

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY &  
HEARING DISPENSING BOARD**

**FINANCIAL STATEMENTS  
AND  
REQUIRED SUPPLEMENTARY INFORMATION**

**JUNE 30, 2023**

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD**  
JUNE 30, 2023

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR’S REPORT	1-3
MANAGEMENT DISCUSSION AND ANALYSIS	4-8
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements:	
Balance Sheet-Governmental Funds	11
Reconciliation of the Balance Sheet-Governmental Funds to the Statement of Net Position	12
Statement of Revenues, Expenditures and Changes in Fund Balance-Governmental Fund Types	13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities	14
Notes to the Financial Statements	15-22
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary Comparison Schedule for the General Fund	24
COMPLIANCE SECTION	
Independent Auditors’ 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	26

COULSON & ASSOCIATES, Ltd.  
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

**Independent Auditor's Report**

To the Nevada Speech-Language Pathology, Audiology & Hearing Aid Dispensing Board  
Reno, NV 89523

**Opinions**

We have audited the accompanying financial statements of the governmental activities and the major fund of the Nevada Speech-Language Pathology, Audiology & Hearing Aid Dispensing Board (the "Board") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Board as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

We conducted our audit in accordance with 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. 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 Board 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.

**Change in Accounting Principle**

As discussed in Note 1 to the financial statements, in 2023 the Board adopted accounting guidance, GASBS No. 34, *Basic Financial Statements – And Management's Discussion and Analysis – For State and Local Governments*. Our opinion is not modified with respect to this matter.

As discussed in Note 1 to the financial statements, in 2023 the Board adopted new accounting guidance, GASBS No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these 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 Board's ability to continue as a going concern for the twelve months beyond the financial statement 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 generally accepted auditing standards 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 generally accepted auditing standards 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 Board'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 Board'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, and budgetary comparison pages 4-8 and 23-24 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, 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 November 30, 2023, on our consideration of the Board'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 Board'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 Board's internal control over financial reporting and compliance.  
of America.

*Coulson & Associates, Ltd.*

Reno, Nevada  
November 30, 2023

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD  
Management Discussion and Analysis**

This section of the Nevada Speech-Language Pathology, Audiology & Hearing Aid Dispensing Board (the “Board”) annual financial report presents our discussion and analysis of the Board’s financial performance during the fiscal year that ended June 30, 2023. Please read it in conjunction with the Board’s financial statements, which immediately follow this section.

**Financial Highlights**

- The Board’s revenues were \$204,656 which was a \$11,056 increase from the prior year.
- The Board’s current assets on June 30, 2023 were \$236,585, an increase of \$34,052 from the prior year.

**Overview of Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Board’s basic financial statements. The Board’s basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Board’s finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Board’s assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Board is improving or deteriorating.

The statement of activities presents information showing how the Board’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements outline functions of the Board that are principally supported by license fees. The governmental activities of the Board include regulating speech-language pathology, audiology and hearing aid dispensing in the State of Nevada. The government-wide financial statements can be found on pages 9 and 10 of this report.

# **NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID DISPENSING BOARD**

## **Management Discussion and Analysis**

### **Fund Financial Statements**

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Board uses only one governmental fund, in accordance with Nevada Revised Statutes.

### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as government activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Board's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for government activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Board's near-term financing decision. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are on pages 12 and 14, respectively. The basic governmental fund financial statements can be found on pages 11 and 13 of this report.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 15 of this report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Board's budget process. The Board adopts an annual budget and a budgetary comparison to actual results is provided in the supplementary information section of this report.

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD  
Management Discussion and Analysis**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Nevada Speech-Language Pathology, Audiology & Hearing Aid Dispensing Board, current assets exceeded current liabilities by \$119,380 as of June 30, 2023.

The board did not issue basic financial statements meeting the full criteria of GASB No. 34 in prior years. As records were kept on the accrual basis and operations were limited the comparison financial information from the prior fiscal year is reported below. The prior fiscal year is based on the information submitted to the Legislative Counsel Bureau under reporting criteria for licensing boards with under \$200,000 in revenue.

The following presents a summary of the Board's net position for the following fiscal years.

