

NORTHERN NEVADA LITERACY COUNCIL

*Financial Statements and
Supplementary Information*

June 30, 2014

NORTHERN NEVADA LITERACY COUNCIL

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JUNE 30, 2014

(With Comparative Totals for June 30, 2013)

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Northern Nevada Literacy Council
Reno, Nevada

Report on the Financial Statements

We have audited the accompanying financial statements of the Northern Nevada Literacy Council (a nonprofit organization) (the Organization), which comprise the statement of financial position as of June 30, 2014 and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Northern Nevada Literacy Council as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

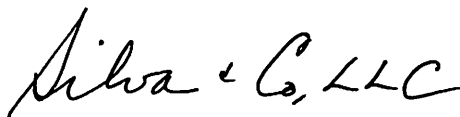
The financial statements of the Northern Nevada Literacy Council as of June 30, 2013 were audited by other auditors whose report dated January 20, 2014 expressed an unmodified opinion on those statements.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Functional Expenses and the accompanying Schedule of Expenditures of Federal Awards, as required by the Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the June 30, 2014 financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2015, on our consideration of the Organization'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 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 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 Organization's internal control over financial reporting and compliance.



Reno, Nevada
February 25, 2015

NORTHERN NEVADA LITERACY COUNCIL

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2014

(With Comparative Totals for June 30, 2013)

	2014	(Comparative Totals Only) 2013
	<u>2014</u>	<u>2013</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 133,258	\$ 117,558
Grant funds receivable	65,895	85,544
Prepaid expenses	38,474	626
Total Current Assets	<u>237,627</u>	<u>203,728</u>
PROPERTY AND EQUIPMENT, net	<u>34,632</u>	<u>14,747</u>
	<u>\$ 272,259</u>	<u>\$ 218,475</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 52,375	\$ 45,906
Accrued expenses	16,024	18,504
Deferred revenue	8,533	11,680
Total Current Liabilities	<u>76,932</u>	<u>76,090</u>
NET ASSETS		
Unrestricted	195,327	136,409
Temporarily restricted	-	5,976
	<u>195,327</u>	<u>142,385</u>
	<u>\$ 272,259</u>	<u>\$ 218,475</u>

See accompanying notes.

NORTHERN NEVADA LITERACY COUNCIL

STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2014

(With Comparative Totals for Year Ended June 30, 2013)

	2014		2013	
	Unrestricted	Temporarily Restricted	Total	(Comparative Totals Only)
SUPPORT AND REVENUE				
Public and governmental support				
Federal and state contracts				
Department of Education	\$ 600,924	\$ -	\$ 600,924	\$ 531,493
Restricted Grants	-	15,212	15,212	5,376
Contributions, gifts and donations	142,394	-	142,394	7,769
Fundraising revenue	10,773	-	10,773	538
TOTAL SUPPORT AND REVENUE	754,091	15,212	769,303	545,176
EXPENSES				
Program services				
Educational program service	668,385	21,188	689,573	483,288
Supporting services				
General and administrative	25,491	-	25,491	51,991
Fundraising	1,409	-	1,409	30
TOTAL EXPENSES	695,285	21,188	716,473	535,309
OTHER INCOME				
Interest income	112	-	112	59
CHANGE IN NET ASSETS	58,918	(5,976)	52,942	9,926
NET ASSETS, BEGINNING OF YEAR	136,409	5,976	142,385	122,436
Prior period adjustments to net assets				10,023
NET ASSETS, END OF YEAR	\$ 195,327	\$ -	\$ 195,327	\$ 142,385

See accompanying notes.

NORTHERN NEVADA LITERACY COUNCIL

STATEMENT OF CASH FLOWS YEAR ENDED JUNE 30, 2014 *(With Comparative Totals for Year Ended June 30, 2013)*

	2014	(Comparative Totals Only) 2013
	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 52,942	\$ 19,949
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	2,198	1,830
Changes in:		
Grants receivable	19,649	(83,024)
Prepaid expenses	(37,848)	349
Accounts payable	6,469	37,453
Accrued expenses	(2,480)	(4,096)
Deferred revenue	(3,147)	(51,514)
Net cash provided (used) by operating activities	<u>37,783</u>	<u>(79,053)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	<u>(22,083)</u>	<u>(14,995)</u>
Net cash used by investing activities	<u>(22,083)</u>	<u>(14,995)</u>
NET CHANGE IN CASH	15,700	(94,048)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>117,558</u>	<u>211,606</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 133,258</u>	<u>\$ 117,558</u>

See accompanying notes.

