligation errors were noted as follows:

	Subawards	Obligations
Total Tested	9	$1,772,633
Not Reported	9	$1,772,633
Not Timely	9	$1,772,633
Obligation Incorrect	9	$1,772,633
Missing Key Elements	9	$1,772,633

We recommend NDA implement internal controls to ensure subaward information is submitted in accordance with the FFATA.

State's Response: **Status of Corrective Action:** Partially Corrected, in the process of entering data into FFATA.

Reason for recurrence, if applicable: The data entry in the FFATA website is a lengthy process and the Nevada Department of Agriculture (NDA) is working to update the information.

Partial corrective action: NDA has developed a policy to update FFATA at the end of each award period per NDA's federal partners guidance.

Status: Partially Corrected

2023-023: **U.S. Department of Labor**
Unemployment Insurance, 17.225
COVID-19 Unemployment Insurance, 17.225

Reporting
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency include all activity of the reporting period, are supported by underlying accounting information or performance records, and are fairly presented in accordance with governing requirements.

The Nevada Department of Employment, Training and Rehabilitation (DETR) must submit the *ETA 9130 Financial Status Report, UI Programs*.

Amounts reported on the ETA 9130 did not agree to underlying financial records.

DETR did not have adequate internal controls to ensure amounts reported agreed to underlying financial records.

Inaccurate information was reported to the federal awarding agency.

A nonstatistical sample of 12 out of a population of 70 ETA 9130 reports was selected for testing. An error was noted on one of the reports tested as follows:

Quarter Ended March 31, 2023 (UI39335OB0)

	Amount Reported	Amount per General Ledger
Federal Share of Expenditures	$11,551,039	$10,567,850

We recommend DETR enhance the internal controls to ensure amounts reported agree to underlying records.

State's Response: Corrected as of February 2024

Status: Corrected

2023-024, 2022-021, 2021-028, 2020-016: **U.S. Department of Labor**
Unemployment Insurance, 17.225
COVID-19 Unemployment Insurance, 17.225

Special Tests and Provisions – UI Benefit Payments
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2020

Finding Summary: State Workforce Agencies are required by 20 CFR section 602.11(d) to operate and maintain a quality control system. The Benefits Accuracy Measurement (BAM) program is the quality control system designed to assess the accuracy of UI benefit payments and denied claims. The State's BAM unit is required to draw a weekly sample of payments and denied claims, complete prompt and in-depth investigations to determine the degree of accuracy in the administration of the program. The requirements are promulgated in the *ET Handbook No. 395* (Handbook).

Department of Labor ET Handbook 395, Part VI, Section 11 Completion of Cases and Timely Data Entry states that a minimum of 70% of cases must be completed within 60 days of the week ending date of the batch, and 95% of cases must be completed within 90 days of the week ending batch; and a minimum of 98% of cases for the year must be completed within 120 days of the ending date of the calendar year.

The minimum standards of BAM case completion were not met.

The Nevada Department of Employment, Training and Rehabilitation (DETR) did not have adequate internal controls to ensure BAM timeliness requirements were met.

A BAM investigation may not detect an error timely.

The following is a summary of the BAM case completion percentages that were not met for calendar year 2022:

<u>90-day completion requirements</u>
Paid claims require 95% completion, actual was 85.19%.
Denied separation claims require 85% completion, actual was 84.21%.

<u>120-day completion requirements</u>
Paid claims require 98% completion, actual was 93.46%. Denied separation claims require 98%, actual was 92.76%. Denied non-separation claims require 98%, actual was 93.63%.

We recommend DETR enhance internal controls to ensure BAM timeliness requirements are met.

State's Response: Corrected April, 2024. USDOL indicates that program is in compliance, and no response or corrective action is required at a federal level. DETR is continually monitoring BAM case processing to ensure timeliness standards are consistently met. Staff performance and workload management have returned to standard levels.

Status: Not Corrected

2023-025: **U.S. Department of Transportation**
Highway Planning and Construction, 20.205
COVID-19 Highway Planning and Construction, 20.205

Special Tests and Provisions – Value Engineering
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: The Nevada Department of Transportation (NDOT) is required to establish a value engineering (VE) program and ensure that a VE analysis is performed on all applicable projects. The program should include procedures to approve or reject recommendations and for monitoring to ensure that resulting, approved recommendations are incorporated into the plans, specifications, and estimate. Applicable projects are (a) projects located on the National Highway System (NHS) with an estimated total project cost of $50 million or more that utilize federal high program funding; (b) bridge projects located on the NHS with an estimated total cost of $40 million or more that utilize federal highway program funding; and (c) any other projects that the FHWA determines to be appropriate.

Critical elements of VE programs include identification of a state VE coordinator; establishment of a VE policy, and documented VE procedures, including requirements to identify applicable projects, verify required VE analyses are completed on State DOT and subrecipient projects; and monitor, assess, and report on the performance of the VE program as required by 23 CFR part 627.

NDOT's VE policy states that NDOT will conduct VE analysis for all NHS projects costing at least $25 million, to consider VE for projects exceeding $10 million, and to consider VE for all projects, processes, procedures, and standards submitted by district or division heads. Emphasis on value analysis for projects exceeding $10 million does not eliminate consideration of smaller projects that may benefit from value analysis.

A VE analysis was not performed when required by NDOT policy.

The Nevada Department of Transportation (NDOT) did not have adequate internal controls to ensure their VE policy was followed.

A project did not benefit from a value analysis.

A nonstatistical sample of two projects from a population of seven was selected for testing. One project had an estimated cost of $41 million to $49 million and a VE analysis was performed. The other project had an estimated cost of $34 million to $41 million and a VE analysis was not performed in accordance with NDOT policy.

We recommend NDOT enhance internal controls to ensure the VE policy is followed or, if necessary, the VE policy is updated as needed and provided that it complies with federal requirements.

State's Response: **New corrective action:** NDOT will update the internal policy and processes relating to value engineering, including roles and responsibilities and internal controls to match or exceed federal requirements and to meet agency needs and resources.

Status: Not Corrected

2023-026, 2022-026, 2022-027, 2021-034: **U.S. Department of Treasury**
COVID-19 Emergency Rental Assistance Program, 21.023

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2021

Finding Summary: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

The *OMB Compliance Supplement* provides that states are required to submit *Quarterly Reports* for Emergency Rental Assistance as amended by the Consolidated Appropriations Act of 2021 (ERA1) and Emergency Rental Assistance from the American Rescue Plan Act (ERA2).

Key information was not reported, supporting documentation for amounts that were reported was not maintained, and there was no segregation of duties in the preparation and review of the reports.

The Nevada Housing Division (NHD) did not have internal controls to ensure reports were reviewed, support was maintained, and reports were complete and accurate prior to submission.

Inaccurate and incomplete information was submitted to the federal awarding agency.

A nonstatistical sample of four *Quarterly Reports* out of a population of eight was selected for testing. The errors for submitted reports are noted as follows:

<u>ERA 1 report for the quarter ended September 30, 2022:</u>

- $18,096,873 was reported as amounts expended for administrative expenses and was not able to be traced to underlying supporting records.
- Amounts expended and/or obligated for administrative expenses exceed 10% of the total allocation.
- No amounts were reported for the total obligation and expenditures for housing stability services. As such the housing stability services ratio was not able to be determined.
- No amounts were reported for number of households served at certain income levels.
- There was no evidence of internal controls (segregation of duties).

<u>ERA 1 report for the quarter ended December 31, 2022:</u>

- No amounts were reported for administrative costs obligated and expended and award funds obligated or expended. As such the administrative costs ratio was not able to be determined.
- No amounts were reported for the total obligation and expenditures for housing stability services. As such the housing stability services ratio was not able to be determined.
- Number of households served at certain income levels was not able to be traced to underlying supporting records.

- There was no evidence of internal controls (segregation of duties).

ERA 2 report for the quarter ended September 30, 2022:

- No amounts were reported for administrative costs obligated and expended and award funds obligated or expended. As such the administrative costs ratio was not able to be determined.
- No amounts were reported for the total obligation and expenditures for housing stability services. As such the housing stability services ratio was not able to be determined.
- No amounts were reported for number of households served at certain income levels.
- There was no evidence of internal controls (segregation of duties).

ERA 2 report for the quarter ended March 31, 2023:

- No amounts were reported for administrative costs obligated and expended and award funds obligated or expended. As such the administrative costs ratio was not able to be determined.
- No amounts were reported for the total obligation and expenditures for housing stability services. As such the housing stability services ratio was not able to be determined.
- No amounts were reported for number of households served at certain income levels.
- There was no evidence of internal controls (segregation of duties).

We recommend NHD implement internal controls to ensure reports are reviewed, support is maintained, and reports are complete and accurate prior to submission.

State's Response: **Reason for recurrence:** The timing of the FY22 and FY23 state audits did not allow for any corrective actions to be reflected.

Partial corrective action taken: The Division established an internal audit and compliance committee to enhance oversight of existing policies for assessing risk, monitoring, and sharing best practices across its business in January of 2024.

New corrective action: In FY25, the Division moved ERAP to the Grants Team for management of the subrecipients and reporting.

Status: Partially Corrected

2023-027, 2021-035: **U.S. Department of Treasury**
COVID-19 Emergency Rental Assistance Program, 21.023

Subrecipient Monitoring
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2021

Finding Summary: Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.332 requires that:

Pass-through entities ensure every subaward includes certain information at the time of the subaward and the assistance listing number is communicated at the time of disbursement to subrecipients.

Pass-through entities evaluate each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring. In addition, the subrecipient monitoring must ensure that the subaward is used for authorized purposes.

Pass-through entities verify every subrecipient is audited as required by Uniform Guidance, issue management decisions for audit findings, as applicable, and ensure the subrecipient takes timely corrective action on all audit findings, as applicable.

Subawards did not contain all the required information, assistance listing numbers were not communicated at the time of disbursement, an evaluation of the subrecipients risk for noncompliance for purposes of determining the appropriate subrecipient monitoring was not performed, adequate active monitoring procedures were not performed, and subrecipient audit reports were not reviewed.

The Nevada Housing Division (NHD) did not have internal controls in place to ensure compliance with subrecipient monitoring requirements.

Noncompliance at the subrecipient level may occur and not be detected.

A nonstatistical sample of three subrecipients out of a population of four was selected for testing. All three subrecipients were not assessed for risk of noncompliance, award agreements were missing required terms and conditions for a subaward, and there was no evidence active monitoring or review of the audit reports was performed.

A nonstatistical sample of four pass-through payments out of a population of 18 was selected for testing. All four pass-through payments tested did not have the assistance listing communicated at the time of disbursement.

We recommend NHD enhance internal controls to ensure compliance with subrecipient monitoring requirements

State's Response: **Reason for recurrence:** The timing of the FY22 and FY23 state audits did not allow for any corrective actions to be reflected.

Partial corrective action taken: The Division established an internal audit and compliance committee to enhance oversight of existing policies for assessing risk, monitoring, and sharing best practices across its business in January of 2024.

New corrective action: In FY25, the Division moved ERAP to the Grants Team for management of the subrecipients and reporting.

Status: Partially Corrected

2023-028: **U.S. Department of Treasury**
COVID-19 Emergency Rental Assistance Program, 21.023

Special Tests and Provisions – ERA Funds Reallocation
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Pursuant to 15 USC 9058a(d), Treasury is required to reallocate "excess" ERA 1 award funds. Treasury's objective in reallocations is to ensure ERA 1 award funds remain available to grantees in accordance with their jurisdictional needs and demonstrated capacity to deliver assistance while the ERA appropriations remain available.

The Nevada Housing Division (NHD) was required to submit financial information to Treasury, which were used to calculate various reallocation expenditure ratios. Reallocation expenditure ratios determines whether the grantee is subject to involuntary reallocation due to an insufficient ratio and the amount of excess funds subject to recapture by Treasury. In addition, reallocation ratios were used to determine the eligibility to receive reallocated funds.

NHD did not maintain documentation to support reallocation amounts submitted to Treasury in its application to receive reallocated funds. In addition, there was no segregation of duties in the preparation and review of amounts submitted.

NHD did not have internal controls to ensure supporting documentation for amounts reported to the awarding agency was maintained.

Amounts reported to the federal awarding agency for the reallocation expenditure ratios may be inaccurate, which may have impacted Treasury's reallocation determination.

There was no sampling performed. All amounts reported with respect to reallocation were tested. No underlying documentation was available to review to validate any of the amounts reported.

We recommend NHD implement internal controls to ensure supporting documentation for amounts reported to the awarding agency is maintained.

State's Response: **Reason for recurrence:** The timing of the FY22 and FY23 state audits did not allow for any corrective actions to be reflected.

Partial corrective action taken: The Division established an internal audit and compliance committee to enhance oversight of existing policies for assessing risk, monitoring, and sharing best practices across its business in January of 2024.

New corrective action: In FY25, the Division moved ERAP to the Grants Team for management of the subrecipients and reporting.

Status: Partially Corrected

2023-029, 2022-032: **U.S. Department of Treasury**
COVID-19 Homeowner Assistance Fund, 21.026

Subrecipient Monitoring
Material Weakness in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.332 requires that:

Pass-through entities ensure every subaward includes certain information at the time of the subaward and that the award's assistance listing number is identified to the subrecipient at the time of disbursement.

Pass-through entities evaluate each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring.

Subawards and disbursements did not contain all the required information, an evaluation of each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring was not performed.

The Nevada Housing Division (NHD) did not have internal controls to ensure compliance with subrecipient monitoring requirements.

Noncompliance at the subrecipient level may occur and not be detected.

The entire population of one subrecipient was selected for testing, which included one payment. The subaward was missing required information, a risk assessment was not performed, and the payment was missing the assistance listing number.

We recommend NHD implement internal controls to ensure compliance with subrecipient monitoring requirements.

State's Response: **Corrective Action:** The Division will establish subrecipient monitoring policies. The Division will also establish an internal audit and compliance committee to enhance oversight of existing policies for assessing, monitoring, and sharing best practices across its business. The internal audit and compliance committee will be responsible for reviewing internal controls and policies on an annual basis, following up on any audit findings and ensuring follow-through of corrective action plans.

Adoption of Corrective Action: January 2025

Status: Not Corrected

2023-030, 2022-034: **U.S. Department of Treasury**
COVID-19 Coronavirus State and Local Fiscal Recovery Fund, 21.027

Procurement, Suspension, and Debarment
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) requires contracts contain the applicable provisions described in Appendix II to Part 200 for contracts under federal awards.

Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred.

Certain applicable provisions described in Appendix II to Part 200 were not included in contracts as required. Procedures were not followed to verify if an entity was suspended or debarred before entering into a covered transaction.

The Nevada State Purchasing Department (State Purchasing) did not have adequate internal controls to ensure contracts under federal awards contained all of the applicable provisions or to ensure procedures were followed to verify an entity was not suspended or debarred prior to entering into a covered transaction.

Contractors may not be aware of required terms and conditions. A covered transaction may be entered into with an entity or subrecipient that is suspended or debarred.

A nonstatistical sample of 60 procurement transactions out of approximately 1,500 was selected for testing, including 19 contracts subject to Appendix II to Part 200 and to suspension and debarment requirements (transactions that are not within the revenue loss eligible use criteria).

Ten out of 19 contracts subject to Appendix II to Part 200 were missing certain required contract provisions. One out of 19 vendors subject to suspension and debarment requirements were not verified for suspension and debarment prior to entering into a covered transaction.

We recommend State Purchasing enhance internal controls to ensure all contracts under federal awards contain the applicable provisions and procedures are followed to ensure entities are not suspended or debarred prior to entering into covered transactions.

State's Response: As part of Purchasing's standard contracting procedures, and shortly after the audit findings were discussed with GFO in January 2024, the Purchasing Division commenced fulfilling the recommendations regarding **provisions described in Appendix II to Part 200** that had not been consistently included in contracts as indicated below.

When Purchasing leads a Request for Proposal (RFP) process and is notified - via Section 4 of the RFP Template provided to agencies utilizing Federal Awarded Funds – Purchasing ensures that all applicable federal provisions and procedures are incorporated into the solicitation, either by reference or as attachments.
For state agencies conducting their own solicitation, Purchasing provides an RFP Template that requires identification of the relevant Code of Federal Regulations (CFR) to be referenced and included in the resulting contract, thereby supporting compliance with federal requirements.
This corrective action (RE: provisions) has been actively in place since approximately January 2024.

Since there are active-holdover contracts, it will take an undetermined amount of time for the related multi-year contracts to clear.

Status: Partially Corrected

2023-031: **U.S. Department of Treasury**
COVID-19 Coronavirus State and Local Fiscal Recovery Fund, 21.027

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency include all activity of the reporting period, are supported by applicable accounting or performance records, and are fairly presented in accordance with governing requirements.

The Nevada Governor's Finance Office (GFO) must submit quarterly *Project and Expenditure Reports* that contain COVID-19 related costs and obligations incurred during the covered period. Critical information includes:

- Current period obligation
- Cumulative obligation
- Current period expenditure
- Cumulative expenditure
- Revenue Loss Calculation
- Capital Expenditures

Certain amounts included in the reports submitted did not agree to underlying support or underlying support for amounts reported were not maintained.

GFO did not have adequate internal controls to ensure *Project and Expenditure Reports* were reconciled to underlying supporting documentation.

Inaccurate information was reported to the federal awarding agency.

A nonstatistical sample of two *Project and Expenditure Reports* from a population of four was selected for testing. Variances were noted as follows for cumulative impacts:

Reporting Period Ended September 30, 2022:

	Amount Reported	Amount Supported by Underlying Documentation
Current Period Obligations	$117,487,595	$96,899,741
Cumulative Obligations	$693,688,130	$187,993,359

Reporting Period Ended March 31, 2023:

	Amount Reported	Amount Supported by Underlying Documentation
Current Period Obligations	$28,208,617	$27,909,659
Cumulative Obligations	$939,517,635	$443,459,939
Current Period Expenditures	$25,911,692	$57,487,724
Cumulative Expenditures	$540,583,461	$556,630,740

We recommend the GFO enhance internal controls to ensure *Project Expenditure Reports* are reconciled to underlying supporting documentation.

State's Response: To ensure full compliance going forward, we will take the following steps:

The Governor's Finance Office has enhanced its internal controls surrounding the preparation and review of Project and Expenditure Reports submitted to the federal awarding agency. As part of these improvements, GFO implemented a strengthened reconciliation process to verify that all reported financial data aligns with underlying support documentation prior to submission.

After discovering this issue, GFO has reconciled the Project Expenditure Reports with all supporting documents except for the Revenue Loss allowance, which is still under review due to discrepancies. However, the obligated Revenue Loss remains substantially under the Revenue Loss cap. Remaining reconciliation work on the Revenue Loss component will be completed using validated source documentation to ensure accuracy and compliance with federal reporting requirements.

Date of Completion:
Reconciliations completed for all expenditure report components except the Revenue Loss allowance. Completion of the Revenue Loss reconciliation is expected in the upcoming reporting period.

Status: Not Corrected

2023-032, 2022-035: **U.S. Department of Treasury**
COVID-19 Coronavirus State and Local Fiscal Recovery Fund, 21.027

Subrecipient Monitoring
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.332 requires that:

Pass-through entities ensure every subaward includes certain information at the time of the subaward and the assistance listing number is communicated at the time of disbursement to subrecipients.

Pass-through entities evaluate each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring.

Pass-through entities verify every subrecipient is audited as required by Uniform Guidance, issue management decisions for audit findings, as applicable, and ensure the subrecipient takes timely corrective action on all audit findings, as applicable.

Subawards were not entered into, assistance listing numbers were not communicated at the time of disbursement, an evaluation of the subrecipients risk for noncompliance for purposes of determining the appropriate subrecipient monitoring was not performed, and subrecipient audit reports were not reviewed.

Adequate internal controls were not in place to ensure compliance with subrecipient monitoring requirements for the following agencies:

- Governor's Finance Office
- Department of Agriculture
- Aging and Disability Services Division
- Division of Public and Behavioral Health

Noncompliance at the subrecipient level may occur and not be detected.

A nonstatistical sample of 30 subrecipients out of a population of 146 across all State agencies was selected for testing. A nonstatistical sample of 60 passthrough payments out of a population of approximately 2,200 was selected for testing.

The following errors were noted by agency:

<u>Governor's Finance Office</u>
We tested 7 subrecipients applicable to Governors Finance Office and noted a risk assessment was not performed for one of the subrecipients tested.

<u>Department of Agriculture</u>
We tested 13 pass-through payments applicable to the Department of Agriculture where the assistance listing was required to be communicated. The assistance listing was not communicated at the time of disbursement for seven pass-through payments tested.

We tested 14 subrecipients applicable to the Department of Agriculture. A risk assessment was not performed for 12 subrecipients tested, a subaward agreement was not entered into for 11 subrecipients, and the subrecipient single audit report was not reviewed for one subrecipient.

Aging and Disability Services Division
We tested 2 pass-through payments applicable to the Nevada Aging and Disability Services Division. The assistance listing was not communicated at the time of disbursement for both pass-through payments tested.

Division of Public and Behavioral Health
We tested 2 pass-through payments applicable to the Division of Public and Behavioral Health. The assistance listing number was not communicated at the time of disbursement for both pass-through payments tested.

We recommend the State agencies listed above enhance internal controls to ensure compliance with subrecipient monitoring requirements.

State's Response: **Governor's Finnane Office (GFO):**

Corrective Action:
To ensure full compliance going forward, we will take the following steps:

1. **Verify All Risk Assessments**
   GFO will conduct a full reconciliation of all subrecipient files to verify risk assessment documentation exists for every active award. GFO will re-perform and document all missing or incomplete risk assessments for affected subrecipient files.

Date of Completion:
Immediate Implementation to be completed by September 1, 2026.

Department of Agriculture (NDA):
Status of Corrective Action: Partially Corrected

Partial corrective action taken: At the advisement of NDA Fiscal, fiscal requires risk assessment be completed with every subaward granted. NDA Fiscal checks this as part of our subaward process through internal controls.

Aging and Disability Services Division (ADSD):
Status of Corrective Action: Partially Corrected
Reason for recurrence, if applicable: Assistance listing numbers were not communicated at the time of disbursement.
New corrective action:
1. ALN Communication at Disbursement – Effective immediately, all payment notifications and remittance advices to subrecipients will include the ALN.
2. Internal Control Update – Annual review and biennial update of Departmental internal controls to ensure compliance with the Code of Federal Regulations.

Partial corrective action taken:
1. Staff training – Program and fiscal staff will receive training on uniform guidance requirements and ADSD updated procedures.

Division of Public and Behavioral Health (DPBH):
Status of Corrective Action: Partially Corrected

New corrective action: The Division of Public and Behavioral Health will ensure staff are properly trained and internal controls are updated to meet the requirements of CFR 200.332. The ALN number will be listed on the line description at the time of payment to recipients.

Partial corrective action taken: As of September 2025, we are ensuring staff are trained and the ALN is being listed on the line description at the time of payment to recipients.

Status: GFO: Not Corrected
NDA, ADSD, & DPBH: Partially Corrected

2023-033: **U.S. Department of Education**
Title I Grants to Local Educational Agencies, 84.010

Matching, Level of Effort, and Earmarking
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

The U.S. Department of Education provides Local Educational Agency (LEA) allocation tables to the Nevada Department of Education (NDE) for basic grants, concentration grants, targeted grants, and education finance incentive grants based on LEA-level data from the Bureau of Census. NDE makes adjustments to those tables for specific items prescribed by 34 CFR section 200 such as:

- LEAs not on the census
- Hold harmless
- Newly opened or significantly expanded charter schools
- School improvement funds
- State administration

NDE did not maintain the original calculation of adjustments performed to the base LEA allocation tables. The amounts allocated to the LEAs were not supported by documentation maintained by NDE.

As part of our audit procedures, we requested NDE reperform the allocation adjustments. NDE reperformed the allocation adjustments but was unable to agree to the original allocations to the LEAs.

NDE did not have sufficient internal controls to ensure supporting documentation of the adjustments and allocations to LEAs was maintained.

LEAs may not receive the appropriate funding allocation.

The original allocation workbook was not maintained and therefore could not be tested. However, NDE reperformed a new allocation after our request. We noted variances from the reperformed allocation to the original funding allocation across all 19 LEAs as follows:

- Basic grants had variances ranging from $11 to $2,896,904.
- Concentration grants had variances ranging from $0 to $110,980.
- Targeted grants had variances ranging from $2 to $3,439,895.
- Finance incentive grants had variances between $1 to $2,539,768.

The total amounts allocated were the same in the reperformed allocation when compared to the original allocation. Therefore, the ranges noted above represent both under and over allocation variances to the LEAs.

However, the census information (adjustments) used by NDE was not updated from the prior year in the reperformed allocation. Therefore, there is no information available to determine whether allocations to the LEAs were accurate in either the original allocation or reperformed allocation.

We recommend NDE enhance internal controls to ensure supporting documentation of the adjustments and allocations to LEAs is maintained.

State's Response: **Corrective Action:** NDE shall document standards for data and reporting, to include required standards for policies and procedures and business rules, to support the development of new and/or temporary reporting requirements in alignment with all relevant internal controls. NDE shall implement internal control monitoring specific to compliance with the data and reporting standards. The Office of Division Compliance will collaborate with the Office of Assessments, Data, and Accountability Management, as well as the Office of District Support to develop these standards.

Status: Corrected

2023-034, 2022-037: **U.S. Department of Education**
Title I Grants to Local Educational Agencies, 84.010

Matching, Level of Effort, and Earmarking
Material Weakness in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

A Local Educational Agency (LEA) may receive funds under Title I only if the State Educational Agency (SEA) finds that the combined fiscal effort per student or the aggregate expenditures of the LEA from State and local funds for free public education for the preceding year was not less than 90 percent of the combined fiscal effort or aggregate expenditures for the second preceding year, unless specifically waived by the U.S. Department of Education (34 CFR section 299.5).

The Nevada Department of Education (NDE) did not maintain documentation, compiled from reports submitted by the LEAs, to monitor LEA compliance.

As part of our audit procedures, we requested NDE compile the information to determine whether LEAs had met their fiscal effort requirements and whether NDE was required to take any necessary actions for failures to meet the fiscal effort requirements.

NDE did not have sufficient internal controls to ensure maintenance of effort tracking was maintained and reviewed for accuracy and compliance.

Noncompliance with maintenance of effort requirements may not be detected and NDE may not make required funding adjustments.

If an LEA fails to maintain fiscal effort, NDE must reduce an LEA's allocation under Title I if the LEA also failed to maintain effort in one or more of the five immediately preceding fiscal years in the exact proportion by which the LEA fails to maintain effort by falling below 90 percent of both the combined fiscal effort per student and aggregate expenditures.

NDE compiled expenditure data for 19 LEAs after our request. We reviewed overall compliance for all 19 LEAs and a non-statistical sample of 4 LEAs was selected for testing by tracing to original reports. Amounts included in the calculation for one LEA did not agree to underlying supporting documentation by $2,493. However, this variance did not change the overall conclusion on compliance for the one LEA with its fiscal effort. All 19 LEAs were found to have met their fiscal effort.

We recommend NDE enhance internal controls to ensure information used in the maintenance of effort monitoring document is maintained and reviewed for accuracy and compliance.

State's Response: **Reason for Recurrence:** NDE was not notified of the 2022 finding until after fiscal year 2023 (FY23) had concluded; however, the majority of the corrective action has since been implemented and corrected.

Partial Corrective Action: A checklist detailing the chain of review has been developed and will be implemented to track the review and approval process of federal reports prior to submission. NDE shall implement internal control monitoring specific to the use of this checklist and adherence to internal controls regarding levels of review. The Office of Division Compliance will collaborate across the Department to
ensure adoption and adherence to the use of this form.