	<b>As of June 30, 2023</b>	<b>As of June 30, 2021</b>
Current Assets	\$ 236,585	\$ 204,966
Capital Assets	-	1,336
Total Assets	<u>236,585</u>	<u>206,302</u>
Current Liabilities	102,074	102,777
Long-term Liabilities	<u>15,130</u>	<u>          </u>
Total Liabilities	<u>117,204</u>	<u>102,777</u>
Net Position		
Invested in Capital Assets	-	1,336
Unassigned Fund Balance	<u>119,381</u>	<u>102,189</u>
Total Net Position	<u>\$ 119,381</u>	<u>\$ 103,525</u>



**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD**

**Management Discussion and Analysis**

**Changes in Net Position**

The Board's total revenues for the fiscal year ended June 30, 2023 were \$204,656. The total costs of all programs and services were \$187,798. The following is a summary of the changes for the following fiscal years.

	<b>Fiscal year ended June 30, 2023</b>	<b>Fiscal year ended June 30, 2022</b>
Revenue:		
Program Revenue		
Charges for Service	\$ 204,513	\$ 193,582
Investment Income	143	18
Total Revenue	<u>204,656</u>	<u>193,600</u>
Expenses:		
Operation Expenses	<u>187,798</u>	<u>161,211</u>
Total Expenses	<u>187,798</u>	<u>161,211</u>
Increase (Decrease) in Net Position	<u>\$ 16,858</u>	<u>\$ 32,389</u>

**FINANCIAL ANALYSIS OF THE NEVADA SPEECH-LANGUAGE PATHOLOGY,  
AUDIOLOGY & HEARING AID DISPENSING BOARD'S FUNDS**

As noted earlier, the Nevada Speech-Language Pathology, Audiology & Hearing Aid Dispensing Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The focus of the Board's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Board's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Board's net resources available for spending at the end of the fiscal year.

The financial performance of the Board as a whole is reflected in its governmental funds. As the Board completed the year, its governmental funds reported a general fund balance of \$225,034.

# **NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID DISPENSING BOARD**

## **Management Discussion and Analysis**

### **Budgetary Highlights**

In fiscal year ending June 30, 2023, the Board's income exceeded budget expectations as revenue sources surpassed estimates by almost \$20,000. The Board's licensee census increased by 7% during fiscal year 2023, and the 102 licenses in the first quarter alone was the most in first quarter licenses since the fiscal year ending June 30, 2016, and higher (by 1 license) than the total issued in the fourth quarter of the prior year, which is typically the busiest. The Board has seen an average yearly increase in licensees of 8% since 2016 as its licensed professionals continue to grow. Since the COVID-19 pandemic, the Board has also seen an increase in licenses issued to out-of-state practitioners, particularly Audiologists and Speech-Language Pathologists practicing via telehealth. Licenses issued to out-of-state practitioners went from 16% for the fiscal year ending June 30, 2018 to 22% for the fiscal year ending June 30, 2023. Budgetary variation was also seen in Board expenses, particularly due to an unusual number of complaints that culminated in disciplinary action during the fiscal year ending June 30, 2023, though the Board expects to recoup approximately \$9,000 in legal fees through consent decree agreements.

### **Capital Assets and Debt Administration**

As of June 30, 2023, the Board had \$0 invested in capital assets, net of accumulated depreciation. Assets are recorded as expense in the year they are purchased for governmental fund financial statements. In government-wide financial statements these assets are reflected at their historical costs less accumulated depreciation. Additional information can be found in the footnotes to these financial statements.

### **Economic Factors and Next Year's Budget and Rates**

The Board continues to experience consistent growth with an average census increase of 8% between fiscal year ending June 30, 2016 and fiscal year ending June 30, 2023. Recently, the number of licenses expiring has been higher than usual, though many of these licenses were issued in the 1980's-1990's and likely represent retirees, or are licenses issued to out-of-state residents who may no longer need licensure for telehealth or other purposes due to the pandemic. It is often difficult to predict growth, though Nevada is experiencing a critical shortage of practitioners licensed by this Board, so opportunity exists for new licensees.