NORTHERN NEVADA LITERACY COUNCIL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Northern Nevada Literacy Council (the Organization) was incorporated in 1980 as a non-profit corporation in the State of Nevada. The Organization provides adult basic skills, GED preparatory instruction, and English as a Second Language for adults who lack a high school diploma or GED or essential skills to function successfully in the workplace. Revenues are provided by Federal grants and individual and business contributions.

Financial Statement Presentation

In accordance with Financial Accounting Standards Board (FASB) ASC 958-205, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, based upon the existence or absence of donor-imposed restrictions. The Organization has not received any contributions with donor-imposed restrictions that would result in permanently restricted net assets.

Basis of Accounting

The financial statements are presented using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Estimates

The preparation of the 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.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all cash and temporary cash investments with an original maturity of three months or less to be cash equivalents.

NORTHERN NEVADA LITERACY COUNCIL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

Property and Equipment

Purchases of furniture and equipment where the cost is greater than \$5,000 are recorded at cost and depreciated over their estimated service lives from five to ten years using the straight-line method. Purchases of furniture and equipment with a cost less than \$5,000 are expensed in the year of purchase. Donated property is recorded at its estimated value at the date received.

Compensated Absences

All full time employees earn vacation leave at rates dependent on years of service and can be accumulated up to specific hour limits. Upon termination of employment, the employees shall receive payment for all accrued annual leave. An accrual for this estimated liability is recorded in the accompanying Statements of Financial Position.

Revenue Recognition and Concentration

The Organization is primarily funded by grants administered by the State of Nevada and passed-through from the federal government. Current grant revenue is recognized when earned in accordance with the terms of each grant agreement or contract. Revenue recognized on grants or contracts for which payments have not been received is reflected as grants receivable in the accompanying Statement of Financial Position; grant funds received, but not yet expended, are reflected as deferred revenue.

Income Taxes

Northern Nevada Literacy Council is a non-profit organization exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Accordingly, no provision for income taxes is included in the accompanying financial statements.

Contributed Services, Materials and Facilities

Donations of noncash (in-kind) assets or donated use of facilities are reflected as contributions in the accompanying statements at their estimated values at the date of receipt. Contributions of donated services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

NORTHERN NEVADA LITERACY COUNCIL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

The Organization receives a significant amount of donated services from unpaid volunteers who assist in tutoring, fundraising and special projects. For the year ended June 30, 2014, the total fair value for services, materials and facilities contributed to the Organization was \$114,472. This amount has been recorded in the accompanying Statement of Activities.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Functional Expenses (reported as supplementary information). Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising Costs

Advertising costs related primarily to public awareness campaigns and the promotion of the Organization's services. The Organization's policy is to expense advertising costs as they are incurred. No such costs were incurred for the year ended June 30, 2014.

Management's Review

Subsequent events have been evaluated through February 25, 2015, which is the date the financial statements were available to be issued.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2013, from which the summarized information was derived.

NORTHERN NEVADA LITERACY COUNCIL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following at June 30:

Cash	\$ 21,622
Money market savings	111,636
	<u>133,258</u>
	<u>\$ 133,258</u>

Concentration of Credit Risk

The Organization maintains cash accounts in financial institutions located in Nevada. The Federal Deposit Insurance Corporation (FDIC) insures up to \$250,000 per depositor per bank. As of June 30, 2014, deposits did not exceed the FDIC limits.

NOTE 3 – GRANT FUNDS RECEIVABLE

The following is a summary of grants receivable as of June 30:

State of Nevada, Department of Education	\$ 65,895
Adult Education and Family Literacy State Grants	
Other	2,338
	<u>68,233</u>
	<u>\$ 68,233</u>

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

Furniture and equipment	\$ 34,300
Computer equipment	53,054
	<u>87,354</u>
Less: Accumulated depreciation	52,722
	<u>\$ 34,632</u>

Depreciation expense was \$2,198 for the year ended June 30, 2014.

NORTHERN NEVADA LITERACY COUNCIL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

NOTE 5 – OPERATING LEASES

The Organization leases offices and education facilities in Reno, Nevada under an operating lease expiring February 2016. The monthly payment is \$5,000. For the year ended June 30, 2014 expenses incurred under these lease commitments were \$59,000.