Status: Not Corrected

2023-035, 2022-042: **U.S. Department of Education**
COVID-19 Education Stabilization Fund, 84.425

Matching, Level of Effort, and Earmarking
Material Weakness in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: The *OMB Compliance Supplement* provides the following requirements:

- ESSER
  - A State Educational Agency (SEA) must allocate at least 90% of ESSER funds to Local Educational Agencies (LEA) using the statutorily prescribed formula.
- ARP ESSER
  - Under section 2001(f) of the ARP act, each SEA must reserve: (1) at least 5% of ARP ESSER funds for evidence-based interventions that address the academic impact of lost instructional time; (2) at least 1% of ARP ESSER funds for evidence-based summer enrichment programs; (3) at least 1% of ARP ESSER funds for evidence-based comprehensive after school programs.
- Allowances for Administrative Costs
  - Under section 18001(e) of the CARES act and section 313(e) of the CRRSA act, an SEA may reserve up to 0.5% of its total ESSER I and ESSER II allocations for administrative cost.
  - Under Section 2001(f)(4) of the ARP Act, an SEA may reserve not more than 0.5% of the state's total ARP ESSER award for administrative costs.
  - Under section 312(d)(5) of the CRRSA Act, an SEA may reserve up to 0.5% of it's total allocation or up to $200,000, whichever is greater, to administer the EANS program.

The Nevada Department of Education (NDE) did not meet the earmarking set aside for evidence-based summer enrichment programs and evidence-based after school programs. In addition, there is no evidence that compliance with the earmarking requirements (i.e., actual amounts meeting the allocations or that there could be future changes to allocated amounts) is monitored.

NDE did not have adequate internal controls to ensure earmarking requirements were initially met and to ensure on-going compliance was monitored.

Earmarking requirements were not met and may not be met in the future.

We tested all earmarking computations required to be completed in State fiscal year 2023. There was no evidence of monitoring the earmarking requirements.

Under section 2001(f) of the ARP act, each SEA must reserve: (2) at least 1% of ARP ESSER funds for evidence-based summer enrichment programs; (3) at least 1% of ARP ESSER funds for evidence-based comprehensive after school programs.

- The minimum amount to allocate to evidence-based summer enrichment programs and evidence-based after school programs was $21,455,664 and the actual amount allocated was $20,040,662.

The allocated amounts above were identified and reported in the prior year. However, there was no evidence of adjustments to these allocations in the current year.

We recommend NDE enhance internal controls to ensure earmarking requirements are initially met and implement internal controls to ensure on-going compliance is monitored.

State's Response: **Reason for Recurrence:** NDE was not notified of the 2022 finding until after fiscal year 2023 (FY23) had concluded; however, the majority of the corrective action has since been implemented and corrected.

Corrective Action: NDE shall develop a comprehensive Policy and Procedure (10.12 Match, Maintenance of Effort, and Earmarking) documenting the earmarking process, to include monitoring. NDE shall implement internal control monitoring specific to earmarking. The Office of Division Compliance will collaborate with offices across the agency to develop this policy.

Status: Not Corrected

2023-036, 2022-041: **U.S. Department of Education**
COVID-19 Education Stabilization Fund, 84.425

Matching, Level of Effort, and Earmarking
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Under section 317 of the CRRSA Act, a state that receives ESSER II, GEER II, or EANS funds under CRRSA Act must:

- Maintain state support for elementary and secondary education in fiscal year (FY) 2022 at least at the proportional level of the state's overall spending, averaged over FYs 2017, 2018, and 2019; and
- Maintain state support for higher education in FY 2022 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 2017, 2018, and 2019.

Under section 2004(a) of the ARP Act, a state that receives ARP ESSER funds must meet the above maintenance of effort (MOE) requirement in each of FYs 2022 and 2023.

The CRRSA and ARP Acts have two MOE baselines:

- Elementary and secondary education baseline, which averages the percentages of total spending that are used to support elementary and secondary education over the three baseline years (FYs 2017, 2018, and 2019).
- Higher education baseline, which averages percentages of total state spending that are used to support higher education over the three baseline years (FYs 2017, 2018, and 2019).

The Nevada Department of Education (NDE) did not maintain the underlying supporting documentation or reconciliations to support amounts reported for the maintenance of effort requirements.

NDE reported state expenditure amounts for elementary and secondary education as well as higher education, with a failure to meet the higher education maintenance of effort. However, as noted above, the amounts reported for state support for elementary and secondary education as well as higher education could not be verified.

Lastly, there was no evidence of review and approval (segregation of duties) between the preparer and the reviewer of the maintenance of effort calculations.

NDE did not have internal controls to ensure maintenance of effort was tracked, complied with, and supporting documents maintained.

Maintenance of effort requirements may not be met.

We tested all maintenance of effort computations required to be completed in State fiscal year 2023 (fiscal year 2022 amounts reported in fiscal year 2023). As noted above, the amounts reported could not be verified. However, NDE's reported amounts indicated that the higher education requirement was not met as follows:

State support for higher education

- Baseline percentage reported as 15.47% and actual percentage for state fiscal year 2022 was reported as 15.14%.

We recommend NDE implement internal controls to ensure maintenance of effort is tracked, complied with, and supporting documents maintained.

State's Response: **Reason for Recurrence:** NDE was not notified of the 2022 finding until after fiscal year 2023 (FY23) had concluded. Frequent turnover, subject matter expertise, and staffing capacities specific to funding under the Education Stabilization Fund have made it difficult to address this finding.

Corrective Action: NDE shall document standards for data and reporting, to include required standards for policies and procedures and business rules, to support the development of new and/or temporary reporting requirements in alignment with all relevant internal controls. NDE shall implement internal control monitoring specific to compliance with the data and reporting standards. The Office of Division Compliance will collaborate with the Office of Assessments, Data, and Accountability Management, as well as the Office of District Support to develop these standards.

Status: Not Corrected

2023-037, 2022-043, 2021-038:

U.S. Department of Education
COVID-19 Education Stabilization Fund, 84.425

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2021

Finding Summary: The *OMB Compliance Supplement* provides that State Educational Agencies submit annual reports over Governor's Emergency Education Relief (GEER), Elementary and Secondary School Emergency Relief (ESSER) Grants and Emergency Assistance to Non-Public Schools (EANS). Each report contains data on expenditures, planned expenditures, subrecipients, and use of funds, including for mandatory reservations.

Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Certain amounts included in the annual reports submitted for ESSER and EANS did not agree to underlying support or underlying support for amounts reported were not maintained. In addition, there was no evidence of review and approval (segregation of duties) between the preparer and reviewer of the reports for ESSER, EANS, and GEER.

The Nevada Department of Education (NDE) did not have internal controls to identify required information to be reported, ensure accuracy, or maintain adequate document retention to support compliance.

Inaccurate or incomplete information was reported to the federal awarding agency or was not reported timely.

All four annual reports required to be filed in the State fiscal year were selected for testing; two reports for ESSER, one for GEER and one for EANS. The errors for the submitted reports were noted as follows:

<u>ESSER I Year 3 Annual Report</u>

- Amounts reported for key line 5a – full time equivalent positions for Southern Nevada Public Television did not agree to underlying support submitted by the subrecipient. Positions were reported as 75.52 on September 30, 2021 rather than 71.52 as supported by the underlying information provided by the subrecipient (1 of 56 entities reported).

<u>ESSER II Year 2 Annual Report</u>

- Information reported for key line 3c – Criteria used to Allocate Funds to Schools within LEA for Pershing County School District did not agree to support submitted by the subrecipient (1 of 35 entities reported).
- Amounts reported were not supported by underlying documentation (not maintained or unusual variances not reconciled) for key line 5a – full time equivalent positions for White Pine County School District, College of Southern Nevada, Boys Town Nevada, Inc., The Achievement Network, Clark County Public Education Foundation, and Jobs for Nevada's Graduates (6 of the 35 entities reported).

<u>EANS Year 2 Annual Report</u>

- There was no underlying documentation or support maintained for any obligation amounts reported in Lines 13a, 13c, 13f, 13h, 13k, and 13l. The aggregate obligations reported were $3,302,124.
- Amounts reported for key line 15 – reporting on non-public schools receiving services or assistance under CCRSA EANS for Excel Christian School did not agree to support submitted by the subrecipient. Enrollment for the 19-20 school year was reported as 198 rather than the 191 as supported by the underlying information provided by the subrecipient (1 of 23 entities reported).

Lastly, there was no evidence of review and approval (segregation of duties) for the ESSER I Year 3 Annual Report, EANS Year 2 Annual Report, or the GEER Year 2 Annual Report.

We recommend NDE implement internal controls to identify required information to be reported, ensure accuracy, and maintain adequate document retention to support compliance.

State's Response: **Reason for Recurrence:** NDE was not notified of the 2022 finding until after fiscal year 2023 (FY23) had concluded. Frequent turnover, subject matter expertise, and staffing capacities specific to funding under the Education Stabilization Fund have made it difficult to address this finding.

Corrective Action: NDE shall document standards for data and reporting, to include required standards for policies and procedures and business rules, to support the development of new and/or temporary reporting requirements in alignment with all relevant internal controls. NDE shall implement internal control monitoring specific to compliance with the data and reporting standards. The Office of Division Compliance will collaborate with the Office of Assessments, Data, and Accountability Management, as well as the Office of District Support to develop these standards.

Status: Not Corrected

2023-038: **U.S. Department of Health and Human Services**
Temporary Assistance for Needy Families, 93.558
COVID-19 Temporary Assistance for Needy Families, 93.558

Matching, Level of Effort, and Earmarking
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

As provided by 45 CFR section 264.1, the average monthly number of families that include an adult or minor child head of household, or the spouse of the head of household, who has received assistance under any state program funded by federal TANF funds for more than 60 countable months (whether or not consecutive) may not exceed 20 percent of the average monthly number of all families to which the state provided assistance during the fiscal year or the immediately preceding fiscal year (but not both), as the state may elect.

The Division of Welfare and Supportive Services (DWSS) compiles the caseload criteria above in a *TANF NEON Cash Cases Hardship Report*. There was no evidence that this report was approved, reviewed, or otherwise monitored.

DWSS did not have internal controls to ensure caseload earmarking requirements are monitored.

Noncompliance with earmarking requirements may not be detected.

The caseload report was generated for the entire state fiscal year. The average cases with more than 60 countable months were 0.19% of the total cases for the state fiscal year, which is below the 20% maximum allowed. However, this report is generated internally by DWSS on a quarterly basis (and aggregated to be summarized annually), and there was no evidence of a review being performed.

We recommend DWSS enhance internal controls to ensure caseload earmarking requirements are monitored.

State's Response: Corrective action is in place as of August 2025.

Status: Partially Corrected

2023-039: **U.S. Department of Health and Human Services**
Temporary Assistance for Needy Families, 93.558
COVID-19 Temporary Assistance for Needy Families, 93.558

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: The Federal Funding Accountability and Transparency Act (FFATA) requires direct recipients of certain federal awards to report subaward information by the end of the month following the month in which the prime awardee obligates a subgrant award equal to or greater than $30,000.

Required subaward information was not reported in the FFATA Subaward Reporting System (FSRS).

The Division of Welfare and Supportive Services (DWSS) did not have internal controls to ensure subaward information was submitted in accordance with the FFATA.

Subaward obligations were not reported in the FSRS, and, therefore, not included on the FFATA's website for public information disclosure.

A nonstatistical sample of three out of a population of nine applicable subaward obligations was selected for testing. The quantity and subaward obligation errors were noted as follows:

	Subawards	Obligations
Total Tested	3	$1,381,291
Not Reported	3	$1,381,291
Not Timely	3	$1,381,291
Obligation Incorrect	3	$1,381,291
Missing Key Elements	3	$1,381,291

We recommend DWSS implement internal controls to ensure subaward information is submitted in accordance with the FFATA.

State's Response: Corrective action is in place as of September 2025.

Status: Partially Corrected.

2023-040: **U.S. Department of Health and Human Services**
Temporary Assistance for Needy Families, 93.558
COVID-19 Temporary Assistance for Needy Families, 93.558

Subrecipient Monitoring
Material Weakness in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.332 requires that:

Pass-through entities monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, complies with the terms and conditions of the subaward, and achieves performance goals.

The Division of Welfare and Supportive Services (DWSS) has developed risk based subrecipient monitoring policies and procedures to provide for reasonable assurance that subrecipients are complying with federal requirements. These policies indicate that DWSS will perform an onsite review at least every three years, with higher risk subrecipients being subjected to increased frequency of review and oversight.

Certain subrecipients were identified as high risk by DWSS and were not subjected to higher frequency monitoring procedures as described by the DWSS policy, such as a desk review or on-site visit.

DWSS did not have adequate internal controls to ensure program staff had adequate capacity to perform monitoring procedures for subrecipients in accordance with DWSS policy.

Noncompliance at the subrecipient level may occur and not be detected.

A nonstatistical sample of three subrecipients out of a population of nine was selected for testing. Of the three subrecipients selected, two were deemed high risk by DWSS and neither were monitored through desk review or on-site review during the year.

We recommend DWSS implement internal controls to ensure program staff have adequate capacity to perform monitoring procedures for subrecipients in accordance with DWSS policy.

State's Response: Corrected.

Status: Corrected.

2023-041: **U.S. Department of Health and Human Services**
Child Support Enforcement, 93.563

Subrecipient Monitoring
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.332 requires that:

Pass-through entities ensure every subaward includes certain information at the time of the subaward.

Subawards did not contain all the required information.

The Division of Welfare and Supportive Services (DWSS) did not have internal controls to ensure subawards contained all required information.

The subrecipient may not be aware of all requirements and noncompliance could occur.

A nonstatistical sample of three subrecipients out of a population of 15 was selected for testing. All three subrecipient agreements were missing required elements per 2 CFR 200.332. The items missing from the agreements were:

- Federal Award Identification Number
- Subrecipient Unique Entity Identifier
- Indirect Cost Rate
- Federal Award Date

We recommend DWSS implement internal controls to ensure subawards contain all required information.

State's Response: Corrective action is in place as of September 2025.

Status: Partially Corrected

2023-042, 2022-047: **U.S. Department of Health and Human Services**
Low-Income Home Energy Assistance, 93.568
COVID-19 Low-Income Home Energy Assistance, 93.568

Cash Management
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Certain reimbursement requests were not reviewed and approved by an individual independent of the preparation of the request.

The Nevada Division of Welfare and Supportive Services (DWSS) did not have adequate internal controls to ensure all reimbursement requests were reviewed and approved.

Inaccurate reimbursement requests may occur and not detected by DWSS timely.

A nonstatistical sample of 29 reimbursement requests out of a population of 141 was selected for testing. Six reimbursement requests did not have the evidence of review and approval by an individual independent of the preparation (segregation of duties).

We recommend DWSS enhance internal controls to ensure all reimbursement requests are reviewed and approved in accordance with the Division's internal control policy.

State's Response: Corrective action is in place as of July 1, 2023.

Reason for recurrence, if applicable: Although corrective measures were initiated following the prior finding, they were not fully in place during the audit period. Independent review and segregation of duties had not yet been consistently applied to all reimbursement requests, which resulted in recurrence.

Explain significant differences in corrective action from prior year, if applicable: In the prior year, corrective action focused primarily on reinforcing staff awareness and developing draft procedures. For the current year, DSS has fully implemented operational changes: independent review is now required for all reimbursement requests, staff roles are clearly segregated, and supervisory sign-off is mandatory. These steps represent a functional enhancement to internal controls compared to the prior year.

Status: Corrected

2023-043, 2022-049, 2021-046:

U.S. Department of Health and Human Services
Low-Income Home Energy Assistance, 93.568
COVID-19 Low-Income Home Energy Assistance, 93.568

Eligibility
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2021

Finding Summary: As provided by 42 USC 8624(b)(2), assistance may be provided to:

- Households in which one or more individuals are receiving Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), Supplemental Nutrition Assistance Program (SNAP) benefits, or certain needs-tested veterans' benefits or;
- Households with incomes which do not exceed the greater of 150% of the State's established poverty level, or 60% of the State's median income. Lower income eligibility criteria may be established, but no household may be excluded solely on the basis of income if the household income is less than 110% of the State's poverty level.

The *Low-Income Home Energy Assistance State Plan* (State Plan) establishes and describes assistance benefit levels, which provides for the calculation of a Fixed Annual Credit (FAC) and ultimately, the amount of assistance provided.

The amount of assistance to provide was not calculated correctly.

The Nevada Division of Welfare and Supportive Services (DWSS) did not have adequate internal controls to ensure annual and eligible income were correctly reflected.

Benefits were not computed accurately and over disbursed.

Questioned Costs: $307

A nonstatistical sample of 60 recipients ($66,234 benefits paid) out of a population of 12,285 ($16,985,706 benefits paid) was selected for testing. For one recipient, the annual and eligible income was reflected as $0. However, the annual and eligible income should have been $13,404 as supported by the case file, which impacted the benefit calculation and resulted in the over payment.

We recommend DWSS enhance internal controls to ensure annual and eligible income is correctly reflected.

State's Response: Corrected

Reason for recurrence, if applicable: Corrective actions were initiated following the prior finding, they were not fully implemented at the time of audit testing for SFY 2023. While supervisory staff began policy discussions with case managers, the consistent application of case reviews and targeted retraining was not yet embedded across all program areas, leading to recurrence of the finding

Explain significant differences in corrective action from prior year, if applicable: In the prior year, corrective action was limited to policy clarification and supervisory discussions with case management staff. For the current year, corrective action has advanced to operationalized controls: supervisory case reviews are mandatory prior to certification, case errors are corrected promptly, and error trends are actively monitored and used to guide targeted training.

Status: Corrected

2023-044: **U.S. Department of Health and Human Services**
Low-Income Home Energy Assistance, 93.568
COVID-19 Low-Income Home Energy Assistance, 93.568

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency include all activity of the reporting period, are supported by underlying accounting information, and are presented in accordance with program requirements.

The Nevada Division of Welfare and Supportive Services (DWSS) is required to submit the *LIHEAP Performance Data Form* each year, which indicates the amount expected to be carried forward for obligation in the following fiscal year and the planned use of those funds and the sources and uses of LIHEAP funds, respectively.

Amounts reported for weatherization assistance benefits, unobligated funds, and administration costs did not have underlying documentation to support the amount reported.

DWSS did not have adequate internal controls to ensure amounts reported on the *LIHEAP Performance DATA Form* were appropriately supported.

Inaccurate information may have been reported to the federal awarding agency.

The one annual report submitted during the audit period was selected for testing. Weatherization Assistance Benefits of $617,842, Unobligated Funds of $286,708, and Administration Costs of $995,181 had no supporting documentation available to show how amounts were determined.

We recommend DWSS enhance internal controls to ensure amounts reported on the *LIHEAP Performance Data Form* are appropriately supported.

State's Response: Corrective action is in place as of August 2025.

Status: Partially Corrected

2023-045, 2022-050, 2021-048:

U.S. Department of Health and Human Services
Low-Income Home Energy Assistance, 93.568
COVID-19 Low-Income Home Energy Assistance, 93.568

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2021

Finding Summary: The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency include all activity of the reporting period, are supported by underlying accounting information, and are presented in accordance with program requirements.

The Nevada Division of Welfare and Supportive Services (DWSS) is required to submit the *LIHEAP Carryover and Reallotment Report* each year, which indicates the amount expected to be carried forward for obligation in the following fiscal year and the planned use of those funds and the sources and uses of LIHEAP funds, respectively.

The projected unobligated balance (carryover amount) had no underlying documentation or support the amount.

DWSS did not have internal controls to ensure amounts reported on the *LIHEAP Carryover and Reallotment Report* were adequately documented and supported.

Inaccurate information may have been reported to the federal awarding agency.

The one annual report submitted during the audit period was selected for testing. The following variances were noted on the report:

	Amount Reported	Amount per Reconciliation
Line 1.1 – Current Year payable	$15,545,877	$15,012,533
Line 1.3 – Projected unobligated balance	$286,709	$999,808

No explanation for the reconciling items between the reconciliation amounts and the amounts ultimately reported were provided.

We recommend DWSS implement internal controls to ensure amounts reported on the *LIHEAP Carryover and Reallotment Report* are adequately documented and supported.

State's Response: Corrected.

Status: Corrected

2023-046, 2022-051, 2021-050:

U.S. Department of Health and Human Services
Low-Income Home Energy Assistance, 93.568
COVID-19 Low-Income Home Energy Assistance, 93.568

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2021

Finding Summary: The Federal Funding Accountability and Transparency Act (FFATA) requires direct recipients of certain federal awards to report subaward information by the end of the month following the month in which the prime awardee obligates a subgrant award equal to or greater than $30,000.

Required subaward information was not reported in the FFATA Subaward Reporting System (FSRS).

The Nevada Housing Division (NHD) did not have internal controls to ensure subaward information was submitted in accordance with the FFATA.

Subaward obligations were not reported in the FSRS and therefore not included on the FFATA's website for public information disclosure.

We tested the entire population of 4 subawards obligated during the year. The quantity and subaward obligation errors were noted as follows:

	Subawards	Obligations
Total Tested	4	$1,398,599
Not Reported	4	$1,398,599
Not Timely	4	$1,398,599
Obligation Incorrect	4	$1,398,599
Missing Key Elements	4	$1,398,599

We recommend NHD implement internal controls to ensure subaward information is submitted in accordance with the FFATA.

State's Response: **Corrective Action:** The Division will adopt an internal grants manual that establishes the process for ensuring subaward information is submitted in accordance with the FFATA. The Division will also establish an internal audit and compliance committee to enhance oversight of existing policies for assessing risk (which include verifying suspension or debarment), monitoring and sharing best practices across its business. The internal audit and compliance committee will be responsible for reviewing internal controls and policies on an annual basis, following up on any audit findings and ensuring follow-through of corrective action plans.

Adoption of Corrective Action: January 2024

Status: Not Corrected

2023-047: **U.S. Department of Health and Human Services**
CCDF Cluster:
Child Care and Development Block Grant, 93.575
COVID-19 Child Care and Development Block Grant, 93.575
Child Care Mandatory and Matching Funds of the Child Care and Development Fund, 93.596

Matching, Level of Effort, and Earmarking
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Applicable to the matching fund (assistance listing 93.596), state expenditures will be matched at the Federal Medical Assistance Percentage (FMAP) rate for the applicable fiscal year. Private or public donated funds may be counted as state expenditures for this purpose subject to the limitations in 45 CFR section 98.53.

The Division of Welfare and Supportive Services (DWSS) utilizes donated in-kind services from partner agencies and subrecipients to satisfy the match requirement for the matching fund. The in-kind services are cumulatively tracked and applied against the required match.

During our audit procedures, we noted instances where the amount reported for matching expenditures did not agree to the in-kind cumulative tracker and instances where the underlying support (certified match letters received from partner agencies and subrecipients) did not agree to the tracker.

DWSS did not have adequate internal controls to ensure the in-kind service match amounts are reconciled and reported accurately.

Inaccurate amounts available for match may be maintained and may impact whether the matching requirement is met.

The matching fund was tested for the federal fiscal year 2020 matching grant, which had a period performance end of September 30, 2022. The match initially required was $6,252,334 (later adjusted in a final report to $7,233,384). The match reconciled in the cumulative balance tracker was $5,858,548. The match contributed from partner agencies and subrecipients was noted as $28,506,852; however, not all of the amounts tracked agreed to the underlying support.

Although, $20,190,154 was agreed to the underlying support, which was sufficient to meet the matching requirement.

We recommend DWSS enhance internal controls to ensure in-kind service match amounts are reconciled and reported accurately.

State's Response: Corrective action will be in place as of November 15, 2025.

Status: Partially Corrected

2023-048, 2022-053: **U.S. Department of Health and Human Services**
CCDF Cluster:
Child Care and Development Block Grant, 93.575
COVID-19 Child Care and Development Block Grant, 93.575
Child Care Mandatory and Matching Funds of the Child Care and Development Fund, 93.596

Reporting
Material Weakness in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency include all activity of the reporting period, are supported by underlying accounting information or performance records, and are fairly presented in accordance with governing requirements.

The Division of Welfare and Supportive Services (DWSS) must submit the *ACF-696, Child Care and Development Fund Financial Reports* quarterly.

Certain amounts reported on the ACF-696 did not agree to underlying documentation.

DWSS did not have internal controls to ensure the amounts reported were adequately documented and supported.

Inaccurate information was reported to the federal awarding agency.

A nonstatistical sample of four reports out of a population of 14 submitted during the audit period was selected for testing. Variances were noted as follows:

Quarter Ended September 30, 2022 (FFY2021 – 2101NVCCDF)

	Amount Reported	Amount per General Ledger
Line 1d – Direct Services (Col C)	$17,839,132	$17,912,019

Quarter Ended March 31, 2023 (FFY2020 – 2001NVCCDF)

	Amount Reported	Amount per General Ledger
Line 1 – Total Expenditures (Col B)	$16,920,153	$23,235,306
Line 1d – Direct Services (Col B)	$15,304,717	$16,294,920
Line 2a – State Expenditures (Col B)	$625,234	$6,940,386

We recommend DWSS implement internal controls to ensure the amounts reported are adequately documented and supported.

State's Response: The internal controls have been updated to ensure the amounts are documented and reported accurately.

Status: Not Corrected

2023-049, 2022-054: **U.S. Department of Health and Human Services**
CCDF Cluster:
Child Care and Development Block Grant, 93.575
COVID-19 Child Care and Development Block Grant, 93.575
Child Care Mandatory and Matching Funds of the Child Care and Development Fund, 93.596

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: The Federal Funding Accountability and Transparency Act (FFATA) requires direct recipients of certain federal awards to report subaward information by the end of the month following the month in which the prime awardee obligates a subgrant award equal to or greater than $30,000.
Required subaward information was not reported in the FFATA Subaward Reporting System (FSRS).

The Division of Welfare Supportive Services (DWSS) did not have internal controls to ensure subaward information was submitted in accordance with the FFATA.

Subaward obligations were not reported in the FSRS, and, therefore, not included on the FFATA's website for public information disclosure.

A nonstatistical sample of three out of a population of six applicable subaward obligations was selected for testing. The quantity and subaward obligation errors were noted as follows:

	Subawards	Obligations
Total Tested	3	$135,360,827
Not Reported	3	$135,360,827
Not Timely	3	$135,360,827
Obligation Incorrect	3	$135,360,827
Missing Key Elements	3	$135,360,827

We recommend DWSS implement internal controls to ensure subaward information is submitted in accordance with the FFATA.

State's Response: Corrective action in place as of September 2025

Reason for recurrence, if applicable: A (though DSS began corrective action in June 2023 by hiring a Grants Manager and initiating the entry of unreported grants and subawards into FSRS, those changes were still in process during SFY 2023. As a result, full implementation of monthly reporting and internal review controls was not yet in place at the time of the 2023 audit testing, leading to recurrence of the finding.

Explain significant differences in corrective action f om prior year, if applicable: In contrast to the prior year's partial corrective action (focused on backlog cleanup and staffing changes), corrective action for the current year has fully resolved the issue. All outstanding subaward reports were brought current as of August 2025. Designated staff are now responsible for monthly submission, documentation, and verification, and these requirements are formally embedded into DSS standard operating procedures. Internal review procedures have been established to confirm both timeliness and accuracy of FFATA reporting, ensuring the deficiency has been corrected and will be sustained going forward.

Status: Partially Corrected

2023-050, 2022-056, 2021-054, 2020-027, 2019-034, 2018-038:

U.S. Department of Health and Human Services
Foster Care – Title IV-E, 93.658
Adoption Assistance, 93.659

Allowable Costs/Cost Principles
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2018

Finding Summary: Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) provides that a State must claim federal financial participation for costs associated with a program only in accordance with its approved cost allocation plan. Since cost allocation plans are of a narrative nature, the Federal government needs assurance that the cost allocation plan has been implemented as approved.

Allocation methods used in cost allocation did not agree to the approved cost allocation plan, amounts allocated did not agree to the general ledger, and allocation statistics did not agree to underlying support.

The Nevada Division of Child and Family Services (DCFS) did not have adequate internal controls to ensure costs were allocated accurately and in accordance with the cost allocation plan.

Costs may be charged to the federal programs that do not agree to the cost allocation plan.