Additionally, the Board plans to pursue legislation in 2025 to create a new license for Speech-Language Pathology Assistants, which is likely to increase the Board's census, as SLPs currently make up over 80% of Board licensees. As a result of this planned legislative work, expenses are expected to increase in the fiscal year ending June 30, 2025 as the Board seeks to contract with a lobbyist to support these efforts. Additionally, should revenue continue to exceed \$200,000, the Board will be mandated to undergo an annual formal financial audit. Lastly, legal fees (beyond meetings and general counsel) are difficult to estimate as excess fees result from disciplinary complaints and reports of unlicensed practice that conclude in hearings and/or consent decrees, which have historically been infrequent for this Board.

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD**  
**Statement of Net Position**  
**June 30, 2023**

	<b>Governmental Activities</b>
<b>Assets</b>	
Current Assets	
Cash	\$ 233,678
Prepaid Expenses	2,907
Total Current Assets	<u>236,585</u>
Non-Current Assets	
Capital Assets, Net of Accumulated Depreciation	<u>-</u>
Total Noncurrent Assets	-
Total Assets	<u><u>236,585</u></u>
<b>Liabilities</b>	
Current Liabilities	
Accounts Payable	6,381
Payroll Liabilities	5,170
Deferred Revenue, Current Portion	90,523
Total Current Liabilities	<u>102,074</u>
Non-Current Liabilities	
Compensated Absences, Non-Current	15,130
Total Non-Current Liabilities	<u>15,130</u>
Total Liabilities	<u>117,204</u>
<b>Net Position</b>	
Invested in Capital Assets, Net	-
Unassigned Fund Balance	119,381
Total Net Position	<u><u>\$ 119,381</u></u>

The accompanying notes are an integral part of these financial statements

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD  
Statement of Activities  
For the Year Ended June 30, 2023**

<b>Function/Program</b>	<b>Expenses</b>	<b>Program Revenues Charges For Service</b>	<b>Net Revenues (Expenses) and Changes in Net Position Government activities</b>
Governmental Activities			
Public Service	\$ 187,464	204,513	\$ 17,049
Depreciation Expense	334		(334)
Interest Expense	-		-
Total Governmental Activities	<u>\$ 187,798</u>	<u>\$ 204,513</u>	<u>\$ 16,715</u>
<b>General Revenues:</b>			
Interest			\$ 143
Total General Revenues			<u>143</u>
Changes in Net Position			<u>16,858</u>
<b>Net Position, July 1, 2022 as previously reported</b>			103,525
Prior Period Adjustment - Change in accounting principle			
Implementation of GASB 34			(1,002)
<b>Net Position, July 1, 2021, restated</b>			<u>102,523</u>
<b>Net Position, June 30, 2022</b>			<u>\$ 119,381</u>

The accompanying notes are an integral part of these financial statements

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD**  
**Balance Sheet-Governmental Funds**  
**June 30, 2023**

	<u>General</u>
<b>ASSETS</b>	
Cash	\$ 233,678
Prepaid Expenses	<u>2,907</u>
Total Assets	<u><u>236,585</u></u>
 <b>LIABILITIES AND FUND BALANCE</b>	
Liabilities	
Accounts Payable	6,381
Payroll Liabilities	<u>5,170</u>
Total Liabilities	11,551
Total Assets	
 Fund Balance	<u>225,034</u>
 Total Liabilities and Fund Balance	<u><u>\$ 236,585</u></u>

The accompanying notes are an integral part of these financial statements

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD**

**Reconciliation of the Balance Sheet  
Governmental Funds to the Statement of Net Position  
June 30, 2023**

Total Fund Balance - Total Governmental Funds	\$	225,034
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:		
License income is deferred ratably over the entire license period		(90,523)
Capital Assets used in governmental activities are not financial resources and therefore not reported as assets in governmental funds		
Cost of Capital Assets	\$	1,336
Accumulated Depreciation		<u>(1,336)</u>
		-
Other liabilities do not use current financial resources and therefore are not reported in the governmental funds		
Compensated Absences		(15,130)
Net Position of Governmental Activities	<u>\$</u>	<u>119,381</u>

The accompanying notes are an integral part of these financial statements

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD**  
**Statement of Revenues, Expenditures  
and Changes in Fund Balance**  
**Governmental Fund Types**  
**For the Year Ended June 30, 2023**

