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Fiscal Audit FY19/20

BOARD OF EXAMINERS FOR SOCIAL WORKERS
FINANCIAL STATEMENTS
AND
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020

BOARD OF EXAMINERS FOR SOCIAL WORKERS
JUNE 30, 2020

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Independent Auditor's Report

To the Board of Board of Examiners for Social Workers

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Board of Examiners for Social Workers as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

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.

Auditor's Responsibility

Our responsibility is to express opinions 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. 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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Board of Examiners for Social Workers as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted accounting principles in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension information on pages 3 through 7 and 27 through 29 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 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.

Coulson & Associates, Ltd.

Reno, Nevada
November 9, 2020

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Management Discussion and Analysis

This section of the Board of Examiners for Social Workers (the “Board”) annual financial report presents our discussion and analysis of the Board’s financial performance during the fiscal year that ended June 30, 2020. Please read it in conjunction with the Board’s financial statements, which immediately follow this section.

Financial Highlights

- The Board’s revenues were \$469,592 which was a \$67,950 increase from the prior year.
- The Boards current assets at June 30, 2020 were \$148,722, an increase of \$56,540 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 Social Workers in the State of Nevada. The government-wide financial statements can be found on pages 8 and 9 of this report.

BOARD OF EXAMINERS FOR SOCIAL WORKERS
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 11 and 13, respectively. The basic governmental fund financial statements can be found on pages 10 and 12 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 14 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 and pension information. The Board adopts an annual budget and a budgetary comparison to actual is provided in the supplementary information section of this report.

BOARD OF EXAMINERS FOR SOCIAL WORKERS
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 Board of Examiners for Social Workers, current liabilities exceeded current assets by \$82,390 as of June 30, 2020.

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

	<u>As of June 30, 2020</u>	<u>As of June 30, 2019</u>	<u>As of June 30, 2018</u>
Current Assets	\$ 148,722	\$ 92,182	\$ 109,098
Capital Assets	8,640	3,826	6,251
Deferred Outflows of Resources	176,766	212,915	74,400
Total Assets & Deferred Outflows of Resources	<u>334,128</u>	<u>308,923</u>	<u>189,749</u>
Current Liabilities	231,112	203,857	162,615
Long-term Liabilities	432,226	519,127	361,904
Deferred Inflows of Resources	108,574	29,038	26,611
Total Liabilities & Deferred Inflows of Resources	<u>771,912</u>	<u>752,022</u>	<u>551,130</u>
Net Position			
Invested in Capital Assets	8,640	3,826	6,251
Unrestricted	(446,424)	(446,925)	(367,632)
Total Net Position	<u>\$ (437,784)</u>	<u>\$ (443,099)</u>	<u>\$ (361,381)</u>

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Management Discussion and Analysis

Changes in Net Position

The Board's total revenues for the fiscal year ended June 30, 2020 were \$469,592. The total costs of all programs and services were \$464,278. The following is a summary of the changes for the following fiscal years.

	<u>Fiscal year ended June 30, 2020</u>	<u>Fiscal year ended June 30, 2019</u>	<u>Fiscal year ended June 30, 2018</u>
Revenue:			
Program Revenue			
Charges for Service	\$ 469,592	\$ 401,629	\$ 398,423
Investment Income	-	13	8
Total Revenue	<u>469,592</u>	<u>401,642</u>	<u>398,431</u>
Expenses:			
Operation Expenses	<u>464,278</u>	<u>483,360</u>	<u>474,148</u>
Total Expenses	<u>464,278</u>	<u>483,360</u>	<u>474,148</u>
Increase (Decrease) in Net Position	<u>5,314</u>	<u>(81,718)</u>	<u>(75,717)</u>

FINANCIAL ANALYSIS OF BOARD OF EXAMINERS FOR SOCIAL WORKERS' FUNDS

As noted earlier, the Board of Examiners for Social Workers 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 \$134,828.