Questioned Costs: Foster Care - $24,025 Adoption Assistance - $30,475

A nonstatistical sample of two out of four quarters was selected for testing (the September 30, 2022 and March 31, 2023 quarters). In summary, errors were noted as follows:

- Two allocation methods did not agree to the submitted cost allocation plan. Rural Case Management Contracts are not included within the cost allocation plan and Temporary Staffing Contracts are direct to a different grant per the cost allocation plan, but were actually allocated as a result of RMS.
- Total costs allocated (across all programs) in budget account 3145 were overstated by $69,615 in the September 30, 2022 quarter and were understated by $2,297 in the March 31, 2023 quarter when agreeing amounts to the general ledger.
- Two allocation statistics did not agree to the underlying supporting documentation that impacted the allocation percentages by 0.32% and .02% for two allocation methods in the March 31, 2023 cost allocation. These ultimately represented an under allocation to federal programs.

We recommend DCFS enhance internal controls to ensure costs are allocated accurately and in accordance with the cost allocation plan.

State's Response: **Reason for recurrence, if applicable:** Vacancies in positions with responsibility over these areas and recognized training needs for new staff.

New corrective action: Newly hired staff will be trained on the revised internal controls, which will allow for implementation of the revised internal controls policies and procedures and timely submission of Cost Allocation Plan Narrative updates to the federal cognizant agency.

Internal audits will be performed periodically to ensure staff are following the revised internal controls.

Partial corrective action taken: Internal controls policies and procedures were revised to address deficiencies. Vacancies in positions with responsibility over cost allocations have been filled.

Explain significant differences in corrective action from prior year, if applicable: Staff recruitments were completed.

Status: Not Corrected

2023-051, 2022-057, 2021-055:

U.S. Department of Health and Human Services
Foster Care – Title IV-E, 93.658

Reporting
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2021

Finding Summary: The Federal Funding Accountability and Transparency Act (FFATA) requires direct recipients of certain federal awards to report subaward information by the end of the month following the month in which the prime awardee obligates a subgrant award equal to or greater than $30,000.

Required subaward information was not reported timely in the FFATA Subaward Reporting System (FSRS).

The Nevada Division of Child and Family Services (DCFS) did not have internal controls to ensure subaward information was submitted timely in accordance with the FFATA.

Subaward obligations were not reported in the FSRS timely and therefore delayed on the FFATA's website for public information disclosure.

We tested the entire population of three subawards greater than $30,000 obligated during the year. The timeliness errors were noted as follows:

	Subawards	Obligations
Total Tested	3	$41,017,389
Not Reported	-	-
Not Timely	2	$36,980,730
Obligation Incorrect	-	-
Missing Key Elements	-	-

The obligation date for the non-timely subawards was September 2022 and they were reported in January 2023.

We recommend DCFS implement internal controls to ensure subaward information is submitted timely in accordance with the FFATA.

State's Response: **Corrected 08/01/2022**

Status: Corrected

2023-052, 2022-058: **U.S. Department of Health and Human Services**
Foster Care – Title IV-E, 93.658

Subrecipient Monitoring
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.332 requires that pass-through entities ensure that every subaward includes certain information at the time of the subaward and that the award's assistance listing number is identified to the subrecipient at the time of disbursement.

The assistance listing number was not identified at the time of disbursement.

The Division of Child and Family Services (DCFS) did not have adequate internal controls to ensure the assistance listing number was communicated on each disbursement to a subrecipient.

The subrecipient may not identify program receipts appropriately.

A nonstatistical sample of six subrecipient payments out of a population of 24 was selected for testing. The assistance listing number was not communicated on any of the payments.

We recommend DCFS enhance internal controls to ensure the assistance listing number is communicated on each disbursement to a subrecipient.

State's Response: Corrected 04/10/2024

Status: Partially Corrected

2023-053, 2022-059, 2021-056, 2020-030: **U.S. Department of Health and Human Services**
Children's Health Insurance Program (CHIP), 93.767

Eligibility
Material Weakness in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2020

Finding Summary: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

States are required to determine eligibility in accordance with the eligibility requirements defined in the approved State plan (42 CFR 457). The State plan describes certain aid categories, including the eligibility criteria and potential benefits allowed under the aid categories for eligible individuals.

To enroll in CHIP, a beneficiary must apply for benefits to the Nevada Division of Welfare and Supportive Services (DWSS). An intake employee will review, timestamp, and input the application or redetermination into a casefile to provide for a second review of the application or redetermination by a supervisor.

A redetermination was not always maintained to allow for the review by a supervisor.

DWSS did not have adequate internal controls to ensure applications and redeterminations were properly documented and maintained.

Individuals may receive benefits that they are not entitled to or not receive benefits for which they are entitled to.

A nonstatistical sample of 60 out of a population of 32,339 eligible participants was selected for testing. One individual did not have an application or redetermination available for review. However, other supporting documentation was maintained that ultimately supported the eligibility determination and conclusion.

We recommend DWSS enhance internal controls to ensure applications and redeterminations are properly documented and maintained.

State's Response: Corrected.

Status: Corrected

2023-054, 2022-061: **U.S. Department of Health and Human Services**
Children's Health Insurance Program (CHIP), 93.767
Medicaid Cluster:
State Medicaid Fraud Control Units, 93.775
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare, 93.777
Medical Assistance Program (Medicaid; Title XIX), 93.778

Eligibility
Material Weakness in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Title 42 *Public Health* section 435.403 *State Residence* provides that the State must provide Medicaid to eligible residents of the State, including residents who are absent from the State, except in cases where another state has determined that the person is a resident there for purposes of Medicaid.

The Medicaid State Plan provides that the State has an eligibility determination system for data matching through the Public Assistance Reporting Information System (PARIS). The information that is requested is to be exchanged with states and other entities legally entitled to verify Title XIX applications and individuals eligible for covered Title XIX services consistent with applicable PARIS agreements. The State will transmit and receive data quarterly (February, May, August, and November).

The State enrolls beneficiaries on a mandatory basis into managed care entities (managed care organizations and/or primary care case managers) in the absence of certain allowable waivers. The State contracts with managed care organizations and reimburses them for capitation payments.

PARIS data was not utilized by the Division of Health Care Financing and Policy (DHCFP) or the Division of Welfare and Supportive Services (DWSS) to monitor residency changes to determine when managed care benefits needed to be terminated because the beneficiary was a resident of another state for Medicaid purposes.

DHCFP and DWSS did not have internal controls in place to effectively communicate the PARIS data between the two agencies to ensure managed care benefits were terminated when appropriate.
Individuals are enrolled in Medicaid (and CHIP) plans in multiple states and benefits are not being terminated timely. Therefore, the State of Nevada is paying capitation payments to managed care organizations, when the benefits should have been terminated.

Questioned Costs: Projected questioned costs are $11,108,851 for Medicaid and $139,223 for CHIP.

No sampling was used. The PARIS data was obtained and examined in total. The PARIS data included 55,251 participants with dual enrollment. Of those 55,251 participants, 8,439 participants were enrolled in another state after the State of Nevada. The projected questioned costs were estimated by performing the following:

- Identifying individuals who enrolled in another state after they had enrolled in Nevada (termination date for Nevada).
- Estimating a weighted average capitation payment based on demographics that determine the payment amount.
- Applying the weighted average capitation payments from the termination date through June 30, 2023 to determine the total projected questioned costs.
- The total projected questioned costs were then allocated between Medicaid and CHIP using participant counts in each plan between the ages of 0-18. Participants older than 18 were allocated to Medicaid. The allocated projected questioned costs were then multiplied by a weighted average Federal Medical Assistance Percentage (FMAP) to determine the final projected federal questioned costs.

We recommend DHCFP and DWSS implement internal controls to effectively communicate the PARIS data between each other and to ensure managed care benefits are terminated when appropriate.

State's Response:

DWSS:
Corrective action in place as of September 2025
Reason for recurrence, if applicable: Recurrence was due to gaps in manual indexing and supervisory follow-up, as well as delays in fully automating the PARIS file process. Staff turnover and reliance on outdated workflows also contributed to incomplete or delayed resolution of PARIS-identified discrepancies.

Explain significant differences in corrective action from prior year, if applicable: In prior years, corrective action focused mainly on staff-level reminders and manual processing of PARIS results. The current corrective action introduces automation of the PARIS file, mandatory supervisory review of application records, and systematic documentation in DIS. These represent a substantial shift from reactive, manual corrections to proactive, automated controls and structured oversight, which will help ensure accuracy and reduce recurrence.

DHCFP:

Reason for recurrence, if applicable: While working to implement system enhancements for the automated process, DSS was manually working the PARIS report. During the period resulting in recurrence, DSS did not receive the PARIS report for 6 months due to a contract issue at the federal level, which was outside the state's control. In addition, due to an oversight in staffing, the 2nd quarter report for 2025 was not received, however the report was addressed in the 3rd quarter of 2025 and ongoing, with automation in place starting with the September 2025 PARIS report.

New corrective action: The Division of Social Services (DSS) will automate the PARIS process effective with the 2025 PARIS report. The automation is designed to streamline the quarterly PARIS process. Upon receipt of the file, the system will generate initial requests for information to customers identified, requiring them to confirm Nevada residency. Customers will be allowed 30 days to respond. Approximately five days after the initial request, reminder notices will be issued by text message and email to customers who have not responded. Customers who fail to respond within the 30-day timeframe, or who confirm an out-of-state address, will be terminated in accordance with policy, while those confirming Nevada residency will retain eligibility. As additional federal guidance becomes available related to HR1, Nevada will review internal processes to ensure compliance and efficiency.

Status:

DWSS: Partially Corrected
DHCFP: Not Corrected

2023-055: **U.S. Department of Health and Human Services**
Medicaid Cluster:
State Medicaid Fraud Control Units, 93.775
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare, 93.777
Medical Assistance Program (Medicaid; Title XIX), 93.778

Allowable Activities and Allowable Costs/Cost Principles
Material Weakness in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.403 provides that costs must be adequately documented to support the allowability of the cost.

Underlying supporting documentation for certain administrative costs was not maintained by the Division of Health Care Financing and Policy (DHCFP).

DHCFP did not have adequate internal controls to ensure supporting documentation for administrative expenditures was maintained.

Administrative costs were charged to the federal program without appropriate supporting documentation.

Questioned Costs: $5,459

A nonstatistical sample of 60 transactions ($634,037) out of a population of 4,335 transactions ($134,939,132) was selected for testing. No documentation was available to support seven transactions, totaling $5,459, that were charged to the federal program. These charges included general ledger descriptions of:

- Per diem in-state
- Annual leave
- Building and grounds lease assessment
- IT virtual server hosting
- IT security assessment

Of the seven transactions, five were journal vouchers that did not contain the underlying support for the journal voucher. One transaction was coded as a direct payment voucher and one transaction was coded as an expenditure to a cash receipt (rather than payment voucher).

We recommend DHCFP enhance internal controls to ensure supporting documentation for administrative expenditures is maintained.

State's Response: Corrected

Status: Corrected

2023-056: **U.S. Department of Health and Human Services**
Medicaid Cluster:
State Medicaid Fraud Control Units, 93.775
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare, 93.777
Medical Assistance Program (Medicaid; Title XIX), 93.778

Eligibility
Material Weakness in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

States are required to determine eligibility in accordance with the eligibility requirements defined in the approved State plan (42 CFR 457). The State plan describes certain aid categories, including the eligibility criteria and potential benefits allowed under the aid categories for eligible individuals.

To enroll in Medicaid, a beneficiary must apply for benefits to the Nevada Division of Welfare and Supportive Services (DWSS). An intake employee will review, timestamp, and input the application or redetermination into a casefile to provide for a second review of the application or redetermination by a supervisor.

In certain instances, the application or redetermination was either not properly filed or not maintained to allow for review by a supervisor.

DWSS did not have adequate internal controls to ensure applications and redeterminations were properly documented and maintained.

Individuals may receive benefits that they are not entitled to or not receive benefits for which they are entitled to.

A nonstatistical sample of 60 out of a population of 74,760 Modified Adjusted Gross Income (MAGI) based determinations was selected for testing. Two applications were not properly indexed or maintained in the casefile to allow for review by a supervisor. However, the other supporting documentation was maintained that ultimately supported the eligibility determination and conclusion.

We recommend DWSS enhance internal controls to ensure applications and redeterminations are properly documented and maintained.

State's Response: Corrected

Status: Corrected

2023-057, 2022-062, 2021-061, 2020-033: **U.S. Department of Health and Human Services**
Medicaid Cluster:
State Medicaid Fraud Control Units, 93.775
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare, 93.777
Medical Assistance Program (Medicaid; Title XIX), 93.778

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2020

Finding Summary: The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency include all activity of the reporting period, are supported by underlying accounting information, and are presented in accordance with program requirements.

The Nevada Division of Health Care Financing and Policy (DHCFP) is required to submit *Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program* (CMS-64) reports based on actual recorded expenditures (42 CFR 430.30).

Amounts reported on the CMS-64 were not supported by the underlying accounting information.

DHCFP did not have adequate internal controls to ensure CMS-64 reports were accurate or supporting documentation for reconciling items was maintained.

Inaccurate information may be reported to the federal awarding agency.

A nonstatistical sample of two CMS-64 reports out of a population of four was selected for testing. DHCFP has manual adjustments to key line items within the CMS-64 from the general ledger. DHCFP did not maintain a record of any of the manual adjustments and we were unable to verify whether the manual adjustment was appropriate. In total, there were $36,128,957 in manual adjustments in the December 31, 2022 CMS-64 report and $5,364,337 in the March 31, 2023 CMS-64 report that we were unable to verify.

We recommend DHCFP enhance internal controls to ensure CMS-64 reports are accurate and supporting documentation is maintained.

State's Response: Corrected

Status: Corrected

2022-022, 2019-016, 2018-019:

U.S. Department of Labor
WIOA Cluster:
WIOA Adult Program, 17.258
WIOA Youth Activities, 17.259
WIOA Dislocated Worker Formula Grants, 17.278

Reporting
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2018

Finding Summary: Affects all grant awards included under assistance listing 17.258, 17.259, and 17.278 on the Schedule of Expenditures of Federal Awards.

The Federal Funding Accountability and Transparency Act (FFATA) requires direct recipients of certain federal awards to report subaward information by the end of the month following the month in which the prime awardee obligates a subgrant award equal to $30,000.

Accurate and timely subaward information was not reported in the FFATA Subaward Reporting System (FSRS).

The Department of Employment, Training, and Rehabilitation (DETR) did not have internal controls to ensure subaward information was submitted in accordance with the FFATA.

Subaward obligation dates were not reported accurately or timely in the FSRS; therefore, public information disclosures are inaccurate.

A nonstatistical sample of three out of a population of eight applicable subawards obligations during the year was selected for testing.:

	Subawards	Obligations
Total Tested	3	$38,640,550
Not Reported	-	-
Not Timely	2	$31,112,031
Obligation Incorrect	-	-
Missing Key Elements	3	$38,640,550

Obligation dates were reported as October 1, 2021 for all three subawards rather than August 2, 2021 (two subawards) or September 22, 2021 (one subaward).

We recommend DETR implement internal controls to ensure subaward information is submitted in accordance with the FFATA.

State's Response: **Status of Corrective Action:** Corrected as of June 6, 2026

Reason for recurrence, if applicable: DETR had originally corrected this finding in December of 2023. However, when the FFATA reporting was converted from Grants.gov to Sam.gov DETR staff did not update procedures to show the date the reports were submitted.

New corrective action: DETR staff updated internal controls and procedures to take screenshots of the submitted reports with the dates the reports were transmitted. Grants.gov does not show the submission date on the saved reports.

Explain significant differences in corrective action from prior year, if applicable: Prior year corrective action was updating procedures to ensure compliance. Current corrective action plan updated internal controls to show proof of submission date.

Status: Partially Corrected.

2022-023: **U.S. Department of Labor**
WIOA Cluster:
WIOA Adult Program, 17.258
WIOA Youth Activities, 17.259
WIOA Dislocated Worker Formula Grants, 17.278

Subrecipient Monitoring
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Affects all grant awards included under assistance listing 17.258, 17.259, and 17.278 on the Schedule of Expenditures of Federal Awards.

Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) requires that pass-through entities ensure that every subaward includes certain information at the time of the subaward and that the award's assistance listing number is identified to the subrecipient at the time of disbursement.

The assistance listing number was not identified at the time of disbursement.

The Department of Employment, Training and Rehabilitation (DETR) did not have internal controls to ensure the assistance listing number was communicated on each disbursement to a subrecipient.

Noncompliance at the subrecipient level may occur and not be detected by the Department.

A nonstatistical sample of 60 out of a population of 571 payments to subrecipients was selected for testing. DETR did not communicate the award's assistance listing number at the time of disbursement for all 60 payments.

We recommend DETR implement internal controls to ensure the assistance listing number is communicated on each disbursement to a subrecipient.

State's Response: **Status of Corrective Action:** Corrected as of June 10, 2026

Reason for recurrence, if applicable: DETR had originally corrected this finding in May 2023. However, in the conversion from Advantage 2 to Advantage 4 (CORE.NV) the mapping from DETR Financial System (DFS) to CORE.NV was not done properly.

New corrective action: DETR staff worked with the Office of Project Management (OPM) to correct the mapping. The ALN number is now printing on all deposit advices to the subrecipients.

Explain significant differences in corrective action from prior year, if applicable: Prior corrective action was updating internal controls to ensure that the ALN number was input as an additional note on all payments to subrecipients. Current corrective action was working with OPM staff to correctly map the additional note field in DFS to the extended check description in CORE.NV to ensure the additional note prints on the deposit advice.

Status: Not Corrected.

2022-024, 2021-030: **U.S. Department of the Treasury**
Coronavirus Relief Fund, 21.019

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2021

Finding Summary: Affects all grant awards included under assistance listing 21.019 on the Schedule of Expenditures of Federal Awards.

The OMB Compliance Supplement requires that reports submitted to the federal awarding agency include all activity of the reporting period, are supported by applicable accounting or performance records, and are fairly presented in accordance with governing requirements.

The Nevada Governor's Finance Office (GFO) must submit quarterly Financial Progress Reports that contain COVID-19 related costs incurred during the covered period to Treasury OIG. Critical information includes:

- The total amount of payments received from Treasury.
- The amount of funds received that were expended or obligated for each project or activity.
- A detailed list and a description of all projects or activities for which funds were expended or obligated.
- Detailed information on any loans issued; contracts and grants awarded; transfers made to other government entities; and direct payments made that are greater than $50,000.

Some expenditures were not reported in the appropriate classification or by vendor.

GFO did not have adequate internal controls to ensure Financial Progress Reports were prepared in accordance with governing requirements.

Inaccurate information was reported to the federal awarding agency.

A nonstatistical sample of two *Financial Progress Reports* from a population of four was selected for testing. Obligations for Direct Payments greater than $50,000 did not agree to underlying support. Transfers to other agencies within the State were reported as direct payments to the State of Nevada rather than reported by the vendor that those agencies expended funds to. In addition, payments to subrecipients were reported as direct payments to vendors rather than as a subrecipient payment.

The cumulative impact is as follows:

<u>Reporting Period Ended December 31, 2021</u>
For reporting category - direct payments > $50,000:
Obligations were reported as $371,850,696. However, supporting documentation showed obligations of $44,591,536. Of the $371,850,696 $327,259,160 should have been reported by vendor as either a contract, grant, transfer, vendor specific (rather than state agency, county, or city) direct payment, or an aggregate payment to an individual.

Expenditures were reported as $4,297,856. However, we identified $4,109,950 in expenditures that were reported as a direct payment to other state agencies, counties, or cities. The $4,109,950 should have been reported by vendor as either a contract, grant, transfer, vendor specific (rather than state agency, county, or city) direct payment, or aggregate payment to an individual.

Reporting Period Ended June 30, 2022
For reporting category - direct payments > $50,000:
Obligations were reported as $33,920,290. However, we identified $7,773,744 in obligations that were reported as a direct payment to other state agencies, counties, or cities. The $7,773,744 should have been reported by vendor as either a contract, grant, transfer, vendor specific (rather than state agency, county, or city) direct payment, or aggregate payment to an individual

We recommend the GFO enhance internal controls to ensure Financial Progress Reports are prepared in accordance with governing requirements.

State's Response: Internal Controls were reviewed and revised June 2024 and April 2025.

Status: Corrected.

2022-025, 2021-031: U.S. Department of the Treasury
Coronavirus Relief Fund, 21.019

Subrecipient Monitoring
Material Weakness in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2021

Finding Summary: Affects all grant awards included under assistance listing 21.019 on the Schedule of Expenditures of Federal Awards.

Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) section 200.332 requires that:

Pass-through entities communicate the award's assistance listing number to the subrecipient at the time of disbursement.

Pass-through entities verify every subrecipient is audited as required by Uniform Guidance, issue management decisions for audit findings, as applicable, and ensure the subrecipient takes timely corrective action on all audit findings, as applicable.

Assistance listing numbers were not communicated at disbursement and there was no evidence that subrecipient audit reports were monitored.

Adequate internal controls were not in place to ensure compliance with subrecipient monitoring requirements for the following agencies:

- Nevada Supreme Court
- Nevada Governor's Finance Office

Noncompliance at the subrecipient level may occur and not be detected by the State.

A nonstatistical sample of 4 subrecipients out of a population of 18 across all State agencies was selected for testing. A nonstatistical sample of 12 passthrough payments out of a population of 56 was selected for testing.

The following errors were noted by agency:

Nevada Governor's Finance Office
We tested four subrecipients and nine pass-through payments applicable to the Governors Finance Office. No documentation was available to provide that any of the four subrecipient audit reports had been monitored.

In addition, the assistance listing was not communicated at the time of disbursement for one pass-through payment tested.

Nevada Supreme Court
We tested three pass-through payments applicable to the Nevada Supreme Court. The assistance listing was not communicated at the time of disbursement for all three pass-through payments.

We recommend the State agencies listed above enhance internal controls to ensure compliance with subrecipient monitoring requirements.

State's Response: Supreme Court of Nevada response:
Corrected as of 02/17/2023. Correction was not retroactive.

Governor's Finance Office response:
The corrective action to add the assistance listing number to disbursements was completed in January 2023 and the Governor's Finance Office contracted with a vendor to complete all subrecipient monitoring.

The Governor's Finance Office Internal Controls were reviewed and revised June 2024 and April 2025.

Status: Supreme Court of Nevada response: Corrected.
Governor's Finance Office response: Corrected.

2022-029: **U.S. Department of Treasury**
Homeowners Assistance Fund, 21.026

Cash Management
Material Weakness in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Affects all grant awards included under assistance listing 21.026 on the Schedule of Expenditures of Federal Awards.

Title 2 *U.S Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 305(b)(1) states that pass-through entities must monitor cash drawdowns by their subrecipients to ensure that the time elapsing between the transfer of federal funds to the subrecipient and their disbursement for program purposes is minimized.

In accordance with Title 2 of *U.S Code of Federal Regulation* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 305(b)(8) and section 305(b)(9), HAF participants must maintain advance payments of their Federal awards in interest-bearing accounts, except in cases specified by that provision of regulations. HAF participants may retain up to $500 in earned interest annually from the date Treasury disbursed HAF award funds to the HAF participant. Any additional interest earned must be remitted annually to the Department of Health and Human Services Payment Management System.

The Nevada Housing Division (NHD) did not adequately monitor cash drawdowns by their subrecipients to ensure that the time elapsing between transfer of federal funds to the subrecipient and their disbursement for the program purpose was minimized. NHD did not track interest earned on funds advanced by the Department of Treasury and did not remit NHD's interest earned greater than $500.

NHD did not have internal controls to ensure time between disbursement of federal funds to the subrecipient and their disbursement for program purposes was minimized and to ensure interest was appropriately tracked and remitted in accordance with federal regulations.

An interest liability occurred due to cash advances not being spent as close as administratively feasible to when received and NHD's interest was not remitted.

The entire population of two subrecipient payments were selected for testing. The subaward provided for an initial advance funding of $3,000,000 for initial program costs, which was advanced on September 16, 2021. A second payment was made on May 17, 2022 for $9,000,000 when the original $3,000,000 had not yet been spent.

Interest of $213,019 was earned on funds advanced to NHD for the year ended June 30, 2022 and was not remitted to the Department of Health and Human Services Payment Management System in accordance with federal regulations.

We recommend NHD implement internal controls to ensure time between disbursement of federal funds to the subrecipient and their disbursement for program purposes is minimized and to ensure interest is appropriately tracked and remitted.

State's Response: Complete January 2024.

Status: Corrected.

2022-030: **U.S. Department of Treasury**
Homeowners Assistance Fund, 21.026

Reporting
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Affects all grant awards included under assistance listing 21.026 on the Schedule of Expenditures of Federal Awards.

Title *2 U.S. Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

The OMB Compliance Supplement requires that state homeowner assistance fund (HAF) participants submit a one-time interim report.

There was no evidence that the one-time interim report was reviewed by an individual separate from the preparer.

The Nevada Housing Division (NHD) did not have internal controls to ensure there was documented review of the one-time interim report.

Incorrect information may be submitted to the federal awarding agency.

We tested the entire population of one report submitted during the year.

We recommend NHD implement internal controls to ensure there is documented review of reports submitted to federal awarding agencies.

State's Response: Complete January 2024.

Status: Corrected.

2022-031: **U.S. Department of Treasury**
Homeowners Assistance Fund, 21.026

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Affects all grant awards included under assistance listing 21.026 on the Schedule of Expenditures of Federal Awards.

The Federal Funding Accountability and Transparency Act (FFATA) requires direct recipients of certain federal awards to report subaward information by the end of the month following the month in which the prime awardee obligates a subgrant award equal to $30,000.

Required subaward information was not reported in the FFATA Subaward Reporting System (FSRS).

The Nevada Housing Division (NHD) did not have internal controls to ensure subaward information was submitted in accordance with the FFATA.

Subaward obligations were not reported in the FSRS and therefore not included on the FFATA's website for public information disclosure.

We tested the entire population of one subaward obligated during the year. The quantity and subaward obligation errors were noted as follows:

	Subawards	Obligations
Total Tested	1	$12,000,000
Not Reported	1	$12,000,000
Not Timely	1	$12,000,000
Obligation Incorrect	1	$12,000,000
Missing Key Elements	1	$12,000,000

We recommend NHD implement internal controls to ensure subaward information is submitted in accordance with the FFATA.

State's Response: Complete January 2024.

Status: Corrected.

2022-038: **U.S. Department of Education**
Title I Grants to Local Educational Agencies, 84.010

Reporting
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Affects all grant awards included under assistance listing 84.010 on the Schedule of Expenditures of Federal Awards.

The *OMB Compliance Supplement* provides that State Educational Agencies must submit their average state per pupil expenditure data to the National Center for Education Statistics (*State Per Pupil Expenditure Report*).

Formula errors in the *State Per Pupil Expenditure Report* resulted in amounts reported for certain pass-through dollars to be inaccurate.

The Nevada Department of Education (NDE) did not have internal controls to ensure the *State Per Pupil Expenditure Report* was completed accurately.

Inaccurate information was reported to the National Center for Education Statistics.

The *State Per Pupil Expenditure Report* for the year ended June 30, 2021 (submitted in August 2022) was selected for testing. There were no expenditures reported for "Object Code 970 pass-through dollars"; however, the actual amount was $2,408,320. This error had no effect on the final per pupil expenditure calculation.

We recommend NDE enhance internal controls to ensure the State Per Pupil Expenditure Report is completed accurately.

State's Response: NDE shall develop a comprehensive Policy and Procedure (1.10 F-33 Report, Annual Survey of School System Finances) documenting the process for the development, review, and finalization of the F-33 report. Supplemental to the Policy and Procedure, NDE shall develop a Business Rule which clearly crosswalks source data to reporting outcomes. This business rule shall integrate principles from NDE's Records Management Program, to include clear file architecture for supporting documentation. A checklist detailing the chain of review shall also be implemented to track the review and approval process of federal reports prior to submission. Finally, NDE shall implement internal control monitoring specific to this report upon completion of an internal monitoring assessment. NDE will further review existing internal controls to determine if further support is necessary. The Office of Division Compliance will collaborate with the Office of District Support Services to develop and finalize these documents.