	<u>General</u>
<b>REVENUES</b>	
License Fees	\$ 202,925
Exam Fees	5,000
Interest	143
Other	4,250
Total Revenues	<u>212,318</u>
<b>EXPENDITURES</b>	
Attorney General	13,459
Bank Service Charges	5,236
Computer Software Expense	9,223
Dues and Registration	325
Examination Costs	3,536
Non-State Owned Building	2,852
Office Expense and Supplies	336
Other Operating Expenses	600
Postage and Delivery	607
Professional Services	4,000
Salaries and Related Benefits	146,253
Telephone	590
Total Expenditures	<u>187,017</u>
Net Change in Fund Balance	<u>25,301</u>
<b>Fund Balance, July 1</b>	199,733
<b>Fund Balance, end of year</b>	<u><u>\$ 225,034</u></u>

The accompanying notes are an integral part of these financial statements

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD**

**Reconciliation of the Statement of  
Revenues, Expenditures and Changes in Fund Balance  
to the Statement of Activities  
June 30, 2023**

Net Changes in Fund Balance - Total Governmental Funds	\$ 25,301
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
In the statement of activities license fees are recognized ratably over the license period	(7,661)
In the statement of activities compensated absences are recorded during the period in which they are paid	(448)
In the statement of activities the cost of capital outlays Total are depreciations over their estimated useful lives Depreciation Expense	(334)
Changes in Net Position of Governmental Activities	<u>\$ 16,858</u>

The accompanying notes are an integral part of these financial statements



**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD**

Notes to the Financial Statements

**NOTE 1 - Summary of Significant Accounting Policies**

The financial statements of the Nevada Speech-Language Pathology, Audiology & Hearing Aid Dispensing Board have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**Reporting Entity**

The Nevada Speech-Language Pathology, Audiology & Hearing Aid Dispensing Board (the Board) is the licensing and regulatory agency for the practice of speech-language pathology, audiology and hearing aid dispensing in the State of Nevada. The Board was created to examine and pass upon the qualifications of the applicants for certification, to certify qualified applicants, to revoke or suspend certificates, and to collect all fees and make disbursements pursuant to the Nevada Revised Statutes Chapter 637B. The Board's financial activities are accounted for in a special revenue fund that is used to account for the proceeds of licensing fees and other revenues that are legally restricted to expenditures for specified purposes.

The Board's financial statements are not included in the general-purpose financial statements of the State of Nevada since the State does not exercise financial or administrative control over the Board. This is in conformance with GASB codification Section 2100 - *Defining the Government Reporting Entity*.

**Basis of Presentation and Basis of Accounting**

**Government-Wide Statements**

GASB Statement Number 34 mandates government-wide financial statements of net position and activities, which are presented on the economic resources measurement focus and accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. It also requires that certain fixed assets be recorded at cost less accumulated depreciation, liabilities be recognized and outstanding debt be included in the statement of net position.

The Board's basic financial statements include both the government-wide (reporting the Board as a whole) and fund financial statements (reporting the Board's major funds). The Board's general fund is classified as a governmental activity.

The Statement of Activities presents a comparison between direct expenses and program revenue for each function of the Board's governmental activities. Direct expenses are those that are specifically associated with a program or function. The Board does not charge indirect expenses to programs or functions. Program revenue includes only license fees and related revenue to administer its duties under Nevada Revised Statutes. Revenue that is not classified as program revenue is presented as general revenue.

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD**

Notes to the Financial Statements

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

Fund Financial Statements

The accounts of the Board are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Generally accepted accounting principles require that the general fund be reported as a major fund and that all other governmental funds whose assets, liabilities, revenue or expenditures exceed 10% or more of the total for all governmental funds also be reported as major funds. Accordingly, the Board reports the following major governmental funds:

Governmental and Major Funds

The *General Fund* is the Nevada Speech-Language Pathology, Audiology & Hearing Aid Dispensing Board's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Nevada Speech-Language Pathology, Audiology & Hearing Aid Dispensing Board maintains its accounting records for all governmental funds and prepares its financial statements on the modified accrual basis of accounting as required by Nevada Revised Statutes (NRS) 218.825. The budget of the Nevada Speech-Language Pathology, Audiology & Hearing Aid Dispensing Board is also prepared on the modified accrual basis of accounting. This method provides for recognizing expenditures at the time liabilities are incurred, while revenue is recorded when "measurable and available" to finance expenditures of the fiscal period. "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 Board considers all revenue available if it is collected within 60 days after year-end. Most major sources of revenue reported in governmental funds are susceptible to accrual under the modified accrual basis of accounting.