Budgetary Highlights

The Board's actual expenses were less than budgeted due to salaries and operating expenses. The budget is based on prior year's activity plus any anticipated changes.

The Board prepares its budget prior to the start of each year. This budget was not subsequently revised during the year. A comparison of this budget with actual results is provided in the supplementary information section of this report.

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Management Discussion and Analysis

Capital Assets and Debt Administration

As of June 30, 2020 the Board had \$8,640 invested in capital assets, net of accumulated depreciation. Assets are recorded as expenses 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 uses no specific economic factors in preparing its budget for the next fiscal year. The Board's revenue is limited by maximum license fees specified in the Nevada Revised Statutes. For expenses, the Board typically assumes an increase of 5% to 10% over the prior year for non-contract items.

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Statement of Net Position
June 30, 2020

	Governmental Activities
Assets	
Current Assets	
Cash	\$ 148,722
Total Current Assets	148,722
Non-Current Assets	
Capital Assets	
Computer/ Technological Equipment	45,526
Less: Accumulated Depreciation	(36,886)
Total Capital Assets	8,640
Total Assets	157,362
Deferred Outflows of Resources	
Deferred Outflows Related to Pension Plans	176,766
Total Assets and Deferred Outflows of Resources	334,128
Liabilities	
Current Liabilities	
Accounts Payable	4,044
Deferred License Income	9,850
Unearned License Revenue	217,218
Total Current Liabilities	231,112
Non-Current Liabilities	
Compensated Absences, Non-Current	15,809
Net Pension Liability	416,417
Total Non-Current Liabilities	432,226
Total Liabilities	663,338
Deferred Inflows of Resources	
Deferred Inflows Related to Pension Plan	108,574
Total Liabilities and Deferred Inflows of Resources	771,912
Net Position	
Invested in Capital Assets, Net	8,640
Unrestricted	(446,424)
Total Net Position	\$ (437,784)

The accompanying notes are an integral part of these financial statements

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Statement of Activities
For the Year Ended June 30, 2020

Function/Program	<u>Expenses</u>	<u>Program Revenues Charges For Service</u>	<u>Net Revenues (Expenses) and Changes in Net Position Government Activities</u>
Governmental Activities			
Public Service	\$ 464,278	\$ 469,592	\$ 5,314
Total Governmental Activities	<u>\$ 464,278</u>	<u>\$ 469,592</u>	<u>5,314</u>
General Revenues:			
Interest			<u>0</u>
Total General Revenues			<u>-</u>
Changes in Net Position			<u>5,314</u>
Net Position, beginning of year			(443,098)
Net Position, end of year			<u>\$ (437,784)</u>

The accompanying notes are an integral part of these financial statements

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Balance Sheet-Governmental Funds
June 30, 2020

	General
ASSETS	
Cash	\$ 148,722
Total Assets	\$ 148,722
 LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts Payable	\$ 4,044
Deferred License Income	9,850
Total Liabilities	13,894
 Fund Balance	
Unassigned	134,828
Total Liabilities and Fund Balance	\$ 148,722

The accompanying notes are an integral part of these financial statements

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Reconciliation of the Balance Sheet of
Governmental Funds to the Statement of Net Position
June 30, 2020

Total Fund Balance - Total Governmental Funds		\$	134,828
<p style="margin-left: 40px;">Amounts reported for <i>governmental activities</i> in the statement of net position are different because:</p>			
License income is deferred ratably over the entire license period			(217,218)
Compensated absences are not recorded until paid.			(15,809)
Long-term liabilities are not due and payable in the current period and therefore are not reported as a liability in governmental funds			
Net Pension Liability			(416,417)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds			
Contributions to the pension plan in the current fiscal year			176,766
Pension deferrals			(108,574)
Capital Assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds			
Cost of Capital Assets	45,526		
Accumulated Depreciation	<u>(36,886)</u>		8,640
Net Position of Governmental Activities		<u>\$</u>	<u>(437,784)</u>