Future minimum lease payments under the operating lease as of June 30 are as follows:

2015	\$60,000
2016	<u>10,000</u>
Total lease commitments	<u>\$70,000</u>

NORTHERN NEVADA LITERACY COUNCIL

SCHEDULE OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2014

(With Comparative Totals for Year Ended June 30, 2013)

	2014			2013	
	Program Services	Management and General	Fundraising	Total	(Comparative Totals Only)
Accounting	\$ 14,500	\$ -	\$ -	\$ 14,500	\$ 15,500
Advertising and marketing	-	-	-	-	9,318
Bank charges	-	-	-	-	676
Computer services	2,893	-	-	2,893	1,197
Depreciation	-	2,198	-	2,198	1,830
Fundraising activities	-	-	1,409	1,409	30
In-kind services	114,471	-	-	114,471	-
Instructional materials	15,641	-	-	15,641	44,018
Insurance	1,387	-	-	1,387	2,026
Licenses and permits	-	-	-	-	135
Membership and subscriptions	-	4,838	-	4,838	681
Office supplies	23,456	685	-	24,141	43,551
Other expenses	6,246	3,447	-	9,693	-
Payroll and related taxes and benefits	308,634	12,405	-	321,039	281,135
Printing	4,671	-	-	4,671	4,772
Professional services	4,829	350	-	5,179	11,791
Promotional	-	-	-	-	154
Rent	59,000	-	-	59,000	60,000
Repairs and maintenance	-	-	-	-	10,592
State leadership initiatives	97,752	-	-	97,752	12,523
Travel, meals, and lodging	-	931	-	931	4,029
Utilities and building maintenance	36,093	637	-	36,730	31,351
Total Expenses	\$ 689,573	\$ 25,491	\$ 1,409	\$ 716,473	\$ 535,309

NORTHERN NEVADA LITERACY COUNCIL

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2014

<u>FEDERAL GRANTOR/PROGRAM TITLE</u>	<u>GRANT IDENTIFICATION NUMBER</u>	<u>FEDERAL CFDA NUMBER</u>	<u>AMOUNT</u>
U.S. DEPARTMENT OF EDUCATION			
<i>Pass through from the State of Nevada, Department of Education</i>			
AEFLA - EL Civics	14-607-33000	84.002	\$ 96,079
AEFLA - Basic Instruction	14-608-33000	84.002	351,743
AEFLA - State Leadership	14-609-33000	84.002	154,059
<i>Total U.S. Department of Education</i>			<u>601,881</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 601,881</u></u>

See accompanying note.

NORTHERN NEVADA LITERACY COUNCIL

NOTE TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2014

NOTE 1 – BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Northern Nevada Literacy Council and is prepared on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements or other reports submitted directly to the grantor agencies.



**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**

To the Board of Directors
Northern Nevada Literacy Council
Reno, 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, the basic financial statements of the Northern Nevada Literacy Council (a nonprofit organization) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Organization's basic financial statements and have issued our report thereon dated February 25, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Northern Nevada Literacy Council internal control over financial reporting (internal control) to determine 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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

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.

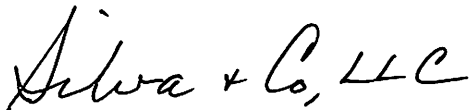
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Northern Nevada Literacy Council'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 determination of financial statement amounts. 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 Northern Nevada Literacy Council'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 Northern Nevada Literacy Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Silva & Co, LLC".

Reno, Nevada
February 25, 2015



**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
*OMB CIRCULAR A-133***

To the Board of Directors
Northern Nevada Literacy Council
Reno, Nevada

Report on Compliance for Each Major Federal Program

We have audited the Northern Nevada Literacy Council's (a nonprofit organization) compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2014. The Organization's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However our audit does not provide a legal determination of the Organization's compliance.

Opinion on Each Major Federal Program

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

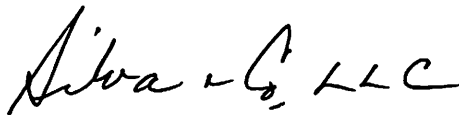
Report on Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

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. *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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Reno, Nevada
February 25, 2015

NORTHERN NEVADA LITERACY COUNCIL

SCHEDULE OF FINDINGS AND QUESTIONED COSTS JUNE 30, 2014

A. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of Auditors' report issued	Unmodified
Internal Control over Financial Reporting:	
• Material weakness identified	None
• Other significant deficiencies identified	None reported
Noncompliance material to the financial statements noted	No

Federal Awards

Internal Control over Major Programs:	
• Material weakness identified	No
• Other significant deficiencies identified	No
Type of Auditors' report issued on compliance for major programs	Unmodified
Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133	No

Major Programs

The major program for the year ended June 30, 2014 was:

- Adult Education and Family Literacy Act Programs (CFDA #84.002)

The threshold for distinguishing Types A and B programs was \$300,000.

Low-Risk Auditee

The Northern Nevada Literacy Council was determined to be a low-risk auditee under Section 530 of Circular A-133.