Interest is subject to accrual. Other receipts become measurable and available when cash is received by the Nevada Speech-Language Pathology, Audiology & Hearing Aid Dispensing Board and are recognized as revenue at that time.

Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on how amounts can be spent. These include "non-spendable" which are not expected to be converted to cash, such as inventory or prepaid items, "restricted" by conditions of law, regulation, grants or contracts with external parties, "committed" which arise from majority votes by the Board, "assigned" which reflect an intent by the Board or a person assigned by the Board, or "unassigned" which is the residual amount.

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD**

Notes to the Financial Statements

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

When both restricted and unassigned fund balances are available for expenditures, it is the Board's policy to use restricted fund balances first, then unassigned as needed. Expenditures incurred in the unassigned fund balances shall be reduced first from committed fund balance, then from the assigned fund balance and lastly, from the unassigned fund balance.

Private-sector standards of accounting and financial reports issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

**Accounting for Uncertainty in Income Taxes**

In June 2006, the Financial Accounting Standards Board ("FASB") issued Interpretation No. 48, *Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109, Accounting for Income Taxes ("FIN48")*. FIN 48 (now referred to as FASB ASC 740-10), requires entities to disclose in their financial statements the nature of any uncertainty in their tax position. For tax-exempt entities, their tax-exempt status itself is deemed to be an uncertainty, since events could potentially occur and jeopardize the tax-exempt status.

The Board has not recognized any benefits from uncertain tax positions and believes it has no uncertain tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly increase or decrease within 12 months of the balance sheet date of June 30, 2023.

**Budget Data**

Chapter 353 of the Nevada Revised Statutes (NRS) was amended on July 1, 2001. This amendment exempted certain professional and occupational boards from the state budget act. Accordingly, the Board's budgeting, accounting practices, and procedures have been removed from State oversight. Currently, the Board continues to prepare its annual budget on a basis similar to generally accepted accounting principles for administrative and control purposes. This budget is prepared on the modified accrual basis of accounting.

**Cash**

Cash includes demand deposits, a money market account and a certificate of deposit held in one commercial bank in Carson City, Nevada. The Board follows a deposit policy per state law related to custodial credit risk.

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD**

Notes to the Financial Statements

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**Accounts Receivables**

Licenses are void if not timely renewed by the licensee, consequently no receivables are provided by licenses. All other receivables are shown net of an allowance for doubtful accounts.

**Revenue**

The Board receives license fees as specified by the Nevada Revised Statutes. These license fees cover annual periods beginning in the month of licensure. License fees on the government-wide financial statements are reported as revenue ratably over the entire one-year licensure period. Where on the governmental fund statements license fees are recognized as revenue in the period they are received.

**Capital Assets**

The property and equipment controlled by the Board are reported in the government-wide financial statements net of related depreciation. Capital assets have an estimated useful life of at least one year. These assets are recorded at historical costs. Donated assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are expensed as incurred.

When capital assets are disposed, the costs and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. The Board uses a 3 to 10 year estimated useful life for office equipment. Capital assets are depreciated using the straight-line method.

On the governmental fund statements capital asset acquisitions are considered expenditures in the year they are purchased.

**Leases**

Leases for property and equipment longer than 12 months are recognized as an intangible right-to-use asset at the present value of the expected lease payments in addition to any set up fees or other one-time costs. A corresponding lease liability is recorded at the present value of the expected lease payments. The discount rate used is the US 5 yr treasury note rate at the prior month end for new leases. When the leases have ended the asset, accumulated amortization and any remaining liability are removed for the respective accounts, and the resulting gain or loss is recorded in operations. Intangible right to use asset is amortized over the life the lease using the straight-line method.

On the governmental fund statements lease payments are considered expenditures in the year they are paid.