The accompanying notes are an integral part of these financial statements

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Fund Types
For the Year Ended June 30, 2020

	General
REVENUES	
Application Fees	\$ 30,355
Initial Fees	63,690
Renewal Fees	377,993
Provisional License Fees	1,302
Interest	0
Endorsement	16,133
Other	17,228
Total Revenues	506,701
EXPENDITURES	
Salaries and Related Benefits	
Salaries	226,944
Payroll Taxes	3,115
Workers Compensation Insurance	3,068
Unemployment Insurance	2,281
Group Insurance	41,915
Retirement	30,801
Contract Labor	14,706
Legal and Court Expenses	16,132
Lobbyist	18,000
Operating Expenses	42,451
Postage	7,137
Professional Fees	5,075
Rent	20,363
Telephone and Internet	5,578
Travel	2,744
Total Expenditures	440,310
Net Change in Fund Balance	66,391
Fund Balance, beginning of year	68,436
Fund Balance, end of year	\$ 134,827

The accompanying notes are an integral part of these financial statements.

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Reconciliation of Statement of Revenue and Expenditures
and Changes in Fund Balance to the Statement of Activities
For the Year Ended June 30, 2020

Net Changes in Fund Balance - Total Governmental Funds		\$	66,391
<p style="margin-left: 40px;">Amounts reported for <i>governmental activities</i> in the statement of activities are different because:</p>			
In the statement of activities license fees are recognized ratably over the license period			(37,107)
In the statement of activities compensated absences are recorded during the period in which they are paid			(4,426)
In the statement of activities depreciation of capital assets is recorded as expense			
Expenditures for capitalized assets	7,492		
Disposal of Assets	(239)		
Less: current year depreciation	(2,439)		4,814
<p style="margin-left: 40px;">Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds</p>			
Change in net pension liability	91,327		
Change in deferred inflows of resources of pension	(79,536)		
Change in deferred outflows of resources of pension	(36,149)		(24,358)
Changes in Net Position of Governmental Activities		\$	5,314

The accompanying notes are an integral part of these financial statements.

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Notes to the Financial Statements

NOTE 1 - Summary of Significant Accounting Policies:

The financial statements of the Board of Examiners for Social Workers (the “Board”) have been prepared in conformity with account 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 Board of Examiners for Social Workers is the licensing and regulatory agency for the practice of social work 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 641B. 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, pension deferrals and 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 governmental activities.

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.

BOARD OF EXAMINERS FOR SOCIAL WORKERS
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 government 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 Board of Examiners for Social Worker’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 Board of Examiners for Social Worker’s 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 Board of Examiners for Social Workers 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 Board of Examiners for Social Workers 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

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Notes to the Financial Statements

NOTE 1 - Summary of Significant Accounting Policies (Continued)

assigned by the Board, or “unassigned” which is the residual amount.

When both restricted and unrestricted fund balances are available for expenditures, it is the Board’s policy to use restricted fund balances first, then unrestricted as needed. Expenditures incurred in the unrestricted 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, 2020.

Cash

Cash includes demand deposits held at the bank.

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.

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Notes to the Financial Statements

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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 annual licensure or three month provisional period. On the governmental fund statements, license fees are recognized as revenue in the period they are received.

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.

Capital Assets

The property and equipment controlled by the Board are reported in the government-wide financial statements net of related depreciation. 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 5 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.

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. The changes in proportion and differences between employer contributions and proportionate share of contributions as well as contributions made after the measurement period for pensions 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

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Notes to the Financial Statements

NOTE 1 - Summary of Significant Accounting Policies (Continued)

resources (revenue) until that time. Differences between expected and actual experience and between projected and actual investment earnings on pension plan investments qualify for reporting in this category.

Compensated Absences

The current and long-term liabilities for accumulated vacation and sick 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.

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 unrestricted. 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 – 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.