Status: Not Corrected.

2022-064: **U.S. Department of Health and Human Services**
Opioid STR, 93.788

Procurement, Suspension, and Debarment
Material Weakness in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Affects all grant awards included under assistance listing 93.788 on the Schedule of Expenditures of Federal Awards.

Title *2 U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) requires contracts contain the applicable provisions described in Appendix II to Part 200 for contracts under federal awards.

Non-Federal entities are prohibited from contracting with parties that are suspended or debarred under covered transactions.

Certain applicable provisions described in Appendix II to Part 200 were not included in contracts as required. Procedures were not followed to verify if an entity was suspended or debarred before entering into a covered transaction.

The Nevada Division of Public and Behavioral Health (DPBH) did not have adequate internal controls to ensure contracts under federal awards contained all of the applicable provisions or to ensure procedures were followed to verify an entity was not suspended or debarred prior to entering into a covered transaction.

Contractors may not be aware of required terms and conditions. A covered transaction may be entered into with an entity that is suspended or debarred.

A nonstatistical sample of 60 procurement transactions out of a population of 263 was selected for testing, including 11 contracts subject to Appendix II to Part 200. Eight vendor contracts selected did not contained the applicable provisions required by Appendix II to Part 200 and of those eight, seven were missing procedures to verify the vendor was not suspended or debarred.

We recommend DPBH enhance internal controls to ensure all contracts under federal awards contain the applicable contract provisions and to ensure procedures are followed to verify an entity was not suspended or debarred prior to entering into a covered transaction.

State's Response: Reason for recurrence, if applicable: The Division has requested the standard templates for all contracts, including statewide contracts, be updated to include applicable provisions by the State Purchasing Division. As of February 27,2024, this request has not been approved. The Division of Public and Behavioral Health will continue to request that the State Purchasing Division include the required federal provisions for Appendix II to Part 200 specific to Suspension/Debarment, Anti-Lobbying, Federal Water Pollution and Clean Air/Clean Water Act in all statewide contract templates.

New corrective action:
The Division has requested the standard templates for all contracts, including statewide contracts, be updated to include applicable provisions by the State Purchasing Division. As of February 27,2024, this request has not been approved. The Division of Public and Behavioral Health will continue to request that the State Purchasing Division include the required federal provisions for Appendix II to Part 200 specific to Suspension/Debarment, Anti-Lobbying, Federal Water Pollution and Clean Air/Clean Water Act in all statewide contract templates.

Partial corrective action taken:
As of January 2024, Division Administration Contract Unit has reviewed procedures and processes in place ensuring the suspension and disbarment report is being completed per internal procedures. The division has also ensured there is backup support in the case of staff vacancies.

The Division has requested the standard templates for all contracts, including statewide contracts, be updated to include applicable provisions by the State Purchasing Division.

Status: Partially corrected.

2022-065: **U.S. Department of Health and Human Services**
Opioid STR, 93.788

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2022

Finding Summary: Affects all grant awards included under assistance listing 93.788 on the Schedule of Expenditures of Federal Awards.

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

The grant agreements require that award recipients submit an annual and a mid- year *Performance Progress Report* (PPR).

The Nevada Division of Public and Behavioral Health (DPBH) did not maintain underlying documentation to support the amounts reported in annual and mid-year PPRs.

DPBH did not have internal controls to maintain adequate document retention to support compliance with the reporting requirements.

Inaccurate information may have been reported to the federal awarding agency.

The annual performance report and the mid-year performance report submitted during the audit period were selected for testing. Support was not maintained to reconcile or verify the accuracy of the amounts reported to the federal awarding agency for either report.

We recommend DPBH implement internal controls to maintain adequate document retention to support compliance with the reporting requirements.

State's Response: As of December 2023, The Bureau of Behavioral Health, Wellness, and Prevention (BBHWP) developed a document retention system to ensure subgrantee grant reports and supporting documentation is saved and is easily accessible for each award period. This new system will remove unnecessary barriers for accessing reports moving forward. Single audit findings were not provided to agency prior to early December 2023.

Status: Corrected.

2021-024, 2020-012, 2019-009, 2018-003, 2017-006, 2016-006, 2016-011:

U.S. Department of Agriculture
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), 10.557

Procurement, Suspension, and Debarment
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2016

Finding Summary: Affects all grant awards included under assistance listing 10.557 on the Schedule of Expenditures of Federal Awards.

Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) requires contracts contain the applicable provisions described in Appendix II to Part 200 for contracts under federal awards.

Certain applicable provisions described in Appendix II to Part 200 were not included in contracts as required.

The Nevada Division of Public and Behavioral Health (the Division) did not have adequate internal controls to ensure contracts under federal awards contained all of the applicable provisions.

Contractors may not be aware of required terms and conditions.

A nonstatistical sample of 60 procurement transactions out of approximately 3,000 was selected for testing, including 12 contracts subject to Appendix II to Part 200. Eight of the contracts were missing certain applicable provisions.

State's Response: Reason for recurrence: The Division has requested the standard templates for all contracts, including statewide contracts, be updated to include applicable provisions by the State Purchasing Division. As of February 27,2024, this request has not been approved. The Division of Public and Behavioral Health will continue to request that the State Purchasing Division include the required federal provisions for Appendix II to Part 200 specific to Suspension/Debarment, Anti-Lobbying, Federal Water Pollution and Clean Air/Clean Water Act in all statewide contract templates.

New corrective action: The Division of Public and Behavioral Health will continue to request that the State Purchasing Division include the required federal provisions for Appendix II to Part 200 specific to Suspension/Debarment, Anti-Lobbying, Federal Water Pollution and Clean Air/Clean Water Act in all statewide contract templates.

Partial corrective action taken: The Division has requested the standard templates for all contracts, including statewide contracts, be updated to include applicable provisions by the State Purchasing Division.

As of July 1, 2020, the Division has developed a quarterly and annual process to conduct suspension and debarment verifications for all contractors that receive federal funds to ensure division-wide compliance of this requirement.

Status: Partially Corrected.

2021-032: **U.S. Department of Treasury**
Emergency Rental Assistance Program, 21.023

Procurement, Suspension, and Debarment
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2021

Finding Summary: Affects all grant awards included under assistance listing 21.023 on the Schedule of Expenditures of Federal Awards.

All non-procurement transactions entered into by a pass-through entity (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215.

When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity is not suspended, debarred, or otherwise excluded from participating in the transaction. This verification may be accomplished by checking the System for Award

Management (SAM) Exclusions, collecting a certification from the entity, or adding a clause or condition to the covered transaction with that entity (2 CFR 200.214, 2 CFR Part 180).

Suspension and debarment verification procedures were not performed.

The Nevada Housing Division (the Division) did not have internal controls to ensure suspension and debarment verification procedures were performed for subrecipients.

Payments could have been made to subrecipients who were suspended or debarred.

The entire population of three subrecipient covered transactions was selected for testing. Suspension and debarment verification procedures were not performed for any of the covered transactions.

State's Response: Complete January 2024.

Status: Not Corrected.

2021-042: **U.S. Department of Health and Human Services**
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC), 93.323

Procurement, Suspension, and Debarment
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2021

Finding Summary: Affects all grant awards included under assistance listing 93.323 on the Schedule of Expenditures of Federal Awards.

Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) requires contracts contain the applicable provisions described in Appendix II to Part 200 for contracts under federal awards.

Certain applicable provisions described in Appendix II to Part 200 were not included in contracts as required.

The Nevada Division of Public and Behavioral Health (the Division) did not have adequate internal controls to ensure contracts under federal awards contained all of the applicable provisions.

Contractors may not be aware of required terms and conditions.

A nonstatistical sample of 60 procurement transactions out of approximately 2000 was selected for testing, including 17 contracts subject to Appendix II to Part 200. Ten of the contracts were missing certain applicable provisions.

State's Response: Reason for recurrence: The Division has requested the standard templates for all contracts, including statewide contracts, be updated to include applicable provisions by the State Purchasing Division. As of February 27,2024, this request has not been approved. The Division of Public and Behavioral Health will continue to request that the State Purchasing Division include the required federal provisions for Appendix II to Part 200 specific to Suspension/Debarment, Anti-Lobbying, Federal Water Pollution and Clean Air/Clean Water Act in all statewide contract templates.

New corrective action: The Division of Public and Behavioral Health will continue to request that the State Purchasing Division include the required federal provisions for Appendix II to Part 200 specific to Suspension/Debarment, Anti-Lobbying, Federal Water Pollution and Clean Air/Clean Water Act in all statewide contract templates.

Partial corrective action taken: The Division has requested the standard templates for all contracts, including statewide contracts, be updated to include applicable provisions by the State Purchasing Division

As of July 1, 2020, the Division has developed a quarterly and annual process to conduct suspension and debarment verifications for all contractors that receive federal funds to ensure division-wide compliance of this requirement.

Status: Partially Corrected.

2019-018: **U.S. Department of Veterans Affairs**
Grants to States for Construction of State Home Facilities, 64.005

Allowable Costs/Cost Principles
Material Weakness in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2019

Finding Summary: Affects all grant awards included under CFDA 64.005 on the Schedule of Expenditures of Federal Awards.

The OMB Compliance Supplement requires that non-federal entities receiving federal awards establish and maintain internal controls designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements.

Accurate record retention and reconciliation of expenditures are key components of effective internal controls.

The Department of Veterans Services (the Department) did not maintain adequate records and reconciliations to facilitate effective monitoring and tracking of allowable costs.

The Department did not have adequate internal controls to monitor total federal expenditures, including approved pre-award costs.

$10,115,056 in costs were not billed to the federal awarding agency timely.

No sampling was used. We examined the total unbilled costs and noted approved pre-award project costs from fiscal years 2014-2018 as well costs in fiscal year 2019 that were not reconciled or billed.

We recommend the Department enhance internal controls to monitor total federal expenditures, including approved pre-award costs.

State's Response: A written procedure has been drafted and is being reviewed and refined through legal counsel of both the Department of Veterans Services and the State Public Works Division. Initial delays regarding the COVID-19 pandemic and significant personnel changes in both departments created additional delays. This is anticipated to be completed by December 30, 2025.

Status: Partially corrected.

2019-020: **U.S. Department of Veterans Affairs**
Grants to States for Construction of State Home Facilities, 64.005

Procurement, Suspension, and Debarment
Significant Deficiency in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2019

Finding Summary: Affects all grant awards included under CFDA 64.005 on the Schedule of Expenditures of Federal Awards.

Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) requires contracts contain the applicable provisions described in Appendix II to Part 200 for contracts under federal awards.

Certain applicable provisions described in Appendix II to Part 200 were not included in contracts as required.

The Nevada Department of Veterans Services (the Department) did not have adequate internal controls to ensure contracts under federal awards contained all of the applicable provisions.

Contractors may not be aware of required terms and conditions.

A nonstatistical sample of 26 procurement transactions out of 148 was selected for testing, including ten contracts subject to Appendix II to Part 200. Six of the ten contracts were missing certain applicable provisions.

We recommend the Department enhance internal controls to ensure all contracts under federal awards contain the applicable provisions.

State's Response: A written procedure has been drafted and is being reviewed and refined through legal counsel of both the Department of Veterans Services and the State Public Works Division. Initial delays regarding the COVID-19 pandemic and significant personnel changes in both departments created additional delays. This is anticipated to be completed by December 30, 2025.

Status: Partially corrected.

2019-021: **U.S. Department of Veterans Affairs**
Grants to States for Construction of State Home Facilities, 64.005

Other
Material Weakness in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2019

Finding Summary: Affects all grant awards included under CFDA 64.005 included on the Schedule of Expenditures of Federal Awards.

Title 2 Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) requires the State of Nevada to prepare a Schedule of Expenditures of Federal Awards (SEFA) showing total federal expenditures for the year.

Amounts were originally reported incorrectly on the SEFA.

The Nevada Department of Veterans Services (the Department) did not have adequate internal controls to ensure total federal expenditures were appropriately reported on the SEFA.

Prior to correction, the total federal expenditures on the SEFA were understated by $10,115,056.

No sampling was used; all program expenditures on the SEFA were reconciled to supporting records.

We recommend the Department enhance internal controls to ensure total federal expenditures are appropriately reported on the SEFA.

State's Response: A written procedure has been drafted and is being reviewed and refined through legal counsel of both the Department of Veterans Services and the State Public Works Division. Initial delays regarding the COVID-19 pandemic and significant personnel changes in both departments created additional delays. This is anticipated to be completed by December 30, 2025.

Status: Partially corrected.

2019-027: **U.S. Department of Education**
Rehabilitation Services Vocational Rehabilitation Grants to States, 84.126

Earmarking
Material Weakness in Internal Control over Compliance

Initial Fiscal Year Finding Occurred: 2019

Finding Summary: Affects grant award #H126A180041 included under CFDA 84.126.

The OMB Compliance Supplement indicates that states must reserve and expend at least 15 percent of pre-employment transition services to students with disabilities who are eligible, or potentially eligible, for VR services.

Pre-employment transition services were not expended at the minimum 15 percent.

The Nevada Department of Employment, Training and Rehabilitation (the Department) did not have adequate internal controls to ensure pre-employment transition service expenditures were at least 15 percent of the VR allotment expended.

Pre-employment transition services were underfunded.

No sampling was used. Total expenditures were $18,531,753, which would require at least $2,779,763 to be expended towards pre-employment transition services. However, only $2,082,080 was spent, which is a deficit of $697,683.

We recommend the Department enhance internal controls to ensure compliance with earmarking requirements.

State's Response: **New corrective action: CA 1.1 -** Identify the root causes of non-compliance and develop a workplan, with deliverable actions and specific timelines, that provides a methodology for agency(ies) to review internally whether the corrective actions have resolved the root cause of the noncompliance with the reservation requirements and to review whether the actions are consistent with the progress needed to ensure compliance by September 30, 2024.

New corrective action: CA 1.2 - Develop and implement pre-employment transition service internal controls that provide for ongoing monitoring of pre-employment transition services and program expenditures to ensure the State meets and sustains compliance with the requirements. This includes monitoring of pre-employment transition service program and fiscal data to ensure it accurately reflects Federal requirements and RSA reporting guidelines.

Status of Corrective Action: Corrected as of October, 2024, Complete per USDOE/RSA.

Status: Partially corrected.

2018-021, 2017-018, 2016-023, 2015-017:

U.S. Department of Education
Title I Grants to Local Educational Agencies, 84.010
Special Education Cluster:
Special Education-Grants to States, 84.027
Special Education-Preschool Grants, 84.173

Cash Management
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2015

Finding Summary: The U.S. Department of the Treasury (Treasury) regulations at 31 CFR part 205, which define the Cash Management Improvement Act of 1990, as amended (Pub. L. No. 101-453; 31 USC 6501 et seq.), require State recipients to enter into Treasury-State Agreements that prescribe specific methods (funding techniques) for drawing Federal funds of selected large programs. The terms of the Treasury-State Agreement specify that separate funding techniques must be followed for different expenditure types and that documentation is maintained to ensure compliance with the funding techniques.

The *OMB Compliance Supplement* requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and terms and conditions of the Federal award.

Adequate documentation was not always available to support compliance with the cash management requirements of the OMB Compliance Supplement or that funds were drawn using the funding technique specified in the Treasury-State Agreement, where applicable.

The Nevada Department of Education (the Department) did not have adequate internal controls to ensure adequate supporting documentation was always maintained for Federal cash draws.

Incorrect amounts of Federal funds may be received and an interest liability could result.

A nonstatistical sample of six out of 29 Federal cash draws was selected for testing for Title I Grants to Local Educational Agencies. Adequate supporting documentation was not available to determine if the funding techniques were being followed for any of the Federal cash draws selected for testing.

A nonstatistical sample of nine out of 42 Federal cash draws was selected for testing for the Special Education Cluster. Adequate supporting documentation was not available to determine if the funding techniques were being followed for any of the Federal cash draws selected for testing under CFDA 84.027.

We recommend the Department enhance internal controls to ensure adequate supporting documentation is always maintained for Federal cash draws.

State's Response: Corrected January 2024, retroactive.

Status: Corrected.

2018-030, 2017-035: **U.S. Department of Health and Human Services**
Immunization Cooperative Agreements, 93.268
Block Grants for Prevention and Treatment of Substance Abuse, 93.959

Procurement, Suspension, and Debarment
Material Weakness in Internal Control over Compliance and Material Noncompliance

Initial Fiscal Year Finding Occurred: 2018 for Immunization Cooperative Agreements, 2017 for Block Grants for Prevention and Treatment of Substance Abuse.

Finding Summary: Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) requires contracts contain the applicable provisions described in Appendix II to Part 200 for contracts under Federal awards.

The *OMB Compliance Supplement* states that Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. Non-Federal entities may verify that a party is not suspended or debarred by checking the *Excluded Parties List System*, collecting a certification from the entity, or adding a clause or condition to the covered transaction vehicle.

Certain applicable provisions described in Appendix II to Part 200 were not included in contracts as required. Suspension and debarment verification procedures were not always performed prior to entering into covered transactions.

The Nevada Division of Public and Behavioral Health (the Division) did not have adequate internal controls to ensure contracts under Federal awards contained all of the applicable provisions and to ensure suspension and debarment verification procedures were always performed prior to entering into all covered transactions.

Contractors may not be aware of required terms and conditions and payments could be made to recipients who were suspended or debarred.

A nonstatistical sample of three contracts subject to Appendix II to Part 200 out of 219 procurement transactions was selected for testing for Immunization Cooperative Agreements. All three contracts were missing certain applicable provisions and no suspension and debarment verification procedures were performed for one of the recipients.

A nonstatistical sample of 40 procurement transactions out of 636 was selected for testing, including 12 contracts subject to Appendix II to Part 200 for Block Grants for Prevention and Treatment of Substance Abuse. Seven of the 12 contracts were missing certain applicable provisions and no suspension and debarment verification procedures were performed for one of the recipients.

We recommend the Division enhance internal controls to ensure all contracts under Federal awards contain the applicable provisions and ensure suspension and debarment verification procedures are performed prior to entering into all covered transactions.

State's Response: Reason for recurrence: Nevada State Purchasing Division has not updated the statewide contracts to include the applicable provisions described in Appendix II to Part 200 for contracts under federal awards. The agencies are required to use these contracts and therefore are subject to audit findings every year.

New corrective action: The Division of Public and Behavioral Health will continue to request that the State Purchasing Division include the required federal provisions for Appendix II to Part 200 specific to Suspension/Debarment, Anti-Lobbying, Federal Water Pollution and Clean Air/Clean Water Act in all statewide contract templates.

Partial corrective action taken: As of March 30, 2017, prior to entering into agreements with contractors or grant subrecipients, staff verifies that each party is neither suspended nor debarred through a review of the Excluded Parties List System.

As of March 30, 2017, the Department of Administration added language to its standard contract form regarding suspension and debarment and lobbying activities.

As of September 27, 2018, the Division received approval from the Department of Administration to add language to its contracts regarding the Clean Air Act and the Federal Water Pollution Control Act.

As of April 15, 2019, the State Public Works Division has updated the State Lease templates with the required federal language.

As of July 1, 2020, the Division has developed an annual process in State Fiscal Year 21 to conduct suspension and debarment verifications for all contractors that receive federal funds to ensure division-wide compliance of this requirement.

Status: Partially Corrected.

Sincerely,

Andy Matthews
State Controller

ANDY MATTHEWS
Controller

STATE OF NEVADA

JAMES SMACK
Chief Deputy Controller

NIELSINE SHERK, CPA
Deputy Controller-Financial Reporting

OFFICE OF THE
STATE CONTROLLER

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2024-001

Finding: Although there has been some improvement in the analysis of the financial reporting information received from various state agencies, the analysis and review processes within the Controller's Office are still not operating effectively. Moreover, the financial close and reconciliation process and related tasks to prepare the Annual Comprehensive Financial Report is not operating effectively.

Recommendation: We recommend the Controller's Office enhance the overall control environment surrounding the financial close process. At a minimum, we recommend the Controller's Office do so by developing an analysis for:

- Information provided by agencies for reasonableness
- Controller's Office closing entries

Agency Response

Does the Agency Agree with Finding: Yes

Additional Comments: None

Corrective Action Taken or to be Taken

Action: The Controller's Office will continue to provide staff with policies, procedures, and training, and will strengthen the analysis of information provided by agencies as well as the financial close and reconciliation process.

Date of Completion or Estimated Completion:
Estimated completion April 2027

Department or Agency Responsible for Corrective Action Plan

Agency: Controller's Office
Contact: Nielsine Sherk, Deputy Controller - Financial Reporting
101 N. Carson Street, Suite 5
Carson City, NV 89701
775-684-5677
nsherk@sco.nv.gov

ANDY MATTHEWS
Controller

STATE OF NEVADA

JAMES SMACK
Chief Deputy Controller

NIELSINE SHERK, CPA
Deputy Controller-Financial Reporting

OFFICE OF THE
STATE CONTROLLER

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2024-002

Finding: The Controller's Office reconciles the bank accounts within the Treasurer's pool each month and has a significant tolerance for unreconciled variances.

The June 30, 2024 bank reconciliation for the Treasurer's Pool includes an unreconciled variance of ($23,289,296) between the book balance and the bank balance. The bank balance was reconciled at ($159,697,425) and the adjusted book balance was reconciled to ($182,986,720).

Lastly, the unreconciled variance continues to grow and may or may not relate to cumulative variances as reported previously:

- Finding 2019-005: $13,542,147
- Finding 2020-003: $7,691,973
- Finding 2021-004: $7,802,169
- Finding 2022-002: $19,331,785
- Finding 2023-004 $18,591,859

Recommendation: We recommend the Controller's Office set a tolerable variance limit to ensure clear accountability, while considering the cost/benefit of further investigation.

In addition, given the current variance, we recommend the Controller's Office perform the additional investigation necessary to reduce the variance to a more acceptable level.

Agency Response

Does the Agency Agree with Finding: Yes

Additional Comments: None

Corrective Action Taken or to be Taken

Action: An additional staff member was added to provide support to the bank reconciliation in 03/2026 as the bank reconciliation accounts have grown to nine bank accounts and four investments accounts. Approval for additional funding for an independent audit firm to assist in researching and resolving the bank reconciliation variance is being sought. Further review will occur to determine if subledgers for each bank account and brokerage account can be made to assist with the bank reconciliation.

Date of Completion or Estimated Completion:
Estimated completion March 2027

Department or Agency Responsible for Corrective Action Plan

Agency: Controller's Office

Contact: Micheala Woodburn, Senior Accountant (ACFR),
Fiscal Operations
101 N. Carson Street, Suite 5
Carson City, NV 89701
775-684-5615
mwoodburn@sco.nv.gov

ANDY MATTHEWS
Controller

STATE OF NEVADA

JAMES SMACK
Chief Deputy Controller

NIELSINE SHERK, CPA
Deputy Controller-Financial Reporting

OFFICE OF THE
STATE CONTROLLER

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2024-003

Finding: Refunding payments made to the escrow agent were originally classified as debt service expenditures, rather than other financing use.

Recommendation: We recommend the Controller's Office enhance internal controls to ensure appropriate classification of debt service and other financing uses.

Agency Response

Does the Agency Agree with Finding: Yes

Additional Comments: None

Corrective Action Taken or to be Taken

Action: The Controller's Office will continue to provide staff train and strengthen internal controls to ensure appropriate classification of debt service and other financing uses.

Date of Completion or Estimated Completion:
Estimated completion April 2027

Department or Agency Responsible for Corrective Action Plan

Agency: Controller's Office
Contact: Nielsine Sherk, Deputy Controller - Financial Reporting
101 N. Carson Street, Suite 5
Carson City, NV 89701
775-684-5677
nsherk@sco.nv.gov

ANDY MATTHEWS
Controller

STATE OF NEVADA

JAMES SMACK
Chief Deputy Controller

NIELSINE SHERK, CPA
Deputy Controller-Financial Reporting

OFFICE OF THE
STATE CONTROLLER

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2024-004

Finding: The State of Nevada entered litigation with respect to the opioid epidemic in Nevada. Several of these lawsuits have been settled and the settlement recoveries are allocated in accordance with the One Nevada Agreement. The One Nevada Agreement prescribes the allocation of recoveries to the State, litigating entities, and non-litigating entities within the State. The State's portion of the recoveries is recorded within the Resilient Nevada Fund. The litigating entity recoveries are recorded within the Intergovernmental Custodial Fund, and the non-litigating entity recoveries are recorded within the Miscellaneous - Attorney General Fund. The Controller's Office recorded the portion due to local governments in the Attorney General Fund rather than the Intergovernmental Custodial Fund as appropriate.

Recommendation: We recommend the Controller's Office enhance internal controls to ensure amounts are recorded in the proper fund.

Agency Response

Does the Agency Agree with Finding: Yes

Additional Comments: None

Corrective Action Taken or to be Taken

Action: The Controller's Office will continue to provide staff training and strengthen internal controls to ensure the opioid amounts due to local governments are recorded in the appropriate fund.

Date of Completion or Estimated Completion:
Estimated completion April 2027

Department or Agency Responsible for Corrective Action Plan

Agency: Controller's Office
Contact: Nielsine Sherk, Deputy Controller - Financial Reporting
101 N. Carson Street, Suite 5
Carson City, NV 89701
775-684-5677
nsherk@sco.nv.gov

ANDY MATTHEWS
Controller

STATE OF NEVADA

JAMES SMACK
Chief Deputy Controller

NIELSINE SHERK, CPA
Deputy Controller-Financial Reporting

OFFICE OF THE
STATE CONTROLLER

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2024-005

Finding: The Controller's Office did not properly present supplementary budgetary information in the State Highway Fund.

Recommendation: We recommend the Controller's Office enhance its internal controls to ensure amounts are presented accurately in the budgetary schedules.

Agency Response

Does the Agency Agree with Finding: Yes

Additional Comments: None

Corrective Action Taken or to be Taken

Action: The Controller's Office will enhance internal controls and work with state agencies to ensure the presentation of accurate and complete budgetary schedules.

Date of Completion or Estimated Completion:
Estimated completion April 2027

Department or Agency Responsible for Corrective Action Plan

Agency: Controller's Office
Contact: Nielsine Sherk, Deputy Controller - Financial Reporting
101 N. Carson Street, Suite 5
Carson City, NV 89701
775-684-5677
nsherk@sco.nv.gov

ANDY MATTHEWS
Controller

STATE OF NEVADA

JAMES SMACK
Chief Deputy Controller

NIELSINE SHERK, CPA
Deputy Controller-Financial Reporting

OFFICE OF THE
STATE CONTROLLER

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2024-006

Finding: Assembly Bill No. 310 of the 82nd Session required the Housing Division of the Department of Business and Industry to develop and implement a supportive housing grant program and create the Nevada Supportive Housing Development Fund. This fund does not have a dedicated restricted or committed revenue source and is funded through appropriations. Therefore, the Fund does not qualify as a special revenue fund under GASB 54. Rather, the Fund should be presented in supplementary information and ultimately consolidated into the fund that provides the appropriations (i.e. the General Fund) in the basic financial statements

Recommendation: We recommend the Controller's Office enhance internal controls to ensure new special revenue funds meet the criteria for recognition as a special revenue fund. In addition, we recommend the Controller's Office consolidate the Supporting Housing Development Fund into the General Fund with the schedules shown in supplementary information as appropriate.

Agency Response

Does the Agency Agree with Finding: Yes

Additional Comments: None

Corrective Action Taken or to be Taken

Action: The Controller's Office will enhance internal controls to ensure newly established funds meet the criteria for recognition as a special revenue fund. In addition, the Controller's Office will consolidate the Supporting Housing Development Fund into the General Fund, with the related schedules presented in the supplementary information as appropriate.