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD**

Notes to the Financial Statements

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**Deferred Outflows and Inflows of Resources**

In addition to assets, a separate section is reported for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the Board does not participate in pension or other benefit programs that qualify for reporting in this category.

In addition to liabilities, a separate section is reported for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Currently, the Board does not participate in pension or other benefit programs that qualify for reporting in this category.

**Net Position/Fund Balances**

**Net Position:**

Net position in the government-wide financial statements are classified as invested in capital assets, net of related debt; restricted; and unassigned. Restricted net assets represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

**Fund Balance:**

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

*Non-spendable Fund Balance* – This classification includes amounts that cannot be spent because they are either (a) not in spendable form, such as inventory or prepaid items, or (b) legally or contractually required to be maintained intact.

*Restricted Fund Balance* – This classification includes amounts that are restricted to specific purposes, externally imposed by creditors or imposed by law.

*Committed Fund Balance* – The portion of fund balance that can only be used for specific purposes imposed by majority vote of the Board (highest level of decision-making authority). Any changes or removal of the specific purpose requires majority action by the Board that approved the original action.

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD**

Notes to the Financial Statements

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

*Assigned Fund Balance* – The portion of fund balance that the Board intends to use for specific purposes.

*Unassigned Fund Balance* – The portion of fund balance that has not been assigned to another fund or restricted, committed, or assigned to specific purposes within the general fund.

**Compensated Absences**

The current and long-term liabilities for accumulated paid leave are reported on the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignation or retirements.

**Deferred Revenue**

The Board administers its licensing registration on an annual basis according to Nevada Revised Statutes. Deferred revenue on the government-wide financial statements is related to a ratable recognition of this revenue over that one-year period.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**Date of Management Review**

Management has evaluated subsequent events through November 30, 2023, which was the date the financial statements were issued, and concluded that no additional disclosures were required.

**Risk Management**

The Board is covered by insurance policies with the State of Nevada for tort insurance. The Board also purchases insurance policies for worker's compensation and general liability.

**Employee Retirement and Other Benefits**

The Board offers employees the opportunity to participate in a qualified 457(b) deferred compensation program. Pre-tax contributions may be made by an employee through payroll deduction. Currently, the board offers employer contributions at 9.3% of qualified wages.

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD**

Notes to the Financial Statements

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**New Accounting Pronouncements**

During the year ended June 30, 2023, the Board implemented the provisions of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The objective of this statement is to better meet the information needs of financial statement users by establishing uniform accounting and financial reporting requirements for subscription-based information technology arrangements (SBITAs), improving the comparability of financial statements among governments that have entered into SBITAs and enhancing the understandability, reliability, relevance, and consistency of information about SBITAs.

Under this statement a lessee is required to recognize a liability and an intangible right-to-use asset for each SBITA. Accordingly, the Board implemented the standard for the earliest period presented resulting in no adjustment to the beginning net positions as of July 1, 2022.

**NOTE 2 – Cash**

At June 30, 2023, the Nevada Speech-Language Pathology, Audiology & Hearing Aid Dispensing Board had three bank accounts held at one institution where they are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Board had a cash balance of \$233,678 with a bank balance of \$233,434.

Amounts exceeding the FDIC limit are insured under the State Treasurer's Pooled Collateral Program. The program established pursuant to NRS 356.350 requires each depository to maintain as collateral acceptable securities having a fair market value that is at least 102 percent of the amount of the uninsured balances of the public money held by the depository.

**NOTE 3 – Capital Assets**

Capital asset balances and activities for the year ended June 30, 2023 were as follows:

	<b><u>Beginning Balance</u></b>	<b><u>Additions</u></b>	<b><u>Disposals</u></b>	<b><u>Ending Balance</u></b>
Computer Equipment	\$ 1,336	\$ -	\$ -	\$ 1,336
Total at Historical Cost	1,336	-	-	1,336
Less Accumulated Depreciation	1,002	334	-	1,336
Capital Assets, Net	<u>\$ 334</u>	<u>\$ (334)</u>	<u>\$ -</u>	<u>\$ -</u>

The Board has custodial responsibility to the State of Nevada for these assets. Consequently, these assets revert to the State of Nevada when they are no longer of use to the Board or the Board ceases to exist.