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Notes to the Financial Statements

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Net Position/Fund Balances (Continued)

Assigned Fund balance – Portion of fund balance that the Board intends to use for specific purposes.

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

Deferred Revenue

The Board administers its licensing registration on an annual basis, beginning in the month of the initial license, according to Nevada Revised Statutes. Deferred revenue on the government-wide financial statements is related to a ratable recognition of this revenue over that period. These amounts are reflected on the Statement of Net Position as unearned initial license fees, provisional license fees and endorsement fees.

Deferred license income consists of refundable initial license fees, provisional license fees and endorsement fees that are held pending Board approval of the licensees. This account is reflected on both the government-wide and the governmental funds financial statements.

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 9, 2020, which was the date the financial statements were issued, and concluded that no additional disclosures were required.

Risk Management

The Board is covered under the State of Nevada's insurance program.

Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State of Nevada's Public Employees' Retirement System (PERS) and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Notes to the Financial Statements

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Pensions (Continued)

by PERS. In the government-wide statements pension expense is recognized based on the Board's share of the change in its proportionate share of the PERS net pension liability. A net pension liability is recorded based on the Board's proportionate share of the PERS net pension liability, deferred inflow based on the Board's proportionate share of the difference between projected and actual investment earnings, and the current year PERS contributions are recorded as a deferred outflow of resources. The effect of this reporting amounts to a decrease of \$348,225 in unrestricted net position. In the fund financial statements the PERS expense is recognized as the current year contributions paid.

NOTE 2 – Cash

At June 30, 2020, the Board of Examiners for Social Workers had cash balance in the amount of \$148,722. Amounts were not in excess of the Federal Deposit Insurance Corporation's \$250,000 limit.

NOTE 3 – Capital Assets

Capital asset balances and activities for the year ended June 30, 2020 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Office Equipment	\$ 38,907	\$ 7,492	\$ 873	\$ 45,526
Total Historical Cost	38,907	7,492	873	45,526
Less Accumulated Depreciation	35,081	2,439	634	36,886
Capital Assets Net	<u>\$ 3,826</u>	<u>\$ 5,053</u>	<u>\$ 239</u>	<u>\$ 8,640</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.

NOTE 4 – Operating Lease

The Board entered into an operating lease agreement for a copier on June 11, 2020. The terms of the agreement call for 60 monthly payments of \$150.

Effective February 1, 2015, the Board has entered into a five-year lease agreement to lease the adjoining office space in addition to the current office space for \$1,663 per month. This lease agreement was extended for 60 months from August 1, 2020 to July 31, 2025. The monthly rental payment is \$1,750 starting August 1, 2020.

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Notes to the Financial Statements

NOTE 4 – Operating Lease (Continued)

The following is a schedule of future minimum lease payments:

2021	\$	20,950
2022		21,000
2023		21,550
2024		21,600
2025		22,150
Thereafter		1,850
Total	\$	109,100

The above lease for office expense contains a clause, which terminates the lease immediately for any action on the part of the Nevada State Legislature or the Federal Government that limits, restricts, or impairs the Board’s funding or ability to satisfy its rental payment obligations. Total rent expense for the year ended June 30, 2020, of \$20,363 includes \$20,363 of office rent.

NOTE 5 – Pension Plan and Postemployment Obligations

Plan Description. The Board is a public employer participating in the Public Employees Retirement System of the State of Nevada (PERS), a defined benefit cost-sharing multiple-employer program, and all full-time employees are covered under the system. The Board has no liability for unfunded obligations of the system as provided by NRS 286.110 but is required to report their share of the net pension liability under GASB 68.

Benefits Provided. PERS provides pension benefits, disability benefits 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, and July 1, 2015.

Monthly benefit allowances for regular members are computed at 2.50% of average compensation (36 consecutive months of highest compensation) for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this factor is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% service time factor and for regular members entering the System on or after July 1, 2015, there is a 2.25% factor. The System offers several alternatives to the unmodified service retirement allowance which, in general, allows 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.