Date of Completion or Estimated Completion:
Estimated completion April 2027

Department or Agency Responsible for Corrective Action Plan

Agency: Controller's Office
Contact: Nielsine Sherk, Deputy Controller - Financial Reporting
101 N. Carson Street, Suite 5
Carson City, NV 89701
775-684-5677
nsherk@sco.nv.gov

ANDY MATTHEWS
Controller

STATE OF NEVADA

JAMES SMACK
Chief Deputy Controller

NIELSINE SHERK, CPA
Deputy Controller-Financial Reporting

OFFICE OF THE
STATE CONTROLLER

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2024-007

Finding: The Controller's Office and Department of Taxation did not have adequate internal controls to ensure receivables were properly recorded.

Recommendation: We recommend the Controller's Office and Department of Taxation enhance internal controls to provide for the reconciliation and review of receivables.

Agency Response

Does the Agency Agree with Finding: Yes

Additional Comments: None

Corrective Action Taken or to be Taken

Action: The State Controller's Office will collaborate with the Department of Taxation to strengthen internal controls over the reconciliation and review of tax receivables.

Date of Completion or Estimated Completion:
Estimated completion April 2027

Department or Agency Responsible for Corrective Action Plan

Agency: Controller's Office
Contact: Nielsine Sherk, Deputy Controller - Financial Reporting
101 N. Carson Street, Suite 5
Carson City, NV 89701
775-684-5677
nsherk@sco.nv.gov

STATE OF NEVADA

DEPARTMENT OF TAXATION

MAIN OFFICE
3850 Arrowhead Drive
Carson City, Nevada 89706

JOE LOMBARDO
Governor

GEORGE KELESIS
Chair, Nevada Tax Commission

SHELLIE HUGHES
Executive Director

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2024-007

Finding: The Department of Taxation aggregates and summarizes various tax receivable information. This information is reported to the Controller's Office for adjustment in the general ledger. Balances for gold and silver taxes were not accurate.

The Controller's Office and Department of Taxation did not have adequate internal controls to ensure receivables were properly recorded.

Recommendation: We recommend the Controller's Office and Department of Taxation enhance internal controls to provide for the reconciliation and review of receivables.

Agency Response: Management agrees with this finding.

Corrective Action to be Taken

Action: The Department will strengthen review and reconciliation procedures for gold and silver tax receivable balances and work with the Controller's Office to improve the accuracy of reported receivable information.

Estimated Completion Date: 10/01/2026

Department or Agency Responsible for Corrective Action Plan:

Department: Taxation

Contact: Erica Scott, Economist III
700 E Warm Springs Rd, 2nd Fl.
Las Vegas, NV 89119
702-486-3461
ericascott@tax.state.nv.us

The Department appreciates this recommendation to help ensure appropriate reporting matters are considered.

Sincerely,

Shellie Hughes, Executive Director

Nevada Department of Taxation

STATE OF NEVADA

DEPARTMENT OF TAXATION

MAIN OFFICE
3850 Arrowhead Drive
Carson City, Nevada 89706

JOE LOMBARDO
Governor

GEORGE KELESIS
Chair, Nevada Tax Commission

SHELLIE HUGHES
Executive Director

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2024-008

Finding: The Department of Taxation aggregates and summarizes various tax receivable information. This information is reported to the Controller's Office for adjustment in the general ledger. Balances for property taxes were not accurate.

Amounts receipted for fiscal year 2025 property taxes were recorded to fiscal year 2024 in error.

Recommendation: We recommend the Department of Taxation enhance internal controls to provide for the reconciliation and review of receivables.

Agency Response: Management agrees with this finding.

Corrective Action to be Taken

Action: The Department will review transactions that are received close to the end of fiscal year to ensure that they are recorded to the proper fiscal year.

Estimated Completion Date: 08/01/2026

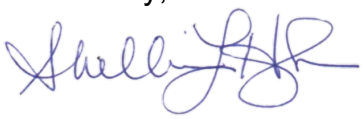
Department or Agency Responsible for Corrective Action Plan:

Department: Taxation

Contact: Jeffrey Mitchell, Deputy Director of Excise and Local Government
3850 Arrowhead Dr., 2nd Floor
Carson City, NV 89706
775-684-2095
jmitchell@tax.state.nv.us

The Department appreciates this recommendation to help ensure appropriate reporting matters are considered.

Sincerely,



Shellie Hughes, Executive Director

Nevada Department of Taxation

ANDY MATTHEWS
Controller

STATE OF NEVADA

JAMES SMACK
Chief Deputy Controller

NIELSINE SHERK, CPA
Deputy Controller-Financial Reporting

OFFICE OF THE
STATE CONTROLLER

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2024-009

Finding: The Controller's Office is responsible for reviewing potential SBITA arrangements that are reported by agencies.

A SBITA contract (MYNT) entered into during the fiscal year in the total amount of $81,266,380 was reported for evaluation by the Department of Taxation. However, the analysis was not completed accurately by the Controller's Office. As such, implementation costs incurred during the fiscal year were directly expensed and should have been capitalized.

Recommendation: We recommend the Controller's Office enhance internal controls to ensure potential subscription assets and liabilities are properly evaluated to ensure they are recorded in accordance with GASB Statement No. 96.

Agency Response

Does the Agency Agree with Finding: Yes

Additional Comments: None

Corrective Action Taken or to be Taken

Action: The Controller's Office will continue to provide policies, procedures, and staff training, and will strengthen internal controls to ensure that potential subscription assets and liabilities are properly evaluated and recorded in accordance with GASB Statement No. 96.

Date of Completion or Estimated Completion:
Estimated completion April 2027

Department or Agency Responsible for Corrective Action Plan

Agency: Controller's Office
Contact: Nielsine Sherk, Deputy Controller - Financial Reporting
101 N. Carson Street, Suite 5 Carson
City, NV 89701
775-684-5677
nsherk@sco.nv.gov

STATE OF NEVADA
DEPARTMENT OF TRANSPORTATION
1263 S. Stewart Street
Carson City, Nevada 89712

JOE LOMBARDO
Governor

TRACY LARKIN THOMASON, P.E.
Director

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2024-010

Finding:
The Department of Transportation is responsible for ensuring infrastructure and construction in progress is recorded appropriately, including responsibility for maintaining a capital asset roll-forward for projects it manages, which are typically construction in progress related to infrastructure (i.e., roads) and completed infrastructure. The Department of Transportation did not have adequate internal controls to ensure infrastructure projects were appropriately reflected within the roll-forward that was provided to the Controller's Office.

The following error was noted within Governmental Activities:

- Overstatement of construction in progress by $212,885,395

Recommendation:
It was recommended that the Department of Transportation enhance its review process of the roll-forward prior to providing it to the Controller's Office.

Agency Response
Does the Agency Agree with Finding: Yes

Corrective Action Taken or to be Taken
When calculating the roll-forward of capital assets, the department will add review procedures to include reviews of balances and formulas and checklist items to enhance the review process.

Date of Completion or Estimated Completion: November 1, 2026

Department or Agency Responsible for Corrective Action Plan

Agency: Nevada Department of Transportation, Accounting Division

Primary Contact: Felicia Denney, Assistant Director, Administration
1263 S. Stewart Street
Carson City, NV 89712
775-430-1510
fdenney@dot.nv.gov

Secondary Contact: Amanda Atkinson, Chief Accountant
1263 S. Stewart Street
Carson City, NV 89712
775-888-7405
amanda.atkinson@dot.nv.gov

If you have any questions, please contact Felicia Denney, Assistant Director, Administration, at fdenney@dot.nv.gov or (775) 430-1510.

Sincerely,

Felicia Denney

Felicia Denney
Assistant Director, Administration

STATE OF NEVADA
DEPARTMENT OF TRANSPORTATION
1263 S. Stewart Street
Carson City, Nevada 89712

JOE LOMBARDO
Governor

TRACY LARKIN THOMASON, P.E.
Director

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2024-011

Finding:
The Department of Transportation did not have adequate internal controls to ensure liabilities were recorded in the correct period when an invoice spanning fiscal years was paid after financial close.

Recommendation:
It was recommended that the Department of Transportation enhance internal controls to ensure liabilities are properly reflected in the correct fiscal year. When invoices for services performed span across fiscal years, communication should be made to the Controller's Office for appropriate consideration and potential adjustment to the State's GAAP basis financial records.

Agency Response
Does the Agency Agree with Finding: Yes

Additional Comments:
This finding concerns federal funds passed through before vendor payment. The Federal Rail Administration approved reimbursement for prior-year expenses after the fiscal year-end, an uncommon occurrence. NDOT's procedures include communication/training to employees to ensure that financial transactions are recorded in the correct year. Additionally, NDOT reviews payment vouchers prior to payment but does not currently inform the Controller of large payments spanning multiple fiscal years.

Corrective Action Taken or to be Taken
When invoices span fiscal years, NDOT will coordinate with the Controller's Office to address any required GAAP financial record adjustments. Internal accounting procedures will be updated accordingly.

Date of Completion or Estimated Completion: November 1, 2026

Department or Agency Responsible for Corrective Action Plan
Agency: Nevada Department of Transportation, Accounting Division
Contact: Amanda Atkinson, Chief Accountant
1263 S. Stewart Street
Carson City, NV 89712
775-888-7405
amanda.atkinson@dot.nv.gov

If you have any questions, please contact Felicia Denney, Assistant Director, Administration, at fdenney@dot.nv.gov or (775) 430-1510.

Sincerely,

Felicia Denney

Felicia Denney
Assistant Director, Administration

Joe Lombardo
Governor

NEVADA HEALTH AUTHORITY
DIRECTOR'S OFFICE
4070 Silver Sage Drive
Carson City, NV 89701
NVHA.NV.GOV

Stacie Weeks
Director

Finding #: 2024-0012

Summary of Finding: Due to Other Governments Material Weakness

The Nevada Health Authority did not accurately bill local governments for the supplemental payment program under Medicaid.

The following errors were noted in the General Fund:

- Overstatement of fund balance by $45,964,017
- Understatement of expenses by $31,065.604
- Overstatement of due to other governments by $14,898,413

We recommend the Nevada Health Authority enhance internal controls to ensure any changes to FMAP are reflected timely in the billings to local governments and that overpayments are accurately recorded as a liability.

Response: NVHA agrees with this finding and recommendation.

Corrective Action Description: NVHA will strengthen internal controls to ensure that all billings to local governments are accurate, timely, and fully aligned with applicable Federal Medical Assistance Percentage (FMAP) guidelines. NVHA will implement a comprehensive review process to ensure all FMAP changes are incorporated into billing calculations prior to issuance. In addition, NVHA will enhance reconciliation procedures to verify that any overpayments are properly identified and recorded as liabilities in the correct fiscal year.

Anticipated Completion Date of Corrective Action: September 2026

Department or Agency Responsible for Corrective Action Plan:
Division of Nevada Medicaid
Russ Steele, Audit Manager
4070 Silver Sage Drive
Carson City, Nevada 89701
rsteele@nvha.nv.org

Finding #: 2024-0013

Summary of Finding: Medicaid Estimates Significant Deficiency

The Nevada Health Authority did not have adequate internal controls to ensure the correct FMAP was used in calculating the Medicaid receivable estimate and that the calculation was free from formula errors.

The following errors were noted in the General Fund:

- Understatement due from other governments by $8,101,747
- Understatement of deferred inflows of resources by $6,347,105
- Understatement of revenue by $1,754,642

We recommend the Nevada Health Authority enhance internal controls to ensure an appropriate FMAP is used in the calculation of the estimated Medicaid receivable.

Response: NVHA agrees with this finding and recommendation.

Corrective Action Description: NVHA will strengthen internal controls to ensure the correct Federal Medical Assistance Percentage (FMAP) is applied when calculating the estimated Medicaid receivable. NVHA will implement a comprehensive review process to confirm the appropriate FMAP is used based on the claim or service date. NVHA will also train staff on proper FMAP procedures with a built in quality assurance process for verifying numbers on a biannual basis. This training will also include developing written procedures for staff to rely on. Additionally, NVHA will ensure that internal spreadsheets are reviewed and maintained to prevent formula errors.

Anticipated Completion Date of Corrective Action: September 2026

Department or Agency Responsible for Corrective Action Plan:
Division of Nevada Medicaid
Russ Steele, Audit Manager
4070 Silver Sage Drive
Carson City, Nevada 89701
rsteele@nvha.nv.org

Joe Lombardo
Governor

Laura Rich
Director

DEPARTMENT OF HUMAN SERVICES

NEVADA DIVISION of PUBLIC and BEHAVIORAL HEALTH

Andrea R. Rivers,
MS
Administrator

Ihsan Azzam,
Ph.D., M.D.,
Chief Medical Officer

June 25, 2026

Eide Bailly LLP, CPAs performed the State of Nevada's Comprehensive Annual Financial Report for State Fiscal Year 2024, which ended June 30,2024.

Finding 2024-014: Allowance for Doubtful Accounts
The Department of Human Services, Division of Public and Behavioral Health, did not have adequate internal controls to properly evaluate receivables for collectability using reasonable and currently known facts and circumstances.

Nevada Division of Public and Behavioral Health response:
The Division of Public and Behavioral Health accepts this finding and will initiate corrective action as described below.

Corrective Action:
The Division of Public and Behavioral Health will enhance internal controls to ensure that the Division is implementing an evaluation of the collectability of receivables reported to the Controller's Office on an annual basis. These enhanced controls will include tracking historical collections by age of collectibles and reviewing circumstances and facts to accurately report receivables.

Date of Completion:
June 2026

Responsible Party: Revenue Management Unit, Margaret Moe, Administrative Services Officer III

If you have any questions, please contact Kori Kendall, Auditor III at 775-684-3228 or by email at k.kendall@health.nv.gov.

Sincerely,

Andrea R Rivers, MS, Administrator

NEVADA DIVISION OF FORESTRY

STATE OF NEVADA
Department of Conservation and Natural Resources
Joe Lombardo, *Governor*
Vinson Guthreau, *Director*
Ryan S. Shane, *State Forester Firewarden*

June 25, 2026

Ms. Tammy Goetze, Audit Manager
Legislative Counsel Bureau, Audit Division
401 S. Carson St.
Carson City, NV 89701

Audit Finding: 2024-015

Finding: The Nevada Division of Forestry (NDF) did not adequate internal controls to track and monitor unbilled fire suppression receivables to report to the Controller's Office.

Recommendation: We recommend the Division of Forestry enhance internal controls to track and monitor unbilled fire suppression receivables to ensure accurate reporting to the Controller's Office.

Agency Response: Agency agrees with this finding.

Does the Agency Agree with Finding: Yes

Corrective Action Taken: This finding was originally brought up in LCB audit LA26-04 and has been addressed. NDF's past standard practice was to report the accounts receivable for reimbursable fires when the invoice was sent for reimbursement. NDF corrected this practice in January 2025 and has updated policies and procedures and staff training.

Date of Completion: January 2025

Department or Agency Responsible for Corrective Action Plan

Agency: Nevada Division of Forestry
Contact: Michelle Weyland, Administrative Services Officer IV
901 S. Stewart St, Suite 1001
Carson City, NV 89701
775-684-2521
michelle.weyland@forestry.nv.gov

Sincerely,

Michelle L. Weyland
Michelle L. Weyland

Joe Lombardo
Governor

James E. Dzurenda
Director

Todd Myler
Deputy Director of Support Services

Northern Administration
5500 Snyder Ave.
Carson City, NV 89701
(775) 977-5500

Southern Administration
3955 W. Russell Rd.
Las Vegas, NV 89118
(725) 216-6000

MEMORANDUM

Date: 6/25/2026

To: Kurt Schlicker and Laura Nelson

Subject: Finding 2024-016 – Payroll Internal Controls Significant Deficiency

Condition: No reconciliation of payroll occurred during fiscal year 2024 by the Department of Corrections in accordance with the State ofNevada internal control policy.

Cause: The Department of Corrections did not monitor and follow established internal control policies.

Effect: Errors could occur and not be corrected or detected by the Department of Corrections.

Recommendation: We recommend the Department of Corrections follow the State of Nevada payroll reconciliation internal control policies.

Views of Responsible Officials: Management agrees with this finding.

Corrective Action Plan: NDOC will reach out to other State agencies, as recommended, to get the training needed in order to implement corrective measures to strengthen the payroll reconciliation process and ensure compliance with State of Nevada internal control requirements by September 30, 2026. After the training is completed, the Department will work on developing its own standardized reconciliation procedures by December 31, 2026. As part of this effort, NDOC will implement a formal payroll reconciliation process that includes documented reconciliation procedures, tracking logs, and compliance monitoring to ensure reconciliations are done timely and accurately.

Persons responsible for Corrective Action: Todd Myler, Naja Braddock

Todd Myler, Deputy Director of Support Services
Nevada Department of Corrections

Attachment: Draft FY24 Financial Statement Finding

Zach Conine
State Treasurer

STATE OF NEVADA
OFFICE OF THE STATE TREASURER

TO: Kurt Schlicker, Partner, Eide Bailly

FROM: Lori Hoover, Chief Deputy Treasurer

SUBJECT: Corrective Action - FY2024 ACFR Finding for Higher Education Tuition Trust

DATE: June 25, 2026

2024-017: Higher Education Tuition Trust Enterprise Fund – Investment Reconciliations Material Weakness

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. One of the components of an effective system of internal control over financial reporting is reconciliation of investment balances within brokerage accounts to the trial balance.

Condition: Investment balances recorded by the Higher Education Tuition Trust Enterprise Fund's (the Trust Fund) did not agree to information provided by investment managers or custodians. Adjustments were necessary to reflect the investment performance of the Trust Fund for the year ended June 30, 2024 within the financial statements.

Cause: The Trust Fund does not have adequate internal controls to ensure investment balances are properly recorded in accordance with U.S. GAAP.

Effect: The following errors were noted in the Nevada Higher Education Tuition Trust Enterprise Fund:

- Investment income was overstated by $2,526,264
- Unrealized gain/loss on investments was overstated by $8,395,107
- Investments were overstated by $7,755,020
- Cash was overstated by $3,000,000
- Miscellaneous other expenses was overstated by $166,351

These reconciling items also can cause delays in providing information to the Trust Fund's actuary and in turn, delay receipt of the valuation of tuition contract receivable and payable estimates.

Recommendation: We recommend the Trust Fund implement procedures and internal controls to reconcile investment balances in accordance with U.S. GAAP.

CARSON CITY OFFICE
101 N. Carson Street, Suite 4
Carson City, Nevada 89701-4786
(775) 684-5600 Telephone
(775) 684-5623 Fax

STATE TREASURER PROGRAMS
Unclaimed Property
Financial Security
Millennium Scholarship
Nevada Prepaid Tuition
College Savings Plans of Nevada
Nevada College Kick Start

LAS VEGAS OFFICE
1 State of Nevada Way, Suite 410
Las Vegas, Nevada 89119
(702) 486-2025 Telephone
(702) 486-3246 Fax

Website: NevadaTreasurer.gov E-mail: StateTreasurer@NevadaTreasurer.gov

Views of Responsible Officials: Management agrees with this finding.

Corrective action: A newly authorized Accountant position was filled in February 2025, and the Treasurer's Office Investment team completed training related to the reconciliation of this Fund in March 2025 to ensure these issues do not continue. Additional training is planned before the end of calendar year 2026.

Contact for questions:
Lori Hoover, Chief Deputy Treasurer
l.hoover@nevadatreasurer.gov
775.684.5753

Thank you,

Lori Hoover

Lori Hoover, Chief Deputy Treasurer

State of Nevada **Year 2024**
Department of Employment, Training and Rehabilitation (DETR)
Responses to Single Audit Findings

For the Year Ended June 30, 2024

CORRECTIVE ACTION PLAN

Finding 2024-018

Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Accurate reconciliation of employer assessment revenues and receivable is a key component of internal control. In addition, an evaluation of known facts and circumstances that impact an allowance for doubtful accounts is also a key component of internal control.

The Department of Employment, Training, and Rehabilitation (DETR) has policies that evaluate an allowance for doubtful accounts to approximate historical collection rates. During our testing, it was noted that currently known facts and circumstances differed significantly from the historical estimate, which required adjustment within the financial statements for reasonableness.

In addition, DETR generates and queries reports from its information system to record and support certain overpayment information. During our testing, it was noted that these reports had errors in how they were generated and were not complete. Therefore, adjustments were required to the financial statements.

DETR did not have adequate internal controls to provide for sufficient evaluation of the allowance for doubtful accounts and did not have sufficient internal controls to ensure accurate system reports were used in preparing year end adjusting journal entries.

The following errors were noted in the Nevada Unemployment Compensation Enterprise Fund:
• Understatement of gross receivables by $2,016,689
• Understatement of allowance for doubtful accounts by $25,079,264
• Overstatement of amounts due to federal government by $18,389,858
• Overstatement of revenues by $6,689,406
• Overstatement of claims expense by $2,016,689

Recommendation

We recommend DETR enhance internal controls to provide for the initial identification and analysis of allowance for uncollectible accounts and overpayment amounts.

Nevada DETR's Response

During the conversion from UINV to NUI, errors were identified in the criteria used for reports related to the allowance for doubtful accounts and the concurrent backup data. DETR Financial Management is currently working with Contributions staff, in collaboration with ITD and the NUI vendor, to obtain ad hoc reports for both outstanding receivables and subsequent collections.

Financial Management staff are partnering with Contributions to develop an internal control policy that leverages this data to produce accurate estimates of the allowance for doubtful accounts, based on the aging of outstanding collectible balances.

Estimated Date of Completion: **09/30/2026**

Contact Person: Zachary Hoefling, Chief Financial Officer, *DETR/ESD (775)684-3938* *z-hoefling@detr.nv.gov*, Rachel Cunningham, Deputy Chief Financial Officer, *DETR/FM (775)-684-3863* *r-cunningham@detr.nv.gov*

ANDY MATTHEWS
Controller

STATE OF NEVADA

JAMES SMACK
Chief Deputy Controller

NIELSINE SHERK, CPA
Deputy Controller-Financial Reporting

OFFICE OF THE
STATE CONTROLLER

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2024-019

Finding: The Controller's Office reconciles and records information provided by the Division of Social Services for noncash federal assistance related to the Supplemental Nutrition Assistance Program and Pandemic EBT Food Benefits. Certain amounts had initially been posted to one general ledger account and during the reconciliation of the amounts, posted again to a separate general ledger account, thus double recording the transactions. The Controller's Office did not have adequate internal controls for the reconciliation of noncash federal assistance with respect to the Supplemental Nutrition Assistance Program and Pandemic EBT Food Benefits program for reconciling unclaimed property receipts.

Recommendation: We recommend the Controller's Office enhance internal controls for the reconciliation of noncash federal assistance with respect to the Supplemental Nutrition Assistance Program and Pandemic EBT Food Benefits program.

Agency Response

Does the Agency Agree with Finding: Yes

Additional Comments: None

Corrective Action Taken or to be Taken

Action: The Controller's Office will continue to develop and provide policies, procedures, and staff training, and will strengthen internal controls over the reconciliation of noncash federal assistance.

Date of Completion or Estimated Completion:
Estimated completion April 2027

Department or Agency Responsible for Corrective Action Plan

Agency: Controller's Office
Contact: Nielsine Sherk, Deputy Controller - Financial Reporting
101 N. Carson Street, Suite 5
Carson City, NV 89701
775-684-5677
nsherk@sco.nv.gov

Finding #: 2024-0020

Summary of Finding: Unmet Free Care Program Material Weakness

The Nevada Health Authority changed how collections for the unmet free care program were recorded during the fiscal year and recorded the amounts in an account that was previously used as an internal translating account for a different revenue stream.

The following errors were noted in the General Fund:

- Overstatement of liabilities by $24,380,990
- Understatement of revenues by $24,380,990

We recommend the Nevada Health Authority enhance internal controls to communicate to the Controller's Office any change in recording of revenue streams to allow for appropriate financial close analysis.

Response: NVHA agrees with this finding and recommendation.

Corrective Action Description: NVHA will strengthen its internal controls to ensure the State Controller's Office (SCO) is promptly notified of any changes related to the recording of revenue streams, enabling accurate financial close analysis. NVHA will also implement improved communication processes with the SCO to ensure both agencies can properly and consistently record financial activity during the financial close process.

Anticipated Completion Date of Corrective Action: September 2026

Department or Agency Responsible for Corrective Action Plan:
Division of Nevada Medicaid
Russ Steele, Audit Manager
4070 Silver Sage Drive
Carson City, Nevada 89701
rsteele@nvha.nv.org

STATE OF NEVADA

JOE LOMBARDO
Governor

DR. KRISTOPHER SANCHEZ
Director

STEVE AICHROTH
Administrator

DEPARTMENT OF BUSINESS AND INDUSTRY
HOUSING DIVISION

Corrective Action Plan

Audit Finding: 2024-021 Unearned Federal Grant Revenue

Reporting
Material Weakness

Summary: *The Housing Division reported cash on hand balances related to federal grants that are administered by the Housing Division as revenue. However, certain amounts related to the American Rescue Plan did not yet meet the criteria for revenue recognition and should have been recorded as unearned revenue.*
Recommendation: *Enhance internal controls to ensure balance forward classifications reported to the Controller's Office are accurate.*

Agency Response: The Nevada Housing Division ("Division") agrees with the finding.

Corrective Action: The Division, in partnership with the Department of Business & Industry, will enhance internal controls including increasing communications with the Controller's office on carryforward balances prior to submission to ensure they are classified and recorded properly.

Adoption of Corrective Action: June 2026

Anticipated Completion: September 2026

Division Contact and Corrective Action Plan Lead:
Christine Hess, Chief Financial Officer
Nevada Housing Division
775-687-2249
chess@housing.nv.gov

JOE LOMBARDO
Governor

STATE OF NEVADA

J.J. GOICOECHEA, DVM
Director

Las Vegas Office:
2300 East St. Louis Ave.
Las Vegas, NV 89104-4211
(702) 668-4590
Fax (702) 668-4567

Elko Office:
4780 East Idaho Street
Elko, NV 89801-4672
(775) 753-1360
Fax (775) 738-2639

DEPARTMENT OF AGRICULTURE
405 South 21st Street
Sparks, Nevada 89431-5557
Telephone (775) 353-3601 Fax (775) 353-3661
Website: http://www.agri.nv.gov

July 27, 2026

Kurt Schlicker, CPA
Partner
Eide Bailly LLP
5441 Kietzke Ln., Ste. 150
Reno, Nevada 89511

Dear Mr. Schlicker:

The Nevada Department of Agriculture has reviewed the draft audit report received July 20, 2026, related to the below findings for the 2024 Single Audit Report Part C. Findings and Questioned Costs-Major Federal Award Programs. This letter contains the NDA's Corrective Action Plan (CAP) response to the audit findings and recommendations in the report.

Program Name: US Dept. of Agriculture, Child Nutrition Cluster
School Breakfast Program, 10.553
National School Lunch Program, 10.555
Special Milk Program for Children,10.556
Summer Food Service Program for Children, 10.559
Fresh Fruit and Vegetable Program, 10.582
Assistance Listing Numbers: 10.553, 10.555, 10.556, 10.559, and 10.582

Finding Number: 2024-022
Summary of finding: Amounts reported on the FNS-10 report were not supported by the underlying accounting information.
Recommendation: NDA should enhance internal controls to ensure FNS-10 reports are accurate or supporting documentation for reconciling items is maintained.

CAP Response:
The agency agrees and accepts this finding and will take the following steps to enhance internal controls to ensure compliance: The program staff responsible for completing the FNS-10 report will document and keep any notes for edits made to the FNS-10 report that are a result of our current system not tallying amounts or pulling amounts correctly for the FNS-10 report. This will begin immediately with the submission of the next monthly report.