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD**

Notes to the Financial Statements

**NOTE 4 – Leases**

The Board currently leases office space in Reno, Nevada under a shared office agreement with the Board of Occupational Therapy. The yearly shared cost amount for the year ending June 30, 2023 was \$2,852. Expected cost sharing is expected to be \$2,926 for the year ending June 30, 2024. This is a cost sharing arrangement for less than 12 months.

**NOTE 5 – Compensated Absences**

The current portion of compensated absences is defined as those benefits that would be liquidated with available expendable resources as a result of employees who have terminated employment within 45 days subsequent to year-end. The current portion of the cost of compensated absences is recorded as payroll expenditure.

The long-term portions of these costs are reflected as a liability included in long-term liabilities of the Board. The additions and deletions to compensated absences were as follows:

	<b>Beginning Balance</b>	<b>Change</b>	<b>Ending Balance</b>
Compensated Absences	\$ 14,682	\$ 448	\$ 15,130
	<u>\$ 14,682</u>	<u>\$ 448</u>	<u>\$ 15,130</u>

These amounts plus the additional retirement costs related to these amounts are reflected in the government-wide financial statements as Compensated Absences, Non-Current under Non-Current Liabilities.

Compensated absences are reflected in the government fund financial statements only during the period in which they are actually paid.

**NOTE 7 – Litigation**

The Board is subject to legal proceedings and claims, which have arisen in the ordinary course of its business and have not been finally adjudicated. These actions, when ultimately concluded and determined, in the opinion of the Board, will not have a material adverse effect on the financial position of the Board and accordingly, no provisions for losses has been recorded.

**NOTE 8 – Compliance With Nevada Revised Statutes and Administrative Code**

The Board conformed to all significant statutory constraints on the financial administration during the fiscal year.



## **REQUIRED SUPPLEMENTARY INFORMATION**

**NEVADA SPEECH-LANGUAGE PATHOLOGY, AUDIOLOGY & HEARING AID  
DISPENSING BOARD**

**Budgetary Comparison Schedule for the General Fund  
For the Year Ended June 30, 2023**

	<b>Budgeted</b>		<b>Variance</b>
	<b>Amounts</b>	<b>Actual</b>	<b>Positive (Negative)</b>
<b>Revenues</b>			
License Fees	177,650	202,925	25,275
Exam Fees	7,550	5,000	(2,550)
Interest	-	143	143
Other	-	4,250	4,250
Total Revenues	<u>185,200</u>	<u>212,318</u>	<u>27,118</u>
<b>Expenditures</b>			
Attorney General	8,000	13,459	(5,459)
Bank Service Charges	4,500	5,236	(736)
Computer Software Expense	7,650	9,223	(1,573)
Dues and Registration	700	325	375
Equipment Expense	200	-	200
Examination Costs	3,630	3,536	94
Non-State Owned Building	3,360	2,852	508
Office Expense and Supplies	850	336	514
Other Operating Expenses	1,450	600	850
Postage and Delivery	400	607	(207)
Printing and Reproduction	200	-	200
Professional Services	4,500	4,000	500
Salaries and Related Expenses	147,613	146,253	1,360
Telephone	600	590	10
Travel	200	-	200
Total Expenditures	<u>183,853</u>	<u>187,017</u>	<u>(3,164)</u>
Excess of Revenue Over Expenditures	1,347	25,301	<u>\$ 23,954</u>
Fund Balance - Beginning	199,733	199,733	
Fund Balance - Ending	<u>\$ 201,080</u>	<u>\$ 225,034</u>	

## **COMPLIANCE SECTION**

COULSON & ASSOCIATES, Ltd.  
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

---

**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**

November 30, 2023

To the Board of Directors  
Nevada Speech-Language Pathology, Audiology and Hearing Aid Dispensing Board  
6170 Mae Anne Avenue, Suite 1  
Reno, NV 89523

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, the financial statements of the governmental activities, and the major fund of Nevada Speech-Language Pathology, Audiology and Hearing Aid Dispensing Board (the "Board") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated November 30, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Board's internal control over financial reporting (internal control) as a basis for designing 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 Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Board's financial statements are free from 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*.

### **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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,

*Coulson & Associates, Ltd.*

Reno, Nevada  
November 30, 2023