Post-retirement increases are provided by authority of NRS 286.575 - .579.

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Notes to the Financial Statements

NOTE 5 – Pension Plan and Postemployment Obligations

Vesting. Regular members entering the System prior to January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with ten years of service, or any age with thirty years of service. Regular members who entered the System on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, or at age 62 with ten years of service or at age 55 with thirty years of service or any age with thirty-three and one-third years of service.

The normal ceiling limitation on monthly benefit allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Regular members become fully vested as to benefits upon completion of five years of service.

Contributions. The authority for establishing and amending the obligation to make contributions and member contribution rates is set by statute. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983 have the option of selecting one of two contribution plans. Contributions are shared equally by employer and employee. Employees can take a reduced salary and have contributions made by the employer (EPC) or can make contributions by a payroll deduction matched by the employer. The System's 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. The system receives an actuarial valuation on an annual basis indicating the contribution on rates required to fund the System on an actuarial reserve 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 NRS 286.450.

The actuarial funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary. The Board is enrolled in both the employer-pay and employer/employee pay plan for PERS and is, therefore, required to contribute all amounts due under the plan. The Board's contractually required contribution rate for the year ended June 30, 2020 was 29.25 percent of annual payroll for employer-pay plans and 15.25 percent for employer/employee pay plans, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Board were \$29,398 for the year ended June 30, 2020.

Investment Policy. The System's policies which determine the investment portfolio target asset allocation are established by the PERS Board. The asset allocation is reviewed annually and is

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Notes to the Financial Statements

NOTE 5 – Pension Plan and Postemployment Obligations (continued)

designed to meet the future risk and return needs of the system. The following was the PERS' Board's adopted policy target allocation as of June 30, 2019:

<u>Asset Class</u>	<u>Target Allocation of Return</u>	<u>Long-Term Expected Real Rate of Return*</u>
Domestic Equity	42.0%	5.50%
International Equity	18.0%	5.50%
Domestic Fixed Income	28.0%	0.75%
Private Markets	<u>12.0%</u>	6.65%
Total	<u>100.0%</u>	

*As of June 30, 2019, PERS' long-term inflation rate assumption was 2.75%.

Pension Liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer allocation percentage of the net pension liability was based on the total contributions due on wages paid during the measurement period. Each employer's proportion of the net pension liability is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the period ended June 30, 2019.

Pension Liability Discount Rate Sensitivity. The following presents the net pension liability of PERS as of June 30, 2019, calculated using the discount rate of 7.5 percent, as well as what PERS' net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease <u>(6.50%)</u>	Discount Rate <u>(7.50%)</u>	1% Increase <u>(8.50%)</u>
Net pension liability	<u>\$ 643,966</u>	<u>\$ 415,897</u>	<u>\$ 226,314</u>

Actuarial assumptions. The System's net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by 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:

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Notes to the Financial Statements

NOTE 5 – Pension Plan and Postemployment Obligations (Continued)

Inflation Rate	2.75 %
Payroll growth	5.00 %, including inflation
Investment rate of return	7.50 %
Productivity pay increase	0.50 %
Projected salary increases	4.25 % to 9.15% depending on service
Consumer Price Index	2.75 %

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of the experience study for the period July 1, 2012 through June 30, 2016.

Discount Rate. The discount rate used to measure the total pension liability was 7.5 percent as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position at June 30, 2019, was projected to be available to make all projected future benefit payments of current active and inactive employees. 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, 2019.

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the Board reported a liability of \$416,417 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Board's proportion of the net pension liability was based on a projection of the Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the Board's proportion was 0.00305 percent an increase of 0.00067 percent from the prior year which was 0.000372 percent measured as of June 30, 2018.