Anticipated date of completion:
July 31, 2026

JOE LOMBARDO
Governor

Las Vegas Office:
2300 E. St. Louis Ave.
Las Vegas, NV 89104-4211
(702) 668-4590
Fax (702) 668-4567

STATE OF NEVADA
DEPARTMENT OF AGRICULTURE
405 South 21st Street
Sparks, Nevada 89431-5557
Telephone (775) 353-3601 Fax (775) 353-3661
Website: http://www.agri.nv.gov

J.J. GOICOECHEA, DVM
Director

Elko Office:
4780 E. Idaho Street
Elko, NV 89801-4672
(775) 738-8076
Fax (775) 738-2639

Finding Number: 2024-023
Summary of finding: The Nevada Department of Agriculture (NDA) did not have internal controls to ensure subaward information was submitted in accordance with the FFATA. Subaward obligations were not reported in the FSRS and therefore not included on the FFATA's website for public information disclosure.
Recommendation: The State agency should implement internal controls to ensure subaward information is submitted in accordance with the FFATA or to seek guidance for applicability towards permanent agreements with annual obligations.

CAP Response:
We will continue working with the USDA to establish a clear procedure and guidance for reporting FFATA requirements related to meal claims. At this time, the USDA does not consider meal claims to be subawards. We have requested clarification and a procedure regarding FFATA reporting for meal claims but have not yet received a response.
Anticipated date of completion:
Ongoing.

Finding Number: 2024-024
Summary of finding: NDA did not have adequate internal controls to ensure commodities were identified for the appropriate federal program in the SEFA. Prior to correction, commodities of $9,950,720 were identified under the National School Lunch Program 10.555, rather than the Emergency Food Assistance Program, 10.569.
Recommendation: NDA should enhance internal controls to ensure commodities are identified for the appropriate federal program in the SEFA.

CAP Response:
The agency agrees and accepts this finding and will take the following steps to enhance internal controls to ensure compliance: The Food Distribution Supervisor will double-check all of the amounts, names and CFDA numbers on the SEFA. Then the ASO II will double-check that the programs names match the CFDA numbers prior to submitting the information for the SEFA. This process will be put in place immediately.

Anticipated date of completion:
August 31, 2026

Program Name: U.S. Department of Treasury
COVID-19 Coronavirus State and Local Fiscal Recovery Fund, 21.027
Assistance Listing Numbers: 21.027

Finding Number: 2024-029
Summary of finding: Adequate internal controls were not in place to ensure compliance with the subrecipient monitoring requirements. For NDA risk assessments were not performed for any of the subrecipients selected for review.
Recommendation: The NDA should enhance internal controls to ensure compliance with subrecipient monitoring requirements.

JOE LOMBARDO
Governor

Las Vegas Office:
2300 E. St. Louis Ave.
Las Vegas, NV 89104-4211
(702) 668-4590
Fax (702) 668-4567

STATE OF NEVADA
DEPARTMENT OF AGRICULTURE
405 South 21st Street
Sparks, Nevada 89431-5557
Telephone (775) 353-3601 Fax (775) 353-3661
Website: http://www.agri.nv.gov

J.J. GOICOECHEA, DVM
Director

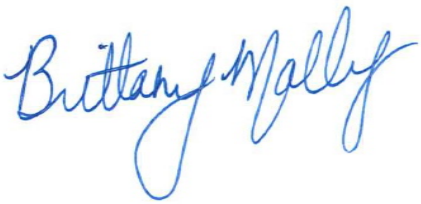
Elko Office:
4780 E. Idaho Street
Elko, NV 89801-4672
(775) 738-8076
Fax (775) 738-2639

CAP Response:
The agency agrees and accepts this finding and will take the following steps to enhance internal controls to ensure compliance: Currently all new subgrant awards and modifications to existing subgrant awards must have a risk assessment performed and turned into the grant's teams at NDA prior to any signatures being obtained on subgrant award or modification documents. This process has already been put in place.

Anticipated date of completion:
July 31, 2026

CAP Contacts:
Cathy Balcon, Administrator, Division of Administration
Brittany Mally, Deputy Administrator, Division of Food and Nutrition

Sincerely,



Brittany Mally
Deputy Administrator
bmally@agri.nv.gov or 775-224-4783

Joe Lombardo
Governor

Joy Grimmer
Director

Mandy Hagler
Deputy Director

William Taylor
Administrator

STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Purchasing Division

NVPurch@admin.nv.gov
515 East Musser Street, Suite 300 | Carson City, Nevada 89701
Phone: (775) 684-0170

Audit Finding 2024-025

Program name/assistance listing number: U.S. Department of Agriculture
Direct and Pass-through Gretchen Swanson Center for Nutrition
WIC Supplemental Nutrition Program for Women, Infants, and Children, 10.557
COVID-19 WIC Supplemental Nutrition Program for Women, Infants, and Children, 10.557

Finding: The Nevada State Purchasing Division of the Department of Administration did not have adequate internal controls to ensure contracts under federal awards contained all of the applicable contract provisions.

Recommendation: We recommend State Purchasing enhance internal controls to ensure all contracts under federal awards contain the applicable provisions.

Agency Response

Does the Agency Agree with Finding: Yes
Additional Comments: None

Corrective Action Taken or to be Taken

Action: As part of Purchasing's standard contracting procedures, and shortly after the audit findings were discussed with GFO in January 2024, the Purchasing Division commenced fulfilling the recommendations regarding **provisions described in Appendix II to Part 200** that had not been consistently included in contracts as indicated below.

When Purchasing leads a Request for Proposal (RFP) process and is notified - via Section 4 of the RFP Template provided to agencies utilizing Federal Awarded Funds – Purchasing ensures that all applicable federal provisions and procedures are incorporated into the solicitation, either by reference or as attachments.

For state agencies conducting their own solicitation, Purchasing provides an RFP Template that requires identification of the relevant Code of Federal Regulations (CFR) to be referenced and included in the resulting contract, thereby supporting compliance with federal requirements.

This corrective action (RE: provisions) has been actively in place since approximately January 2024.

As part of Purchasing's updated internal controls, and shortly after the audit finding was reported, the

Purchasing Division commenced fulfilling the recommendation as indicated below **regarding suspended or debarred entities**.

Prior to Purchasing awarding a contract, the responsible Purchasing Officer performs a SAM.gov check on the vendor in question, prints out the page indicating that the entity is not suspended or debarred and then the document is attached to the Bid in ePro (Nevada's official online portal for government procurement), which is posted publicly.

This corrective action (RE: debarred entities) has been actively in place since approximately July 2023.

Date of Completion or Estimated Completion: Since there are active-holdover contracts, it will take an undetermined amount of time for the related mulit-year contracts to clear.

Department or Agency Responsible for Corrective Action Plan

Agency: Department of Administration – Purchasing Division

Contact: William Taylor, Administrator
515 E. Musser Street, Suite 300
Carson City, NV 89701
775-515-5173
BTaylor@admin.nv.gov

STATE OF NEVADA

JOE LOMBARDO
Governor

DR. KRISTOPHER SANCHEZ
Director

STEVE AICHROTH
Administrator

DEPARTMENT OF BUSINESS AND INDUSTRY
HOUSING DIVISION

Corrective Action Plan

<u>Audit Finding: 2024-026 COVID-19 Homeowner Assistance Fund, 21.026</u>

Subrecipient Monitoring
Material Weakness in Internal Control over Compliance

> ***Summary:*** *Subrecipient monitoring policies not in place. Subawards and disbursements did not contain all the required information, an evaluation of each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring was not performed.*
> ***Recommendation:*** *Implement internal controls to ensure compliance with subrecipient monitoring requirements.*

Agency Response: The Division agrees with the finding.

Corrective Action: The Division will establish subrecipient monitoring policies. The Division will also establish an internal audit and compliance committee to enhance oversight of existing policies for assessing, monitoring, and sharing best practices across its business. The internal audit and compliance committee will be responsible for reviewing internal controls and policies on an annual basis, following up on any audit findings and ensuring follow-through of corrective action plans.

Adoption of Corrective Action: January 2025

Division Contact and Corrective Action Plan Lead:
Christine Hess, Chief Financial Officer
Nevada Housing Division
775-687-2249
chess@housing.nv.gov

Joe Lombardo
Governor

Joy Grimmer
Director

Mandy Hagler
Deputy Director

William Taylor
Administrator

STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Purchasing Division

NVPurch@admin.nv.gov
515 East Musser Street, Suite 300 | Carson City, Nevada 89701
Phone: (775) 684-0170

Audit Finding 2024-027

Program name/assistance listing number: U.S. Department of Treasury
COVID-19 Coronavirus State and Local Fiscal Recovery Fund, 21.027

Finding: The Nevada State Purchasing Division of the Department of Administration did not have adequate internal controls to ensure contracts under federal awards contained all of the applicable contract provisions.

Recommendation: We recommend State Purchasing enhance internal controls to ensure all contracts under federal awards contain the applicable provisions.

Agency Response

Does the Agency Agree with Finding: Yes
Additional Comments: None

Corrective Action Taken or to be Taken

Action: As part of Purchasing's standard contracting procedures, and shortly after the audit findings were discussed with GFO in January 2024, the Purchasing Division commenced fulfilling the recommendations regarding **provisions described in Appendix II to Part 200** that had not been consistently included in contracts as indicated below.

When Purchasing leads a Request for Proposal (RFP) process and is notified - via Section 4 of the RFP Template provided to agencies utilizing Federal Awarded Funds – Purchasing ensures that all applicable federal provisions and procedures are incorporated into the solicitation, either by reference or as attachments.

For state agencies conducting their own solicitation, Purchasing provides an RFP Template that requires identification of the relevant Code of Federal Regulations (CFR) to be referenced and included in the resulting contract, thereby supporting compliance with federal requirements.

This corrective action (RE: provisions) has been actively in place since approximately January 2024.

Date of Completion or Estimated Completion: Since there are active-holdover contracts, it will take an undetermined amount of time for the related mulit-year contracts to clear.

Department or Agency Responsible for Corrective Action Plan

Agency: Department of Administration – Purchasing Division

Contact: William Taylor, Administrator
515 E. Musser Street, Suite 300
Carson City, NV 89701
775-515-5173
BTaylor@admin.nv.gov

Joe Lombardo
Governor

Tiffany Greenameyer
Director

Curtis Palmer
Deputy Director

David Lenzner
Deputy Director

STATE OF NEVADA
GOVERNOR'S FINANCE OFFICE
Budget Division

209 E. Musser Street, Suite 200 | Carson City, NV 89701-4298
Phone: (775) 684-0222 | www.budget.nv.gov | Fax: (775) 684-0260

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2024-028:
U.S. Department of Treasury
COVID-19 Coronavirus State and Local Fiscal Recovery Fund, 21.027

Finding:
Inaccurate information was reported to the federal awarding agency.

Recommendation:
Recommend the Nevada Governor's Finance Office (GFO) enhance internal controls to ensure *Project Expenditure Reports* are reconciled to the underlying support documentation.

Agency Response: Does the agency Agree with the Finding: **Yes**

Corrective Action:
To ensure full compliance going forward, we will take the following steps:

The Governor's Finance Office has enhanced its internal controls surrounding the preparation and review of Project and Expenditure Reports submitted to the federal awarding agency. As part of these improvements, GFO implemented a strengthened reconciliation process to verify that all reported financial data aligns with underlying support documentation prior to submission.

After discovering this issue, GFO has reconciled the Project Expenditure Reports with all supporting documents except for the Revenue Loss allowance, which is still under review due to discrepancies. However, the obligated Revenue Loss remains substantially under the Revenue Loss cap. Remaining reconciliation work on the Revenue Loss component will be completed using validated source documentation to ensure accuracy and compliance with federal reporting requirements.

Date of Completion:

Reconciliations completed for all expenditure report components except the Revenue Loss allowance. Completion of the Revenue Loss reconciliation is expected in the upcoming reporting period.

Agency Contact:
Lesa Galloway, ASO IV
Office (775) 684-0239
lgalloway@finance.nv.gov

Reviewed and Approved: Date: 7/27/26 **Signature:** Lesa Galloway

Joe Lombardo
Governor

Tiffany Greenameyer
Director

Curtis Palmer
Deputy Director

David Lenzner
Deputy Director

STATE OF NEVADA
GOVERNOR'S FINANCE OFFICE
Budget Division

209 E. Musser Street, Suite 200 | Carson City, NV 89701-4298
Phone: (775) 684-0222 | www.budget.nv.gov | Fax: (775) 684-0260

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2024-029:
U.S. Department of Treasury
COVID-19 Coronavirus State and Local Fiscal Recovery Fund, 21.027

Finding:
Adequate internal controls were not in place to ensure compliance with subrecipient monitoring requirements.

Recommendation:
Recommend the Nevada Governor's Finance Office (GFO) enhance internal controls to ensure compliance with the subrecipient monitoring requirements.

Agency Response:

Does the agency agree with the Finding: **Yes**

Corrective Action:
To ensure full compliance going forward, we will take the following steps:

1. **Verify All Risk Assessments**
   GFO will conduct a full reconciliation of all subrecipient files to verify risk assessment documentation exists for every active award. GFO will re-perform and document all missing or incomplete risk assessments for affected subrecipient files.

Date of Completion: Immediate Implementation to be completed by September 1, 2026.

Agency Contact:
Lesa Galloway, ASO IV
Office (775) 684-0239
lgalloway@finance.nv.gov

Reviewed and Approved: Date: 7/28/26 **Signature:** Lesa Galloway

JOE LOMBARDO
Governor

Vinson Guthreau
Director

DOMINIQUE ETCHEGOYHEN
Deputy Director

CHAD J. STEPHENS
Deputy Director

Division of Environmental Protection
Division of Water Resources
Division of Forestry
Division of State Parks
Division of State Lands
Division of Natural Heritage
Division of Outdoor Recreation

State Historic Preservation Office
Conservation Districts Program
Sagebrush Ecosystem Program
Off-Highway Vehicles Program
Conserve Nevada Program

Office of the Director
901 S. Stewart Street, Suite 1003/Carson City, Nevada 89701
Phone: 775.684.2700/Fax: 775.684.2715
www.dcnr.nv.gov

Nevada Department of Conservation and Natural Resources

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Overview:
The Nevada Department of Conservation and Natural Resources (NDCNR) has reviewed the draft single audit report performed by Eide Bailly LLP for State Fiscal Year 2024, which was received July 22, 2026. The report pertains to U.S. Department of Treasury, COVID-19 Coronavirus State and Local Fiscal Recovery Funds, ALN/CFDA 21.027.

Finding #2024-029:
The finding of material weakness was regarding internal controls over compliance and material noncompliance related to 2 CFR Part 200.332. Within this multi-agency finding, only a portion of the finding applied to NDCNR and its subrecipient funding agreements, "[Eide Bailly] tested four subrecipients applicable to the Department of Conservation and Natural Resources. All four subawards were missing required provisions."

Recommendation: Eide Bailly recommended NDCNR enhance internal controls to ensure compliance with subrecipient monitoring requirements.

Agency Response:
NDCNR agrees with this finding.

Corrective Action
NDCNR will develop a department-wide funding agreement template. In developing the template, the NDCNR will evaluate agreement examples from other state agencies (e.g., Nevada Department of Education and the Nevada Division of Public and Behavioral Health) to integrate missing provisions. Once completed, the template will be shared with agency grant managers for utilization throughout the department.

Agency Contact Person Responsible for Corrective Action Plan:
Brandon Bishop, Administrative Services Officer II
Nevada Department of Conservation and Natural Resources

Director's Office
901 S. Stewart St., Ste. 1003, Carson City, NV 89701
(775) 684-2707
Brandon.Bishop@dcnr.nv.gov

Date of Completion or Estimated Completion: October 2026

STATE OF NEVADA

JOE LOMBARDO
Governor

DR. KRISTOPHER SANCHEZ
Director

STEVE AICHROTH
Administrator

DEPARTMENT OF BUSINESS AND INDUSTRY
HOUSING DIVISION

Corrective Action Plan

Audit Finding: 2024-029 COVID-19 Coronavirus State and Local Fiscal Recovery Fund, 21.027

Subrecipient Monitoring
Material Weakness in Internal Control over Compliance and Material Noncompliance

Summary: *The Nevada Housing Division ((“Division”) did not have adequate internal controls to ensure compliance with subrecipient monitoring requirements. The following items were noted: a risk assessment was not performed, the subaward was missing required information and no monitoring procedures were performed as necessary to ensure the subaward was used for authorized purposes.*
Recommendation: *Enhance internal controls to ensure compliance with subrecipient monitoring requirements.*

Agency Response: The Division agrees with the finding and acknowledges that it is a prior year finding.

Corrective Action: The Division will actively review and revise subawards to update with the required provisions. The Division will also establish a regular fiscal risk assessment and a quarterly project risk assessment. The Assistance Listing Number (ALN) will also be provided to the subrecipients upon the time of payment. Finally, the Division will establish an internal audit and compliance committee to enhance oversight of existing policies for assessing risk (which include verifying suspension or debarment), monitoring and sharing best practices across its business. The internal audit and compliance committee will be responsible for reviewing internal controls and policies on an annual basis, following up on any audit findings and ensuring follow-through of corrective action plans.

Adoption of Corrective Action: January 2025

Division Contact and Corrective Action Plan Lead:
Christine Hess, Chief Financial Officer
Nevada Housing Division
775-687-2249
chess@housing.nv.gov

Supreme Court of Nevada

ADMINISTRATIVE OFFICE OF THE COURTS

KATHERINE STOCKS
Director and
State Court Administrator

JOHN MCCORMICK
Assistant Court Administrator

July 27, 2026

Program Name: Judicial Branch
Assistance Listing Number: 21.027
Finding Number: 2024-029

Summary of the finding: Adequate internal controls were not in place to ensure compliance with subrecipient monitoring requirements

Action Taken: Subawards issued after the finding were updated to include the elements noted as missing per 2 CFR 200.332. This was implemented once the finding was presented to the Judicial Branch by the AOC Grants and Contracts Officer Yesenia Pacheco.

Casandra Vanzura

Casandra Vanzura, Chief Accountant
Administrative Office of the Courts, Judicial Branch

Corrective Action Plan

COVID-19 Coronavirus State and Local Fiscal Recovery Fund
ALN: 21.027
Finding Number: 2024-029
Agency: Governor's Office of Economic Development

Summary of Finding:
Eide Bailly tested one subrecipient under the Governor's Office of Economic Development. A risk assessment was not performed, monitoring over the subrecipient did not take place, and it was not verified if the subrecipient was audited or if a management decision was necessary.

Agency Response:
The Governor's Office of Economic Development agrees with this finding.

Corrective Action Plan:
1. Development and implementation of Subrecipient Risk Assessment Process

- GOED has updated and implemented the agency's Grant Management Policy and Procedures, which includes Risk Assessment procedures as of January 29, 2026.
- Risk assessments will be performed for all subrecipients before awarding or continuing funding.

Responsible Person: Grant Management Staff; Director of Administration
Anticipated Completion Date: January 29, 2026

2. Establishment of Subrecipient Monitoring Plan

- GOED has updated and implanted the agency's Grant Management Policy and Procedures, which includes Subrecipient Monitoring procedures as of January 29,2026.
- Monitoring will be conducted based on the risk level established.
- GOED will maintain electronic records for all monitoring activities.

Responsible Person: Grant Management Staff
Anticipated Completion Date: January 29, 2026

3. Verification of Subrecipient Audit Requirements

- GOED has implemented a process requiring staff to verify whether subrecipients meet the threshold for a Single Audit under 2 CFR 200.501. This is included in the updated Grant Management Policy and Procedures dated January 29, 2026.
- Staff will review the Federal Audit Clearinghouse (or obtain confirmation from the subrecipient) and document audit status.
- When applicable, GOED will issue a written management decision in accordance with 2 CFR 200.521.

Responsible Person: Grant Management Staff; Director of Administration
Anticipated Completion Date: January 29, 2026

Contact Information for Corrective Action Plan

Primary Contact:
Angie Mathiesen, Director of Administration
Governor's Office of Economic Development
775-687-9910
angiem@goed.nv.gov

Stacey Montooth
Director

Janet Davis
Management Analyst

John McCauley
Budget Analyst

NEVADA DEPARTMENT OF NATIVE AMERICAN AFFAIRS

5366 Snyder Avenue, | Carson City, NV 89701
Phone: (775) 495-0572 | jandavis@dnaa.nv.gov I jmccauley@dnaa.nv.gov

7/27/2026

Finding Reference:

Eide Bailey LLP, 2024 Single Audit, 2024-029 Assistance Listing 21.027

Summary:

The 2024 audit tested two subrecipients applicable to the Department of Native American Affairs. These two subrecipients were identified as not having a risk assessment performed in both cases.

Cause:

At the start of the NIC (DNAA) Tribal ARPA Program the documents were not available. The NIC (DNAA) did not have access to SAM.GOV to verify the needed documentation.

Corrective Action:

Require Subrecipient Risk Assessment Worksheet be completed for each subgrantee as part of the pre-award process.

Timeline & Monitoring:

Worksheet and subgrantee requirements to be created and enhanced immediately by DNAA. Approval of subgrantee awards will not be deemed eligibly if requested documents are not received. Management Analyst (Janet Davis/Sarina Nez), to review applications for eligibility based upon pre-award requirements. A Budget Analyst (John McCauley), or Programs Officer (Savena Rogers), will serve as backup in the absence of Management Analyst in review process. Management Analyst will review internal documents monthly for compliance and ensure copies are maintained at the DNAA office in Carson City, NV.

**Update, as of November 2025, this process was performed and completed relative to subsequent subgrantee allocations.

Respectfully,

S Montooth

Stacey Montooth
Executive Director

OAG CORRECTIVE ACTION PLAN

Assistance Listing Number (ALN): 21.027

Eide Bailly Finding Number: 2024-029

Contact Person: John Dekoekkoek, Office of the Attorney General Chief Financial Officer

Summary of The Finding:

The review determined that a risk assessment was not performed and subrecipient monitoring was not performed.

Office of the Attorney General (OAG) Response:

The original intent of the OAG being involved with the subaward to Legal Aid of Southern Nevada was only to be the Fiscal Agent of the award. As only the fiscal agent, we understood that the GFO would be responsible for completing the risk assessments and any required monitoring. However, due to staff changes there appears to have been some miscommunication. If we would have known that we were going held accountable for risk assessments and monitoring, we would have folded this subrecipient into the established grant processes in place at the Office of the Attorney General.

In 2025 the Nevada Governor's Office of Federal Assistance (OFA) released the updated Nevada Grant Policy Manual. This manual includes grant policies that are in line with 2CFR Part 200. The OAG follows the policies included in the manual including the Policy 010-004 Pre-Award Risk Assessments and Policy 010-015 Monitoring Subrecipients. Therefore, the OAG considers the Corrective Action Plan, already implemented.

Joe Lombardo
Governor

Dr. Victor Wakefield
Superintendent of Public Instruction

Southern Nevada Office
2080 E. Flamingo Road, Suite 210
Las Vegas, Nevada 89119-0811
Phone: (702) 486-6458
Fax: (702) 486-6450

STATE OF NEVADA
DEPARTMENT OF EDUCATION

700 E. Fifth Street | Carson City, Nevada 89701-5096
Phone: (775) 687-9200 | www.doe.nv.gov | Fax: (775) 687-1116

To whom it may concern:

This letter is in response to the Single Audit performed by Eide Bailly LLP CPAs relating to Federal Programs administered by the State of Nevada, Department of Education for the fiscal year ending June 30, 2024 (FY24). The audit findings pertain to the grants listed below:

- Title I Grants to Local Education Agencies, CFDA 84.010
- U.S. Department of Education Special Education (IDEA) Cluster
- Special Education Grants to States, 84.027
- Special Education Preschool Grants, 84.173
- Education Stabilization Fund, 84.425

Below are the Nevada Department of Education's (NDE) responses to audit findings: 2024-030; 2024-031; 2024-032; 2024-033; 2024-034; and 2024-035.

1. **Finding #2024-030 - Title I Grants to Local Education Agencies, CFDA 84.010**
   Matching, Level of Effort, and Earmarking - Significant Deficiency in Internal Control over Compliance resulted in the following Eide Bailly, LLP recommendation:
   Eide Bailley recommended NDE enhance internal controls to ensure maintenance of effort monitoring is reviewed by a party other than the preparer for accuracy and appropriate review of compliance.

   NDE Response
   NDE agrees with this finding. In alignment with efforts under finding 2023-034 regarding maintenance of effort, the Department has developed a comprehensive Policy and Procedure (1.9 Title I ESEA MOE) documenting the process for the development, review, and finalization of the MOE report, as well a Business Rule which clearly crosswalks source data to reporting outcomes and integrates pillars from NDE's Records Management Program.

   Corrective Action
   A checklist detailing the chain of review has been developed and implemented to track the review and approval process of federal reports prior to submission. NDE shall update and implement MOE internal controls and monitoring to require a review by at least 2 individuals. The Office of Division Compliance will collaborate across the Department to ensure adoption and adherence to this update.

   Responsible Parties and Anticipated Completion Date
   Student Investment Division, Office of Division Compliance; November 1, 2026. Please reach out to Jenni Hood at sidcompliance@doe.nv.gov with any questions.

2. **Finding #2024-031 - U.S. Department of Education Special Education (IDEA) Cluster; Special Education Grants to States, 84.027; Special Education Preschool Grants, 84.173; Education Stabilization Fund, 84.425**
Matching, Level of Effort, and Earmarking - Material Weakness in Internal Control over Compliance and Material Noncompliance resulted in the following Eide Bailly, LLP recommendation:
Eide Bailly recommended NDE enhance internal controls to ensure the amounts used in monitoring the LEA maintenance of effort is accurate and that documentation sounding in the eligibility standard be maintained in accordance with 34 CFR section 300.230(a).

NDE Response
NDE agrees with this finding. In alignment with efforts under finding 2024-030, the Department has worked to develop policies and procedures, business rules, and consistent data and reporting practices across reports.

Corrective Action
NDE shall strengthen internal controls over the Special Education Maintenance of Effort (MOE) review process to guarantee accuracy. Specifically, NDE will update the MOE review process from the compliance standard to the eligibility standard; written procedures will be updated accordingly. Additionally, NDE will establish and implement a required secondary review step within the internal control framework.

Responsible Parties and Anticipated Completion Date
Student Investment Division, Office of Division Compliance; November 1, 2026. Please reach out to Jenni Hood at sidcompliance@doe.nv.gov with any questions.

3. **Finding #2024-032 - Education Stabilization Fund, 84.425**
Matching, Level of Effort, and Earmarking - Material Weakness in Internal Control over Compliance resulted in the following Eide Bailly, LLP recommendation:
We recommend NDE enhance internal controls to ensure earmarking requirements are initially met and implement internal controls to ensure ongoing compliance is monitored.

NDE Response
NDE utilizes a Notice of Incoming Funding Form pursuant to Policy and Procedure 10.2 Funding Opportunities; this form and corresponding policy include information regarding the grant funding and support whether an earmarking spreadsheet would be necessary.

Corrective Action
NDE shall develop a comprehensive Policy and Procedure (10.12 Match, Maintenance of Effort, and Earmarking) documenting the earmarking process, to include monitoring. NDE shall implement internal control monitoring specific to earmarking. The Office of Division Compliance will collaborate with offices across the agency to develop this policy.

Responsible Parties and Anticipated Completion Date
Student Investment Division, Office of Division Compliance; May 1, 2027. Please reach out to Jenni Hood at sidcompliance@doe.nv.gov with any questions.

4. **Finding #2024-033 - Education Stabilization Fund, 84.425**
Matching, Level of Effort, and Earmarking - Material Weakness in Internal Control over Compliance and Material Noncompliance resulted in the following Eide Bailly, LLP recommendation:
We recommend NDE implement internal controls to ensure maintenance of effort is tracked, complied with, and supporting documents maintained.

NDE Response
In alignment with efforts under findings 2023-034 and 2024-030, regarding maintenance of effort, the Department has worked to develop policies and procedures, business rules, and consistent data and reporting practices across reports.

Corrective Action
NDE shall document standards for data and reporting, to include required standards for policies and procedures and business rules, to support the development of new and/or temporary reporting requirements in alignment with all relevant internal controls. NDE shall implement internal control monitoring specific to Maintenance of Effort.

Responsible Parties and Anticipated Completion Date
Student Investment Division, Office of Division Compliance; November 1, 2026. Please reach out to Jenni Hood at sidcompliance@doe.nv.gov with any questions.