For the year ended June 30, 2020, the Board recognized pension expense of \$55,159 in the Government-wide Statement of Activities. At June 30, 2020, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Notes to the Financial Statements

NOTE 5 – Pension Plan and Postemployment Obligations (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,615	\$ 12,011
Change of assumptions	16,946	-
Net difference between projected and actual earnings on pension plan investments	-	20,715
Changes in proportion and differences between board contributions and proportionate share of contributions	113,404	75,848
Board contribution subsequent to the measurement date	30,801	-
Total	<u>\$ 176,766</u>	<u>\$ 108,574</u>

Average expected remaining service lives 6.18 years

The amount of \$108,574 reported as deferred outflows of resources related to pensions resulting from Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows (inflows) of resources related to pensions will be recognized in pension expense as follows:

Years Ended June 30:	
2021	\$ 773,293
2022	(5,210,075)
2023	1,431,336
2024	1,773,085
2025	1,007,669
Thereafter	116,117

Additional information. Additional information supporting the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer is located in the PERS' CAFR available on the PERS website at www.nvpers.org or you can call to request it at 775-687-4200.

NOTE 6 – 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.

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Notes to the Financial Statements

NOTE 6 – Compensated Absences (Continued)

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:

	Balance		Balance
	Beginning of Period	Change	End of Period
Vacation	\$ 10,152	\$ 2,759	\$ 12,911
Sick Leave	1,231	1,667	2,898
	\$ 11,383	\$ 4,426	\$ 15,809

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 governmental 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.

BOARD OF EXAMINERS FOR SOCIAL WORKERS
Budgetary Comparison for the General Fund
For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Application Fees	\$ 25,750	\$ 30,355	\$ 4,605
Initial Fees	58,645	63,690	5,045
Renewal Fees	350,602	377,993	27,391
Provisional License Fees	2,000	1,302	(698)
Interest	11	-	(11)
Endorsement	14,025	16,133	2,108
Other	14,000	17,228	3,228
Total Revenues	<u>465,033</u>	<u>506,701</u>	<u>41,668</u>
Expenditures			
Salaries and Related Benefits			
Salaries	230,731	226,944	3,787
Payroll Taxes	3,346	3,115	231
Workers Comp Insurance	4,000	3,068	932
Unemployment Insurance	1,850	2,281	(431)
Group Insurance	39,164	41,915	(2,751)
Retirement	30,025	30,801	(776)
Contract Labor	15,000	14,706	294
Legal and Court Expenses	37,000	16,132	20,868
Lobbyist	18,000	18,000	-
Operating Expenses	39,620	42,451	(2,831)
Postage	5,500	7,137	(1,637)
Professional Fees	10,000	5,075	4,925
Rent	20,400	20,363	37
Telephone	3,750	5,578	(1,828)
Travel	7,000	2,744	4,256
Total Expenditures	<u>465,386</u>	<u>440,310</u>	<u>25,076</u>
Change in Fund Balance	(353)	66,391	<u>\$ 66,744</u>
Fund Balance - Beginning	<u>68,436</u>	<u>68,436</u>	
Fund Balance - Ending	<u>\$ 68,083</u>	<u>\$ 134,827</u>	

The accompanying notes are an intergral part of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

**BOARD OF EXAMINERS FOR SOCIAL WORKERS
SCHEDULE OF THE BOARD'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2020**

	2019	2018	2017	2016	2015
Board's proportion of the net pension liability (asset)	0.00305%	0.00372%	0.00256%	0.24300%	0.00243%
Board's proportionate share of the net pension liability (asset)	\$ 416,417	\$ 507,744	\$ 340,782	\$ 327,186	\$ 277,899
Board's covered-employee payroll	223,427	238,200	158,610	142,165	150,562
Board's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	186%	213%	215%	230%	185%
Plan fiduciary net position as a percentage of the total pension liability	76.50%	75.20%	74.40%	72.20%	75.10%

This supplemental information is contained in part and derived from the most recent NVPERS Schedule of Employer Allocations, Schedule of Pension Amounts by Employer, and related Notes for the fiscal year ended June 30, 2019 (the measurement date)