5. **Finding #2024-034 - Education Stabilization Fund, 84.425**
Reporting - Material Weakness in Internal Control over Compliance and Material Noncompliance resulted in the following Eide Bailly, LLP recommendation:
We recommend NDE implement internal controls to identify required information to be reported, ensure accuracy, and maintain adequate document retention to support compliance.

NDE Response
Due to rapid turnover, changes in assigned personnel, and inconsistent file architecture, NDE has struggled to ensure that source documentation is labeled and retained appropriately.

Corrective Action
NDE shall document standards for data and reporting, to include required standards for policies and procedures and business rules, to support the development of new and/or temporary reporting requirements in alignment with all relevant internal controls. NDE shall implement internal control monitoring specific to compliance with the data and reporting standards.

Responsible Parties and Anticipated Completion Date
Student Investment Division, Office of Division Compliance; May 1, 2027. Please reach out to Jenni Hood at sidcompliance@doe.nv.gov with any questions.

6. **Finding #2024-035 - Education Stabilization Fund, 84.425**
Reporting - Significant Deficiency in Internal Control over Compliance resulted in the following Eide Bailly, LLP recommendation:
We recommend NDE implement internal controls to ensure subaward information is submitted timely in accordance with the FFATA.

NDE Response
NDE has developed a comprehensive Policy & Procedure documenting the timeline and process for FFATA reporting. At the time of this Corrective Action Plan, NDE is able to demonstrate timely and accurate FFATA reporting.

Corrective Action
NDE has completed corrective action for this finding. A comprehensive FFATA Reporting Policy and Procedure (1.11 FFATA Reporting) has been developed and implemented, documenting the required reporting timeline and submission procedures. Internal controls have been established to ensure subawards are reported timely and in compliance with FFATA requirements.

Responsible Parties and Anticipated Completion Date
Student Investment Division, Office of Division Compliance; Currently corrected. Please reach out to Jenni Hood at sidcompliance@doe.nv.gov with any questions.

NDE appreciates the opportunity to participate in the audit process and to receive guidance on areas that could benefit from refinement and revision. External reviews, such as this, support our commitment to continuous improvement.

Sincerely,

Heidi K Haartz

Heidi Haartz
Interim Deputy Superintendent
Student Investment Division
Nevada Department of Education

Joe Lombardo
Governor

Joy Grimmer
Director

Mandy Hagler
Deputy Director

William Taylor
Administrator

STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Purchasing Division

NVPurch@admin.nv.gov
515 East Musser Street, Suite 300 | Carson City, Nevada 89701
Phone: (775) 684-0170

Audit Finding 2024-036

Program name/assistance listing number: U.S. Department of Health and Human Services
Epidemiology and Laboratory Capacity for Infectious Disease, 93.323
COVID-19 Epidemiology and Laboratory Capacity for Infectious Disease, 93.323

Finding: The Nevada State Purchasing Division of the Department of Administration did not have adequate internal controls to ensure contracts under federal awards contained all of the applicable contract provisions.

Recommendation: We recommend State Purchasing enhance internal controls to ensure all contracts under federal awards contain the applicable provisions.

Agency Response

Does the Agency Agree with Finding: Yes
Additional Comments: None

Corrective Action Taken or to be Taken

Action: As part of Purchasing's standard contracting procedures, and shortly after the audit findings were discussed with GFO in January 2024, the Purchasing Division commenced fulfilling the recommendations regarding **provisions described in Appendix II to Part 200** that had not been consistently included in contracts as indicated below.

When Purchasing leads a Request for Proposal (RFP) process and is notified - via Section 4 of the RFP Template provided to agencies utilizing Federal Awarded Funds – Purchasing ensures that all applicable federal provisions and procedures are incorporated into the solicitation, either by reference or as attachments.

For state agencies conducting their own solicitation, Purchasing provides an RFP Template that requires identification of the relevant Code of Federal Regulations (CFR) to be referenced and included in the resulting contract, thereby supporting compliance with federal requirements.

This corrective action (RE: provisions) has been actively in place since approximately January 2024.

As part of Purchasing's updated internal controls, and shortly after the audit finding was reported, the Purchasing Division commenced fulfilling the recommendation as indicated below **regarding suspended or debarred entities.**

Prior to Purchasing awarding a contract, the responsible Purchasing Officer performs a SAM.gov check on the vendor in question, prints out the page indicating that the entity is not suspended or debarred and then the document is attached to the Bid in ePro (Nevada's official online portal for government procurement), which is posted publicly.

This corrective action (RE: debarred entities) has been actively in place since approximately July 2023.

Date of Completion or Estimated Completion: Since there are active-holdover contracts, it will take an undetermined amount of time for the related mulit-year contracts to clear.

Department or Agency Responsible for Corrective Action Plan

Agency: Department of Administration – Purchasing Division

Contact: William Taylor, Administrator
515 E. Musser Street, Suite 300
Carson City, NV 89701
775-515-5173
BTaylor@admin.nv.gov

Joe Lombardo
Governor

Laura Rich
Director

DEPARTMENT OF HUMAN SERVICES

NEVADA DIVISION of PUBLIC and BEHAVIORAL HEALTH

Andrea R. Rivers,
MS
Administrator

Ihsan Azzam,
Ph.D., M.D.,
Chief Medical Officer

July 27, 2026

Eide Bailly LLP, CPAs performed an annual single audit of the State of Nevada Epidemiology and Laboratory Capacity for Infectious Diseases, 93.323, active during the State of Nevada's fiscal year 2024 which ended June 30, 2024.

Finding 2024-037: Reporting
The Division of Public and Behavioral Health (DPBH) did not have adequate internal controls to ensure quarterly fiscal reports were reviewed by a person other than the preparer and that certain information reconciled to underlying supporting documentation.

Nevada Division of Public and Behavioral Health response:
The Nevada Division of Public and Behavioral Health accepts this finding and will initiate corrective action as described below.

Corrective Action:
The Division of Public and Behavioral Health will enhance internal controls to ensure the Quarterly Fiscal Reports are reconciled to underlying supporting documentation and are reviewed by an individual independent of the preparation of the reports.

Date of Completion:
August 2026

Responsible Party:
Kagan Griffin, Health Program Manager II
Kailynn Griffith, Health Program Manager II

If you have any questions, please contact Kori Kendall, Auditor III at 775-684-3228 or by email at k.kendall@health.nv.gov.

Sincerely,

Andrea R. Rivers, MS, Administrator

Joe Lombardo
Governor

Laura Rich
Director

DEPARTMENT OF HUMAN SERVICES

NEVADA DIVISION of PUBLIC and BEHAVIORAL HEALTH

Andrea R. Rivers,
MS
Administrator

Ihsan Azzam,
Ph.D., M.D.,
Chief Medical Officer

July 27, 2026

Eide Bailly LLP, CPAs performed an annual single audit of the State of Nevada Epidemiology and Laboratory Capacity for Infectious Diseases, 93.323, active during the State of Nevada's fiscal year 2024 which ended June 30, 2024.

Finding 2024-038: Reporting
The Division of Public and Behavioral Health (DPBH) did not have internal controls to ensure subaward information was submitted in accordance with FFATA.

Nevada Division of Public and Behavioral Health response:
The Nevada Division of Public and Behavioral Health accepts this finding and will initiate corrective action as described below.

Corrective Action:
The Division of Public and Behavioral Health will implement internal controls to ensure subaward information is submitted in accordance with FFATA.

Date of Completion:
August 2026

Responsible Party:
Michele Silzell, Administrative Services Officer III

If you have any questions, please contact Kori Kendall, Auditor III at 775-684-3228 or by email at k.kendall@health.nv.gov.

Sincerely,

Andrea R. Rivers, MS, Administrator

Joe Lombardo
Governor

Laura Rich
Director

DEPARTMENT OF HUMAN SERVICES

NEVADA DIVISION of PUBLIC and BEHAVIORAL HEALTH

Andrea R. Rivers,
MS
Administrator

Ihsan Azzam,
Ph.D., M.D.,
Chief Medical Officer

July 27, 2026

Eide Bailly LLP, CPAs performed an annual single audit of the State of Nevada Epidemiology and Laboratory Capacity for Infectious Diseases, 93.323, active during the State of Nevada's fiscal year 2024 which ended June 30, 2024.

Finding 2024-039: Subrecipient Monitoring
The Division of Public and Behavioral Health (DPBH) did not have adequate internal controls in place to ensure compliance with its subrecipient monitoring policy occurred.

Nevada Division of Public and Behavioral Health response:
The Nevada Division of Public and Behavioral Health accepts this finding and will initiate corrective action as described below.

Corrective Action:
The Division of Public and Behavioral Health will enhance internal controls to ensure compliance with its subrecipient monitoring policies.

Date of Completion:
August 2026

Responsible Party:
Kagan Griffin, Health Program Manager II
Kailynn Griffith, Health Program Manager II

If you have any questions, please contact Kori Kendall, Auditor III at 775-684-3228 or by email at k.kendall@health.nv.gov.

Sincerely,

Andrea R. Rivers, MS, Administrator

Joe Lombardo
Governor

Richard Whitley, MS
Director

DEPARTMENT OF HUMAN SERVICES

DIVISION OF SOCIAL SERVICES

Helping people. It's who we are and what we do.

Robert H. Thompson
Administrator

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Date: July 24, 2026

U.S. Department of Health and Human Services
Temporary Assistance for Needy Families, 93.558
COVID-19 Temporary Assistance for Needy Families, 93.558

Finding Number: 2024-040 – Matching, Level of Effort, and Earmarking – Significant Deficiency in Internal Control over Compliance

Finding: As provided by 45 CFR section 264.1, the average monthly number of families that include an adult or minor child head of household, or the spouse of the head of household, who has received assistance under any state program funded by federal TANF funds for more than 60 countable months (whether or not consecutive) may not exceed 20 percent of the average monthly number of all families to which the state provided assistance during the fiscal year or the immediately preceding fiscal year (but not both), as the state may elect. (Repeat of prior year finding 2023-038.)

Corrective Action Taken or To Be Taken: DSS has established formal procedures to ensure TANF matching, level of effort, and earmarking requirements are consistently monitored. The TANF NEON Cash Hardship Report is now published and distributed to executive staff on a quarterly basis. Following publication, executive staff review the report and provide confirmation that program expenditures align with federal requirements. Documentation of each review is maintained as part of the official record to demonstrate compliance. These procedures ensure accurate tracking, timely oversight, and verification that TANF expenditures meet required match, level of effort, and earmarking standards.

If to be taken, estimated date of completion Corrective actions in place.

Agency Response

Does the Agency agree with finding: **Yes** X **No** ___ **Partially** ___

Individual Responsible for Corrective Action Plan:
Name, Title: Jacqeline Marchetti, Social Service Chief III
Phone Number: 702—631-2337
Email: jmarchetti@dss.nv.gov

Reviewed and Approved

Crystal Buscay, Chief Financial Officer

7.27.26

Date

Joe Lombardo
Governor

Richard Whitley, MS
Director

DEPARTMENT OF HUMAN SERVICES

DIVISION OF SOCIAL SERVICES

Helping people. It's who we are and what we do.

Robert H. Thompson
Administrator

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Date:	July 24, 2026
	U.S. Department of Health and Human Services Temporary Assistance for Needy Families, 93.558 COVID-19 Temporary Assistance for Needy Families, 93.558
Finding Number:	2024-041 – Reporting – Material Weakness in Internal Control over Compliance and Material Noncompliance
Finding:	Certain amounts reported on the ACF-196R and ACF-204 did not agree to underlying documentation.
Corrective Action Taken or To Be Taken:	DSS has strengthened its review and reconciliation procedures for the ACF-196R and ACF-204 reports. Before submission, Fiscal and Program staff will reconcile reported amounts to the underlying accounting records and supporting documentation, investigate and resolve any discrepancies, and document supervisory review and approval. Supporting documentation and evidence of review will be retained with each submitted report.
If to be taken, estimated date of completion	Corrective actions implemented; ongoing review with each quarterly and annual report submission.

Agency Response

Does the Agency agree with finding: **Yes** X No ___ Partially ___

Individual Responsible for Corrective Action Plan:
Name, Title: Crystal Buscay, Chief Financial
Phone Number: 775-684-0682
Email: cbuscay@dss.nv.gov

Reviewed and Approved

Crystal Buscay, Chief Financial Officer

7.27.26
Date

Joe Lombardo
Governor

Richard Whitley, MS
Director

DEPARTMENT OF HUMAN SERVICES

DIVISION OF SOCIAL SERVICES

Helping people. It's who we are and what we do.

Robert H. Thompson
Administrator

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Date: July 24, 2026

U.S. Department of Health and Human Services
Temporary Assistance for Needy Families, 93.558
COVID-19 Temporary Assistance for Needy Families, 93.558

Finding Number: 2024-042 Reporting – Material Weakness in Internal Control over Compliance and Material Noncompliance. Required subaward information was not reported in the FFATA Subaward Reporting System (FSRS). (Repeat of prior year finding 2023-039.)

Finding: Required subaward information was not reported in the FFATA Subaward Reporting System (FSRS). (Repeat of prior year finding 2023-039.).

Corrective Action Taken or To Be Taken: This requirement has been incorporated into DSS internal controls to ensure subaward reporting is completed timely and in compliance with FFATA. Designated staff are responsible for monthly submission, documentation, and verification, with internal review procedures in place to confirm accuracy and completeness. All reports were brought current, and ongoing reporting is now embedded in standard operating procedures to maintain compliance.

If to be taken, estimated date of completion Corrective action in place.

Agency Response

Does the Agency agree with finding: **Yes** X **No** ___ **Partially** ___

Individual Responsible for Corrective Action Plan:
Name, Title: Cathy Council, Management Analyst III
Phone Number: 775-684-0679
Email: cacouncil@dss.nv.gov

Reviewed and Approved

Crystal Buscay, Chief Financial Officer — 7.27.26 Date

Carson City Administrative Office
1470 E. College Parkway • Carson City, Nevada 89706-7924
775-684-0500 • Fax 775-684-0614 • dwss.nv.gov

Joe Lombardo
Governor

Laura Rich
Director

DEPARTMENT OF HUMAN SERVICES

DIVISION OF SOCIAL SERVICES

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Robert H. Thompson
Administrator

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Date: July 21, 2026

U.S. Department of Health and Human Services
Low Income Home Energy Assistance, 93.568

Finding Number: 2024-043 – Material Weakness in Internal Control over Compliance and Material Noncompliance

Finding: DSS did not have adequate internal controls to ensure amounts reported on the *LIHEAP Quarterly Performance and Management Report* were appropriately supported.

Corrective Action Taken or To Be Taken: Internal controls have been implemented to ensure the amounts are documented and reported accurately on the LIHEAP Quarterly Performance and Management Report.

If to be taken, estimated date of completion Corrective Actions are already in place.

Agency Response

Does the Agency agree with finding: Yes X No___ Partially___

Individual Responsible for Corrective Action Plan:
Individual Responsible for Corrective Action Plan:
Name, Title: Brooke Barlow, Chief of Fiscal
Phone Number: 775-684-0659
Email: bebarlow@dwss.nv.gov

Reviewed and Approved

Crystal Buscay, CFO

7.24.26
Date

STATE OF NEVADA

JOE LOMBARDO
Governor

DR. KRISTOPHER SANCHEZ
Director

STEVE AICHROTH
Administrator

DEPARTMENT OF BUSINESS AND INDUSTRY
HOUSING DIVISION

Corrective Action Plan

Audit Finding: 2024-044, Low-Income Home Energy Assistance, 93.568

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

> ***Summary:*** *Required subaward information was not reported per the Federal Funding Accountability and Transparency Act (FFATA). FFATA requires direct recipients of certain federal awards to report subaward information by the end of the month following the month in which the prime awardee obligates a subgrant award equal to $30,000.*
> ***Recommendation:*** *Implement internal controls to ensure subaward information is submitted in accordance with FFATA.*

Agency Response: The Nevada Housing Division ("Division") agrees with the finding. The Division also acknowledges this is a prior year finding.

Corrective Action: The Division will adopt an internal grants manual that establishes the process for ensuring subaward information is submitted in accordance with the FFATA. The Division will also establish an internal audit and compliance committee to enhance oversight of existing policies for assessing risk (which include verifying suspension or debarment), monitoring and sharing best practices across its business. The internal audit and compliance committee will be responsible for reviewing internal controls and policies on an annual basis, following up on any audit findings and ensuring follow-through of corrective action plans.

Adoption of Corrective Action: January 2024

Division Contact and Corrective Action Plan Lead:
Christine Hess, Chief Financial Officer
Nevada Housing Division
775-687-2249
chess@housing.nv.gov

Joe Lombardo
Governor

Laura Rich
Director

DEPARTMENT OF HUMAN SERVICES

DIVISION OF SOCIAL SERVICES

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Robert H. Thompson
Administrator

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Date: July 21, 2026

U.S. Department of Health and Human Services
Child Care and Development Block Grant, 93.575

Finding Number: 2024-045 – Matching, Level of Effort, and Earmarking Significant Deficiency in Internal Control over Compliance

Finding: DSS did not have adequate internal controls to ensure the in-kind service match amounts are reconciled and reported accurately.

Corrective Action Taken or To Be Taken: The internal controls have been updated to ensure the in-kind service match amounts are reconciled and reported accurately.

If to be taken, estimated date of completion Corrective Actions are already in place.

Agency Response

Does the Agency agree with finding: **Yes** X No___ Partially___

Individual Responsible for Corrective Action Plan:
Name, Title: Brooke Barlow, Administrative Services Officer III – Chief of Fiscal Services
Phone Number: 775-684-0659
Email: bebarlow@dss.nv.gov

Reviewed and Approved

Crystal Buscay, Chief Financial Officer

7.24.26
Date

Joe Lombardo
Governor

Richard Whitley, MS
Director

DEPARTMENT OF HUMAN SERVICES

DIVISION OF SOCIAL SERVICES

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Robert H. Thompson
Administrator

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Date: July 24, 2026

U.S. Department of Health and Human Services
Child Care and Development Block Grant, 93.575
Covid-19 Child Care and Development Block Grant, 93.575
Child Care Mandatory and Matching Funds of the Child Care and Development Fund, 93.596

Finding Number: 2024-046 - Reporting – Material Weakness in Internal Control over Compliance. Certain amounts reported on the ACF-696 did not agree to underlying documentation.

Finding DSS did not have internal controls to ensure the amounts reported were adequately documented and supported.

Corrective Action Taken or To Be Taken: The internal controls have been updated to ensure the amounts are documented and reported accurately.

If to be taken, estimated date of completion Corrective action in place.

Agency Response

Does the Agency agree with finding: **Yes** X No ___ Partially ___

Individual Responsible for Corrective Action Plan:
Name, Title: Brooke Barlow, Administrative Services Officer III- Chief of Fiscal Services
Phone Number: 775-684-0659
Email: bebarlow@dss.nv.gov

Reviewed and Approved

Crystal Buscay, Chief Financial Officer

7.27.26
Date

Carson City Administrative Office
1470 E. College Parkway • Carson City, Nevada 89706-7924
775-684-0500 • Fax 775-684-0614 • dwss.nv.gov

Joe Lombardo
Governor

Richard Whitley, MS
Director

DEPARTMENT OF HUMAN SERVICES

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Robert H. Thompson
Administrator

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Date: July 24, 2026

U.S. Department of Health and Human Services
Child Care and Development Block Grant,
COVID-19 Child Care and Development Block Grant,
Child Care Mandatory and Matching Funds of the Child Care and Development Fund,
93.575/93.596

Finding Number: 2024-047 - Reporting – Material Weakness in Internal Control over Compliance and Material Noncompliance. Required subaward information was not reported in the FFATA Subaward Reporting System (FSRS). (Repeat of prior year finding 2023-049.)

Corrective Action Taken or To Be Taken: This requirement has been incorporated into DSS internal controls to ensure subaward reporting is completed timely and in compliance with FFATA. Designated staff are responsible for monthly submission, documentation, and verification, with internal review procedures in place to confirm accuracy and completeness. All reports were brought current, and ongoing reporting is now embedded in standard operating procedures to maintain compliance.

If to be taken, estimated date of completion Corrective action in place.

Agency Response

Does the Agency agree with finding: Yes X No ___ Partially ___

Individual Responsible for Corrective Action Plan:
Name, Title: Catherine Council, Management Analyst III
Phone Number: 775-684-0679
Email: cacouncil@dss.nv.gov

Reviewed and Approved

Crystal Buscay, Chief Financial Officer

7.27.26
Date

CORRECTIVE ACTION PLAN

Finding Number 2024-048

U.S. Department of Health and Human Services
Children's Health Insurance Program (CHIP), 93.767

Summary of Finding: Amounts reported on the CMS-21 were not supported by the underlying accounting information.

NVHA did not have adequate internal controls to ensure CMS-21 reports were accurate or supporting documentation for reconciling items was maintained.

A nonstatistical sample of two CMS-21 reports out of a population of four was selected for testing. NVHA was unable to provide Support for the following variances:

December 31, 2023 CMS-21 Report

	Amount Reported	Amount Supported
Line 1a - Premiums Up to 150% of Poverty Level – Gross Premiums Paid	$12,790,058	$10,620,925
Line 9 - Dental Services	$603,625	$2,772,759
Line 18 – Screening Services	$54,880	$57,168

March 31, 2024 CMS-21 Report

	Amount Reported	Amount Supported
Line 1a - Premiums Up to 150% of Poverty Level – Gross Premiums Paid	$9,192.633	$7,629,522
Line 8 – Prescribed Drugs	$295,759	$321,092
Line 9 - Dental Services	$755,375	$2,318,487

We recommend NVHA enhance internal controls to ensure CMS-21 reports are accurate and supporting documentation is maintained.

NVHA Response: The Nevada Health Authority agrees with this finding.

Contact Person(s): Russ Steele, Audit Manager

Corrective Action Planned:
The Division has enhanced its internal controls to ensure the accuracy of CMS-21 reports and the proper maintenance of supporting documentation. The following measures have been implemented:

1. System of Record – DAWN:
   The state's accounting system, DAWN, continues to serve as the Division's official system of record for compiling CMS-21 reports.

2. Documentation of Transactions:
   The Division has transitioned to an electronic recordkeeping system for all financial transactions. This change enhances the accuracy, consistency, and accessibility of financial records while supporting improved internal controls. Electronic documentation is now maintained in accordance with established policies and is readily available for review, permitting more efficient audit processes and ensuring compliance with applicable record retention requirements.

3. Reporting Requirements for Certain Service Costs:
   Currently, several service costs are commingled within MMIS. To address this, the Division performs data downloads from MMIS to separate and identify these costs appropriately for CMS-21 reporting. The Federal Reporting Unit will ensure these MMIS reports are maintained to provide transparency and traceability.

4. Collaboration with Fiscal Agent:
   The Division is actively collaborating with its Fiscal Agent, Gainwell, to improve CMS-21 reporting. This includes the development of new "fiscal strings" designed to capture and isolate specific costs that must be reported separately. These efforts aim to enhance transparency and accuracy in federal reporting.

These improvements reflect the Division's commitment to strengthening financial reporting processes, ensuring compliance with federal requirements, and maintaining robust documentation standards.

Anticipated Completion Date of Corrective Action Plan: September 2025

Lynnette Aaron
Lynnette Aaron (Jul 28, 2026 15:51:36 PDT)

Stacie Weeks, JD, MPH, Director

nvha.nv.gov

CORRECTIVE ACTION PLAN

Finding Number 2024-049

U.S. Department of Health and Human Services
Children's Health Insurance Program (CHIP), 93.767

Summary of Finding: Subrecipient amounts were originally reported incorrectly on the SEFA.

The Nevada Health Authority (NVHA) did not have adequate internal controls to ensure payments to providers were not coded as subrecipient payments in accordance with the State of Nevada's accounting policy.

Prior to correction, amounts passed through to subrecipients on the SEFA were overstated by $977,084.

We recommend NVHA enhance internal controls to ensure payments to providers are not coded as subrecipient payments in accordance with the State of Nevada's accounting policy.

NVHA Response: The Nevada Health Authority agrees with this finding.

Contact Person(s): Russ Steele, Audit Manager

Corrective Action Planned: Effective March 2024, NVHA enhanced its internal controls to ensure that provider payments are not incorrectly coded as subrecipient payments, in accordance with the State of Nevada's accounting policies. NVHA has partnered with our vendor to update accounting codes so that subrecipient general ledger accounts are used only when payments are truly intended for subrecipients. At this time, NVHA utilizes subrecipient GLs 8575 and 8576 exclusively for school-based services payments.

Anticipated Completion Date of Implementation of Corrective Action Plan : 03/31/2024

Lynnette Aaron
Lynnette Aaron (Jul 28, 2026 14:05:53 PDT)

Joe Lombardo
Governor

Richard Whitley, MS
Director

DEPARTMENT OF HUMAN SERVICES

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Robert H. Thompson
Administrator

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Date: July 24, 2026

U.S. Department of Health and Human Services
Children's Health Insurance Program (CHIP)
Medicaid Cluster:
State Medicaid Fraud Control Units
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare,
Medical Assistance Program (Medicaid; Title XIX)
93.767/93.775/93.778

Finding Number: 2024-050 - Eligibility Material Weakness in Internal Control over Compliance. PARIS data was not utilized by the Nevada Health Authority (NVHA) or DSS to monitor residency changes to determine when managed care benefits needed to be terminated because a beneficiary had become a resident of another state for Medicaid purposes. Projected questioned costs of $16,257,975 (Medicaid) and $1,111,448 (CHIP) were identified. (Repeat of prior year finding 2023-054.)

Corrective Action Taken or To Be Taken:

The Division of Social Services (DSS) automated the PARIS process as of September 30, 2025. The automation is designed to streamline the quarterly PARIS process. Upon receipt of the file, the system generates initial requests for information to identified customers, requiring them to confirm Nevada residency. Customers are allowed 30 days to respond. Approximately five days after the initial request, reminder notices are issued by text message and email to customers who have not responded. Customers who fail to respond within the 30-day timeframe, or who confirm an out-of-state address, will be terminated in accordance with policy, while those confirming Nevada residency will retain eligibility.

NVHA continues to implement processes to ensure that MMIS will receive closure information related to PARIS matches and report it to T-MSIS. Once DSS has determined that termination is needed within the timeframes outlined above, DSS will send a "Y" indicator to MMIS and proceed with the termination which will also terminate the member from managed care benefits. This enhancement was implemented in November 2025.

In addition, another project which will update the PARIS indicator to include Concurrent Enrollment Matches (CEM) and Death Master File (DMF). Any terminations that are full under these will be reported with respective termination codes when this is implemented, which is currently estimated to be October 2026 but is subject to change.

If to be taken, estimated date of completion Completed (2025); ongoing quarterly operations.

Agency Response

Does the Agency agree with finding: **Yes** X **No** ___ **Partially** ___

Individual Responsible for Corrective Action Plan:
Name, Title: Karen Stoycoff, Social Services Program Specialist
Phone Number: 775-684-7436
Email: kstoycoff@dss.nv.gov

Name, Title: Russell Steele, Nevada Health Authority
Phone Number: 775-684-3609
Email: rsteele@nvha.nv.gov

Name, Title: Jennifer Frischmann, Nevada Health Authority
Phone Number: 775-684-3609
Email: j.frischmann@nvha.nv.gov

Reviewed and Approved

Crystal Buscay, Chief Financial Officer

7.27.24
Date

Stacie Weeks, JD, MPH, Director

nvha.nv.gov

CORRECTIVE ACTION PLAN

Finding Number 2024-050

U.S. Department of Health and Human Services
Children's Health Insurance Program (CHIP), 93.767
Medicaid Cluster:
State Medicaid Fraud Control Units, 93.775
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII)
Medicare, 93.777
Medical Assistance Program (Medicaid; Title XIX), 93.778

Summary of Finding for 2024 Audit: PARIS data was not utilized by the Nevada Health Authority (NVHA) or the Nevada Division of Social Services (DSS) to monitor residency changes to determine when managed care benefits needed to be terminated because the beneficiary was a resident of another state for Medicaid purposes.

NVHA and DSS did not have internal controls in place to effectively communicate the PARIS data between the two agencies to ensure managed care benefits were terminated when appropriate.

Individuals are enrolled in Medicaid (and CHIP) plans in multiple states and benefits are not being terminated timely. Therefore, the State of Nevada is paying capitation payments to managed care organizations, when the benefits should have been terminated.

We recommend NVHA and DSS implement internal controls to effectively communicate the PARIS data between each other and to ensure managed care benefits are terminated when appropriate.

NVHA Response: The Nevada Health Authority agrees with this finding.

Contact Person(s): Russ Steele, Audit Manager

Corrective Action Planned: The Division of Social Services (DSS), which conducts eligibility and enrollment on behalf of Nevada Medicaid, automated the PARIS process as of September 30, 2025. The automation is designed to streamline the quarterly PARIS process. Upon receipt of the file, the system generates initial requests for information to customers identified, requiring them to confirm Nevada residency. Customers are allowed 30 days to respond. Approximately five days after the initial request, reminder notices are issued by text message and email to customers who have not responded. Customers who fail to respond within the 30-day timeframe, or who confirm an out-of-state address, will be terminated in accordance with policy, while those confirming Nevada residency will retain eligibility.

NVHA continues to implement processes to ensure that MMIS will receive closure information related to PARIS matches and report it to T-MSIS. Once DSS has determined that termination is needed within the timeframes outlined above, DSS will send a “Y” indicator to MMIS and proceed with the termination which will also terminate the member from managed care benefits. This enhancement was implemented in November 2025.

In addition, another project which will update the PARIS indicator to include Concurrent Enrollment Matches (CEM) and Death Master File (DMF). Any terminations that fall under these will be reported with respective termination codes when this is implemented, which is currently estimated to be October 2026 but is subject to change.

Anticipated Completion Date of Corrective Action Plan: This corrective action plan was implemented on September 30, 2025.

Stacie Weeks, JD, MPH, Director

JOE LOMBARDO
GOVERNOR

DIRECTOR'S OFFICE

CHRISTOPHER SEWELL
DIRECTOR

JOSHUA MARHEVKA
DEPUTY DIRECTOR

TROY JORDAN
DEPUTY DIRECTOR

To: Kurt Schlicker, CPA, Partner, Eide Bailly
Michaela Woodburn, Senior Accountant, SCO
Tammy Goetze, Audit Manager, LCB

From: Christopher Sewell, Director, DETR
Date: July 27, 2026
Subject: DETR Audit Findings - Corrective Action Plan

DETR – Bureau of Disability Adjudication; Social Security-Disability Insurance, 96.001

Finding:

2024-051: Certain amounts reported on the SSA-4513 (FFY2024 – 04-2204NVDI00) did not agree to underlying documentation. DETR did not have internal controls to ensure the amounts reported were adequately documented and supported. Inaccurate information was reported to the federal awarding agency.

Recommendation:

DETR implements internal controls to ensure the amounts reported are adequately documented and supported.

Corrective Action:

Contact: Brett Martinez bjmartinez@detr.nv.gov, Jana Vaughn Jana.Vaughn@ssa.gov, Arturo Martinez a-martinez@detr.nv.gov

We acknowledge the finding that certain amounts reported on the SSA-4513 did not agree with underlying documentation and that internal controls were insufficient to ensure reported amounts were adequately supported. To address this, DETR will implement strengthened internal controls, including enhanced documentation requirements, supervisory review procedures, and reconciliation processes to ensure the accuracy and supportability of all reported information submitted to the federal awarding agency.

The SSA-4513 reports are due no later than the 25th day of the month after the close of the quarter. DETR will fully implement and test the new controls and procedures prior to submitting the FFY26 Q4 reports (due by 10/25/26) to ensure they function as intended.

Corrective actions related to this finding will be completed no later than October 31, 2026.

Finding:

2024-052: DETR does not have written procedures for verifying, before engaging the services of a provider and at least annually thereafter, whether provides have valid medical licenses and are not currently excluded, suspended, or barred from participation in federal or federally assisted programs; and whose license to provide health care is not currently lawfully revoked or suspended by any state licensing authority for reasons of fraud, abuse, or professional misconduct. In addition, DETR has an individual assigned to this task as part of the position's job duties. However, there is no evidence of monitoring by someone other than the individual (segregation of duties and oversight) that this procedure was followed and the results were appropriate.

Recommendation:

DETR develop written policies and procedures over this process and implement a review and monitoring procedure to ensure the task has been completed accurately and timely.

Corrective Action:

Contact: Brett Martinez bjmartinez@detr.nv.gov, Jana Vaughn Jana.Vaughn@ssa.gov, Arturo Martinez a-martinez@detr.nv.gov

DETR has completed the corrective actions associated with this finding. Written procedures have been developed and implemented to document the required verification steps. In addition, oversight controls have been established to ensure proper segregation of duties. These controls include supervisory monitoring to confirm that the assigned staff member performs the required verifications and that the results are appropriate and fully documented.

This corrective action is complete.

Josh Markerlaw

Christopher Sewell, Director, DETR

Date 7/27/26

cc:

Troy Jordan, Deputy Director, DETR

Josh Marhevka, Deputy Director, DETR

Drazen Elez, Administrator, DETR Rehabilitation Division

Jana Vaughn, Deputy Administrator, DETR Rehabilitation Division

Brett Martinez, Deputy Administrator, DETR Rehabilitation Division

Zachary Hoefling, ASO IV, DETR Financial Management

Arturo Martinez, Chief Auditor, DETR

DATE: July 27, 2026

Thomas Wigmore , Preparedness Officer
Federal Emergency Management Agency (FEMA)
Homeland Security Programs Division Office of Grants Administration

Subject: Corrective Action Plan – FY 2024 Single Audit Findings, Homeland Security Grant Program (Assistance Listing 97.067)

The Nevada Office of Emergency Management (OEM), formerly the Nevada Division of Emergency Management (DEM) during the FY 2024 audit period, respectfully submits the following Corrective Action Plan (CAP) in response to the FY 2024 Single Audit findings for the Homeland Security Grant Program (HSGP), Assistance Listing 97.067. This CAP has been prepared in accordance with 2 C.F.R. § 200.511(c) and addresses each audit finding by providing the auditor's summary of the finding, OEM's response, the corrective actions planned, the responsible official(s), and the anticipated completion date.

For clarity, references to DEM throughout this Corrective Action Plan pertain to the agency as it existed during the FY 2024 audit period. References to OEM identify the current agency responsible for implementing and maintaining the corrective actions described herein.

OEM appreciates the opportunity to strengthen its internal control environment and grant management practices. Where appropriate, OEM has implemented or formalized enhancements to existing policies, procedures, and documentation to further support compliance with applicable federal statutes, regulations, the annual Notice of Funding Opportunity (NOFO), and FEMA guidance.

For certain findings, OEM respectfully disagrees with the auditors' characterization of the identified deficiencies. In those instances, OEM believes the internal controls in place during the audit period provided reasonable assurance of compliance with applicable federal requirements. The accompanying responses explain the basis for OEM's position while identifying enhancements that further strengthen documentation and demonstrate the effectiveness of those controls.

The Nevada Office of Emergency Management remains committed to sound stewardship of federal grant funds, continuous improvement of its internal control framework, and effective collaboration with FEMA, subrecipients, and state and local partners to ensure the continued success of the Homeland Security Grant Program.

Sincerely,

Susan Coyote
Chief Grants Officer

Enclosure(s): Executive Summary, Responses and Corrective Action Plans

cc: Brett Compston, Chief

Executive Overview

The Nevada Office of Emergency Management (OEM), formerly the Nevada Division of Emergency Management (DEM) during the FY 2024 audit period, is committed to maintaining a strong internal control environment and ensuring full compliance with all applicable federal statutes, regulations, grant guidance, and the annual Homeland Security Grant Program (HSGP) Notice of Funding Opportunity (NOFO). This Corrective Action Plan (CAP) addresses the six findings identified in the FY 2024 Single Audit of the Homeland Security Grant Program (Assistance Listing 97.067) and has been prepared in accordance with 2 C.F.R. § 200.511(c).

The audit findings primarily relate to internal controls over grant administration, financial reporting, payroll documentation, subrecipient monitoring, and compliance with selected program requirements. OEM has carefully evaluated each finding and the associated recommendations. While OEM agrees that opportunities exist to strengthen documentation and further formalize certain administrative processes, it respectfully disagrees with the characterization of several findings where existing preventive and detective internal controls provided reasonable assurance of compliance with applicable federal requirements during the audit period.

Throughout the audit period, DEM maintained a comprehensive grant management framework that included multiple levels of review and oversight. All HSGP applications were reviewed by DEM staff for compliance with the applicable NOFO, federal statutes, FEMA guidance, and program eligibility requirements. Proposed investments and funding allocations were subsequently evaluated through Nevada's established governance process, including review by the Nevada Resilience Advisory Committee (NRAC), the Urban Area Working Group (UAWG), the Nevada Homeland Security Finance Committee, and the Nevada Homeland Security Commission (NHSC), with participation by all eligible applicants. Following award, quarterly financial reports and reimbursement requests were reviewed by professional-level grant staff for compliance with FEMA-approved budgets and grant conditions and approved by supervisory personnel prior to reimbursement.

OEM has also completed a comprehensive revision of its Internal Control Manual to better document existing grant administration practices, strengthen internal control documentation, clarify roles and responsibilities, and enhance oversight of financial reporting, grant monitoring, payroll administration, and subrecipient management. These revisions formalize many of the controls that were already operational during the audit period and provide additional documentation supporting compliance with federal grant requirements.

The corrective actions described in this CAP are intended to enhance documentation, strengthen consistency in grant administration, and further demonstrate compliance with applicable federal requirements while preserving the effective governance and oversight processes that have historically guided Nevada's administration of the Homeland Security Grant Program. OEM remains committed to responsible stewardship of federal grant funds, continuous improvement of its internal control environment, and ongoing collaboration with FEMA and its state and local partners to ensure the effective administration of homeland security grant programs.

Program: Homeland Security Grant Program (HSGP)
Assistance Listing: 97.067

Finding 2024-053 – Activities Allowed or Unallowed and Allowable Costs/Cost Principles (Payroll Documentation)

Auditor's Summary of the Finding

The auditors concluded that the Nevada Division of Emergency Management (DEM) did not maintain sufficient documentation to support the allocation of employee salaries and wages charged to the Homeland Security Grant Program. Specifically, documentation supporting payroll distributions was not available for all sampled payroll transactions, resulting in questioned payroll costs. The auditors recommended that DEM strengthen internal controls to ensure documentation supporting the distribution of employee salaries and wages is maintained.

OEM Response

The Nevada Office of Emergency Management (OEM), formerly the Nevada Division of Emergency Management (DEM) during the FY 2024 audit period, agrees that documentation supporting payroll distributions should be consistently maintained and readily available to demonstrate compliance with applicable federal requirements.

During the audit period, DEM maintained internal controls over payroll administration that included supervisory approval of employee payroll, salary certifications validating payroll distributions, and fiscal review of personnel costs charged to Homeland Security Grant Program awards. Salary certifications were used to verify that payroll distributions accurately reflected work performed and supported the allocation of personnel costs to applicable federal awards.

The audit identified that salary certifications and supporting documentation for certain sampled payroll transactions were not available during the audit. While OEM believes these documentation deficiencies did not indicate that payroll costs were improperly charged to the grant, the absence of complete documentation for the sampled transactions limited DEM's ability to demonstrate compliance with the documentation requirements of 2 C.F.R. § 200.430.

Corrective Action Planned

OEM has revised its Internal Control Manual to strengthen documentation and retention requirements for personnel costs charged to federal awards. The revised Personnel and Payroll section formally requires salary certifications, payroll documentation, maintenance of personnel records, and grant-specific payroll documentation. The Grant Management section incorporates these documentation requirements into the administration of federal awards to ensure supporting records are retained as part of the official grant file.

OEM will continue to use salary certifications to validate payroll distributions and will implement additional management oversight to ensure certifications and supporting payroll documentation are consistently completed, retained, and readily available for monitoring and audit purposes. These

enhancements reinforce existing payroll controls while improving documentation retention and demonstrating compliance with 2 C.F.R. § 200.430.

Responsible Official(s)

- Jared Franco, Chief Fiscal Officer
- Judith Lyman, Budget Officer

Anticipated Completion Date

Implemented through the 2026 Internal Control Manual. Revised documentation and record retention procedures are currently in effect and will be applied to all active and future Homeland Security Grant Program awards.

Finding 2024-054- Matching, Level of Effort, and Earmarking (Personnel Cost Limitation)

Auditor's Summary of the Finding

The auditors concluded that DEM did not maintain sufficient internal controls to track, accumulate, and monitor personnel and personnel-related expenditures to demonstrate compliance with the statutory limitation that no more than 50 percent of Homeland Security Grant Program funds may be used for personnel activities. The auditors recommended that DEM strengthen internal controls to monitor compliance with the personnel cost limitation.

DEM Response

DEM respectfully disagrees with the conclusion that it lacked internal controls over compliance with the Homeland Security Grant Program personnel cost limitation.

The FY 2023 FEMA Preparedness Grants Manual establishes that recipients and subrecipients may not use more than 50 percent of their awards for personnel activities unless a waiver is approved by FEMA and refers recipients to Information Bulletin 421b for additional guidance. The Manual, however, does not prescribe a specific methodology requiring recipients to maintain a cumulative statewide calculation or continuously monitor personnel expenditures in the manner described by the audit recommendation. Rather, FEMA reviews applications, proposed investments, and budgets for compliance with the applicable Notice of Funding Opportunity (NOFO) before issuing an award.

DEM maintains an established system of internal controls over HSGP expenditures. All HSGP applications are reviewed by DEM staff for compliance with the annual NOFO, applicable federal statutes, FEMA guidance, and program eligibility requirements before submission to FEMA. Proposed investments and budgets are subsequently reviewed through Nevada's public governance process by the Nevada Resilience Advisory Committee (NRAC), the Urban Area Working Group (UAWG), the Nevada Homeland Security Finance Committee, and the Nevada Homeland Security Commission (NHSC), with participation from all applicants.

Following award, DEM reviews every quarterly financial report submitted by HSGP subrecipients prior to reimbursement. Professional-level grant management staff review all reported expenditures for compliance with the FEMA-approved budget, grant award conditions, and applicable federal requirements. Each reimbursement request is subsequently reviewed and approved by supervisory staff before payment is authorized. This multi-level review process provides ongoing assurance that personnel expenditures remain consistent with FEMA-approved grant awards and subawards throughout the period of performance.

Accordingly, DEM believes these preventive and detective controls provided reasonable assurance of compliance with the statutory personnel cost limitation throughout the audit period.

Corrective Action Planned

Although DEM believes its existing internal controls are effective, DEM recognizes the benefit of further documenting those controls.

DEM has revised its Internal Control Manual to formally document grant administration responsibilities, supervisory review requirements, and financial oversight procedures. The revised manual incorporates existing procedures governing quarterly financial report reviews, supervisory approvals, reimbursement reviews, grant monitoring activities, and periodic evaluations of internal controls. These enhancements better document the controls already in place and provide additional evidence supporting DEM's compliance with FEMA-approved grant awards, subawards, and applicable federal requirements.

Contact Person(s) Responsible for Corrective Action

- Susan Coyote, Chief Grants Officer
- Shealyne Slone, Preparedness Grants Supervisor

Anticipated Completion Date

Implementation completed through the FY 2026 Internal Control Manual. Procedures are currently in effect for all active and future Homeland Security Grant Program awards.

Finding 2024-055 – Reporting (SF-425 Federal Financial Reporting)

Auditor's Summary of the Finding

The auditors determined that the Nevada Division of Emergency Management (DEM) did not have sufficient internal controls to ensure Federal Financial Reports (SF-425) were accurately prepared, independently reviewed, and reconciled prior to submission. The auditors recommended that DEM strengthen its internal controls by implementing documented reconciliation procedures and an independent supervisory review of SF-425 reports before submission.

OEM Response

The Nevada Office of Emergency Management (OEM), formerly the Nevada Division of Emergency Management (DEM) during the FY 2024 audit period, agrees that Federal Financial Reports (SF-425) should be prepared, reconciled, and reviewed in accordance with applicable federal requirements.

During the audit period, DEM maintained financial management controls that included supervisory oversight, segregation of duties, and reconciliation of financial information prior to the submission of federal financial reports. The audit identified opportunities to better document these review procedures and demonstrate that reconciliations and supervisory reviews were consistently performed before SF-425 reports were submitted.

Corrective Action Planned

OEM has revised its Internal Control Manual to formally document the existing financial reporting controls governing the preparation and submission of SF-425 reports. The revised manual requires segregation of duties throughout the financial reporting process and establishes documented supervisory review, reconciliation of supporting financial records, and retention of supporting documentation prior to submission of federal financial reports.

The revised **Grant Management** and **Financial Management** sections reinforce these requirements by requiring:

- Reconciliation of financial data to the State's accounting records and grant financial records before submission.
- Independent supervisory review of SF-425 reports for completeness, accuracy, and compliance with federal reporting requirements.
- Documentation of the review and reconciliation process as part of the official grant file.
- Segregation of duties between personnel responsible for preparing, reviewing, and approving financial reports.

These revisions formalize existing financial reporting practices, strengthen documentation of supervisory reviews and reconciliations, and provide additional assurance that Federal Financial Reports are complete, accurate, and supported prior to submission.

Responsible Official(s)

- Jared Franco, Chief Fiscal Officer
- Judith Lyman, Budget Officer

Anticipated Completion Date

Implemented through the 2026 Internal Control Manual. Revised financial reporting procedures are currently in effect and will be applied to all active and future Homeland Security Grant Program awards.

Finding 2024-056 – Reporting (FFATA Reporting)

Auditor's Summary of the Finding

The auditors determined that the Nevada Division of Emergency Management (DEM) did not maintain sufficient internal controls to ensure compliance with the Federal Funding Accountability and Transparency Act (FFATA) reporting requirements. Specifically, the auditors identified deficiencies in the review and reporting process and recommended that DEM implement documented procedures, including an independent review of FFATA submissions prior to reporting.

OEM Response

The Nevada Office of Emergency Management (OEM), formerly the Nevada Division of Emergency Management (DEM) during the FY 2024 audit period, agrees that FFATA reporting should be performed accurately, timely, and in accordance with applicable federal requirements.

During the audit period, DEM maintained grant administration controls that included supervisory oversight, segregation of duties, and management review of grant activities. The audit identified an opportunity to further formalize documentation of FFATA reporting responsibilities and the review process supporting those submissions. OEM believes the finding primarily reflects the need for additional documentation of existing review procedures rather than the absence of internal controls.

Corrective Action Planned

OEM has revised its Internal Control Manual to formally document internal controls governing FFATA reporting. The revised Grant Management section establishes documented review responsibilities, segregation of duties, supervisory oversight, and record retention requirements throughout the grant administration process. These controls include documented review of FFATA reporting requirements prior to submission and retention of supporting documentation within the official grant file.

Where applicable, the Internal Control Manual references the Grant Management Guide, which provides detailed procedures for determining FFATA reporting applicability and completing required submissions. Supervisory review responsibilities have been formalized to ensure FFATA submissions are reviewed for completeness, accuracy, and compliance before reporting.

These revisions strengthen documentation of existing grant management practices and provide additional assurance that FFATA reporting requirements are consistently reviewed, completed, and supported.

Responsible Official(s)

- Susan Coyote, Chief Grants Officer
- Shealyne Slone, Preparedness Grants Supervisor

Anticipated Completion Date

Implemented through the 2026 Internal Control Manual. Revised FFATA review and documentation procedures are currently in effect and will be applied to all active and future Homeland Security Grant Program awards.

Finding 2024-057 – Subrecipient Monitoring

Auditor's Summary of the Finding

The auditors determined that the Nevada Division of Emergency Management (DEM) did not maintain sufficient internal controls over subrecipient monitoring to ensure compliance with federal requirements. Specifically, the auditors recommended that DEM strengthen its subrecipient monitoring program by implementing documented procedures for conducting risk assessments, monitoring activities, reviewing Single Audit reports, documenting corrective actions, and maintaining supporting records demonstrating oversight of subrecipients.

OEM Response

The Nevada Office of Emergency Management (OEM), formerly the Nevada Division of Emergency Management (DEM) during the FY 2024 audit period, agrees that effective subrecipient monitoring is essential to ensuring compliance with federal grant requirements and safeguarding federal funds.

During the audit period, DEM maintained comprehensive grant management processes that included oversight of subrecipient performance, reimbursement reviews, financial reporting, ongoing technical assistance, and continuous communication with subrecipients throughout the period of performance. The audit identified opportunities to further formalize and document these monitoring activities within the agency's written internal control framework.

Corrective Action Planned

OEM has comprehensively revised its Internal Control Manual to formally document its subrecipient monitoring program. The revised **Grant Management** chapter includes a dedicated **Monitoring** section that establishes standardized procedures for risk-based oversight of subrecipients throughout the grant lifecycle.

The revised procedures require:

- Risk assessments to determine the appropriate level of monitoring for each subrecipient.
- Documented desk reviews and on-site monitoring, as appropriate based on risk.
- Review of Single Audit reports and follow-up on identified findings affecting federal awards.
- Documentation and tracking of corrective action plans when deficiencies are identified.
- Ongoing technical assistance to subrecipients to promote compliance with federal and state requirements.
- Documentation of monitoring activities, communications, and oversight within the official grant file.
- Maintenance of complete subaward documentation supporting subrecipient oversight and compliance.

These revisions fully incorporate the auditor's recommendations and establish a comprehensive, risk-based subrecipient monitoring framework consistent with the requirements of 2 C.F.R. Part 200. The revised Internal Control Manual strengthens documentation of existing monitoring practices while providing standardized procedures for oversight, technical assistance, corrective actions, and continuous monitoring of Homeland Security Grant Program subrecipients.

Responsible Official(s)

- Susan Coyote, Chief Grants Officer
- Shealyne Slone, Preparedness Grants Supervisor

Anticipated Completion Date

Implemented through the 2026 Internal Control Manual. The revised subrecipient monitoring procedures are currently in effect and will be applied to all active and future Homeland Security Grant Program awards.

Finding 2024-058- Special Tests and Provisions – Subgrant Awards (Pass-through Requirement)

Auditor's Summary of the Finding

The auditors concluded that DEM did not maintain sufficient internal controls to ensure compliance with the statutory requirement that at least 80 percent of State Homeland Security Program (SHSP) funds were obligated to local units of government within the required timeframe or that written consent was obtained when funds were retained by the State Administrative Agency (SAA). As a result, the auditors recommended that DEM strengthen internal controls to document compliance with the statutory pass-through requirement.

DEM Response

DEM respectfully disagrees with the conclusion that it lacked internal controls over compliance with the SHSP 80 percent pass-through requirement.

DEM maintains an established governance process that provides multiple levels of review before Homeland Security Grant Program funding recommendations are submitted to FEMA. All HSGP applications are initially reviewed by DEM staff for compliance with the annual Notice of Funding Opportunity (NOFO), applicable federal statutes, FEMA guidance, and program eligibility requirements.

Applications and proposed funding allocations are then reviewed through a transparent public process by the Nevada Resilience Advisory Committee (NRAC), the Urban Area Working Group (UAWG), the Homeland Security Finance Committee, and the Nevada Homeland Security Commission (NHSC), with full participation of all eligible applicants. These reviews evaluate project eligibility, funding priorities, and compliance with applicable statutory and program requirements prior to FEMA approval.

The FY 2023 FEMA Preparedness Grants Manual describes FEMA's review of preparedness grant applications, investment justifications, and funding allocations prior to award. DEM's application review process complements FEMA's oversight through multiple levels of state and local review before funding recommendations are submitted. Likewise, FEMA reviews the State's HSGP application and proposed funding allocations for compliance with the applicable NOFO before issuing an award. The Manual does not prescribe a specific post-award methodology requiring recipients to maintain a cumulative statewide calculation of the pass-through requirement.

During Nevada's application review process, any funding proposed to remain with DEM as the State Administrative Agency is openly discussed with participating jurisdictions and stakeholder groups. Those funding decisions are agreed upon through the public application review process and are documented through Memoranda of Understanding (MOUs) and executed subaward documents. These records document local government concurrence with funding allocations and provide evidence supporting compliance with statutory pass-through requirements.

Accordingly, DEM believes its existing governance structure constitutes an effective preventive internal control over compliance with the SHSP pass-through requirement.

Corrective Action

Although DEM believes its existing internal controls provide reasonable assurance of compliance, DEM recognizes the benefit of enhancing documentation supporting those controls.

DEM has revised its Internal Control Manual to strengthen grant administration and oversight and will implement the following additional procedures:

- Maintain a grant file certification documenting compliance with the SHSP statutory pass-through requirement for each HSGP award.
- Retain documentation demonstrating review of funding allocations through DEM staff, NRAC, UAWG, Homeland Security Finance Committee, and NHSC.
- Retain all applicable Memoranda of Understanding, subaward agreements, and supporting documentation evidencing local jurisdiction concurrence regarding funds retained by DEM.
- Document any FEMA approvals or written consents applicable to retained funding in the official grant file.
- Continue annual review of internal controls and grant administration procedures to ensure continued compliance with FEMA guidance and federal requirements.

These enhancements formalize documentation of controls that have historically existed throughout Nevada's HSGP governance and award process.

Responsible Official(s):

- Susan Coyote, Chief Grants Officer
- Shealyne Slone, Preparedness Grants Supervisor

Anticipated Completion Date:
Implemented for FY 2026 HSGP awards; ongoing thereafter.

ANDY MATTHEWS
Controller

STATE OF NEVADA

JAMES SMACK
Chief Deputy Controller

NIELSINE SHERK, CPA
Deputy Controller-Financial Reporting

OFFICE OF THE
STATE CONTROLLER

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2024-059

Finding: US Department of the Treasury (Treasury) regulations at 31 CFR Part 205 implement the Cash Management Improvement Act of 1990 (CMIA), as amended (Pub. L. No. 101-453; 31 USC 6501 et seq.). Subpart A of those regulations requires state recipients to enter into Treasury-State Agreements that prescribe specific methods of drawing down federal funds (funding techniques) for federal programs listed in the Assistance Listing (Catalog of Federal Domestic Assistance) that meet the funding threshold for a major federal assistance program under the CMIA.

The major federal assistance program threshold for the State of Nevada's 2024 Treasury-State Agreement was $60,000,000 in accordance with 31 CFR Part 205.5, which was determined based on the State's Single Audit for the year ended June 30, 2021.

Major federal assistance programs were not included in the State of Nevada's Treasury-State Agreement as required.

The State of Nevada Controller's Office (SCO) did not have adequate internal controls to ensure major federal assistance programs were completely identified.

Two assistance listing programs were not subject to the specific methods of drawing down federal funds that would have been negotiated within the Treasury-State Agreement.

No sampling was used. We reviewed the expenditures by assistance listing on the State of Nevada's Schedule of Expenditures of Federal Awards for the year ended June 30, 2021. We noted Special Education Grants to States, 84.027, and the Child Care and Development Block Grant, 93.575, both exceeded $60,000,000 and were not included. In addition, there was no documentation available to support whether these programs met any allowable exclusions or exemptions.

Recommendation: We recommend SCO enhance internal controls to ensure major federal assistance programs are completely identified.

Agency Response

Does the Agency Agree with Finding: Yes

Additional Comments: None

Corrective Action Taken or to be Taken

Action: The State Controller's Office (SCO) will enhance internal controls to ensure major federal assistance programs are completely identified.

Date of Completion or Estimated Completion:
Estimated completion August 2026

Department or Agency Responsible for Corrective Action Plan

Agency: Controller's Office
Contact: Micheala Woodburn, Senior Accountant (ACFR),
Fiscal Operations
101 N. Carson Street, Suite 5
Carson City, NV 89701
775-684-5615
mwoodburn@sco.nv.gov