The accompanying notes are an integral part of these financial statements

**BOARD OF EXAMINERS FOR SOCIAL WORKERS
SCHEDULE OF THE BOARD'S CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2020**

	2020	2019	2018	2017	2016
Contractually required contribution	\$ 29,398	\$ 20,614	\$ 34,539	\$ 22,999	\$ 20,614
Contributions in relation to the contractually required contribution	29,398	20,614	34,539	22,999	20,614
Contribution deficiency (excess)	-	-	-	-	-
Board's covered-employee payroll	226,944	223,427	238,200	158,610	142,165
Contributions as a percentage of covered-employee payroll	13%	9%	15%	15%	15%

The accompanying notes are an integral part of these financial statements

AUDITOR'S COMMENTS

Auditors Comments

Prior Year Recommendations

There were no recommendations made in the audit report for the year ended June 30, 2019.

Current Year Recommendations

We did not find any financial weaknesses of a magnitude to justify inclusion within our audit report.

COULSON & ASSOCIATES, Ltd.
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

November 9, 2020

Board of Examiners for Social Workers
4600 Kietzke Lane – C - 121
Reno, NV 89502

We have audited the financial statements of the Board of Examiners for Social Workers for the year ended June 30, 2020. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated July 30, 2020, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Board of Examiners for Social Workers solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting and other matters noted during our audit in a separate letter to you dated November 9, 2020.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of Accounting Practices

Management has the responsibility to select and use of appropriate accounting policies. A summary of the significant accounting policies adopted by the Board of Examiners for Social Workers is included Note 1 to the financial statements. There has been no selection of accounting policies and no changes in significant accounting policies or their application during 2020. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are depreciation expense and the net pension liability.

Management's estimate of the annual depreciation expense is based on estimated useful lives of capital assets. We evaluated the key factors and assumptions used to develop the depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net pension liability is based on the Nevada PERS fiduciary net position with actuarial estimates used such as the discount rate, inflation, payroll growth, investment rate of return, and future salary increases. The Board recognizes this liability based on their PERS contributions divided by the total of all participating employers' contributions.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The Board of Examiners for Social Workers did not have any sensitive disclosures.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all such misstatements identified during our audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Board of Examiners for Social Workers' financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the management representation letter dated November 9, 2020.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings or Issues

In the normal course of our professional association with the Board of Examiners for Social Workers, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Board of Examiners for Social Workers' auditors.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Board of Examiners for Social Workers
November 9, 2020
Page 4

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the Board of Examiners for Social Workers and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Coulson & Associates, Ltd.

COULSON & ASSOCIATES, Ltd.
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

November 9, 2020

To the Board of Directors
Board of Examiners for Social Workers
4600 Kietzke Lane – C - 121
Reno, NV 89502

To the Board of Directors of the Board of Examiners for Social Workers,

In planning and performing our audit of the financial statements of Board of Examiners for Social Workers as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of Board of Examiners for Social Workers' internal control over financial reporting.

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 significant deficiencies or material weaknesses and, therefore, significant deficiencies or material weaknesses may exist that have not been identified. 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.

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 reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

The purpose of this communication, which is an integral part of our audit, is to describe for management and those charged with governance the scope of our testing of internal control and the results of that testing. Accordingly, this communication is intended solely for the information and use of management, and the Board of Directors and is not intended to be, and should not be, used for any other purpose.

Very truly yours,

Coulson & Associates, Ltd.

Reno, Nevada
November 9, 2020

3F

Bill Draft Request

RURAL REGIONAL BEHAVIORAL HEALTH POLICY BOARD

Additional Details for 2021 Legislative Session BDR

September 30, 2020

The overall purpose of this BDR is to improve both the ability of new professionals in Nevada to achieve licensure, as well as for seasoned professionals who carry licenses from out of state to practice in Nevada more easily. The Rural Regional Behavioral Health Policy Board would like the behavioral health licensing boards (listed below) to effectively streamline its licensing processes while maintaining accountability to best achieve this purpose. We also wish to bring Nevada's social work profession into parity with other states across the nation by creating a license for, and subsequently regulating, the MSW credential. Thus, the Rural Regional Behavioral Health Policy Board wishes to include the following components to the BDR:

First, for the purposes of this BDR, the occupational licensing boards that may be affected include:

- Nevada Board of Examiners for Social Workers (NRS 641B; NAC 641B)
- Nevada Board of Examiners for Marriage and Family Therapists & Clinical Professional Counselors (NRS 641A; NAC 641A)
- Nevada Board of Psychological Examiners (NRS 641; NAC 641)
- Nevada Board of Examiners for Alcohol, Drug, and Gambling Counselors (NRS 641C; NAC 641C)

Section 1: Creation of Licensure Portability or Multi-State Compacts to Increase the Number of Behavioral Health Providers Practicing in Nevada.

- **Statutory adoption of some provisions set forth in Governor Sisolak's Declaration of Emergency Directive 011, specifically Section 2, Section 4, and Section 5, presented here in edited form for clarity. The licensing boards listed above *shall* adopt the provisions outlined below for the purposes of creating portability of out of state licensure:**
 - **Section 2:** The Rural Regional Behavioral Health Policy Board would like to alter the original language from Section 2 of Emergency Directive 011 to affect behavioral health licensure on a permanent and ongoing basis in NRS, to read as follows: *The waiver and exemption of professional licensing requirements shall apply to qualified providers of*

behavioral health services who currently hold a valid, corresponding, and unrestricted license in good standing that correlates with the licensure requirements in the respective NRS, in, as applicable, in the District of Columbia or any state or territory of the United States.

- **Section 4:** The Rural Regional Behavioral Health Policy Board would like to alter the original language from Section 4 of Emergency Directive 011 to affect behavioral health licensure on a permanent and ongoing basis in NRS, to read as follows: *Individuals seeking waiver and exemption of professional licensing requirements are required to notify the applicable Nevada licensing board or agency within 5 days and provide requested information as determined by the board or agency within a brief and timely fashion, as to be determined by the individual licensing boards, so as not to inhibit practice in this State. Any provider failing to abide by the provisions of this section will be subject to penalties prescribed in the corresponding chapter of NRS for practice without licensure in good standing as it relates to the respective agency or board.* (In the scenario we envision, individuals that choose to practice in Nevada would need to contact the appropriate Board before beginning to practice in Nevada in a timely, but immediate manner. If the LCB has other timeline recommendations that are utilized by other occupational licensing boards, we would be interested in matching that timeframe.)

- **Section 5:** The Rural Regional Behavioral Health Policy Board would like to alter the original language from Section 5 of Emergency Directive 011 to affect behavioral health licensure on a permanent and ongoing basis in NRS, to read as follows: *The appropriate professional licensing board shall expedite the processing and final disposition of all notifications to practice in Nevada.*

- **If the behavioral health licensing boards cannot create portability using the language above while protecting the quality of services rendered by licensed behavioral health professionals, the licensing boards may instead enter into inter-state compacts with other states to create streamlined shared licensure that also protects the quality of care delivered to Nevada patients.**

- The behavioral health licensing boards must either create opportunities for license portability or enter into interstate compacts within 6 years of the codification of these provisions into NRS.

- Progress towards the creation of licensure portability or interstate compacts will be reported:
 - Odd-numbered years: Each legislative session to the appropriate committee
 - Even-numbered years: To either the Interim Legislative Committee on Health Care (or another/new interim committee, as the LCB sees fit)

Through these changes, the Rural Regional Behavioral Health Policy Board believes that it will invite many qualified out-of-state clinicians to treat our citizens in the same way they otherwise would, only without the artificial obstruction of Nevada licensure, and thus will

alleviate Nevada's chronic behavioral health workforce shortage across the state. All four of the occupational licensing boards listed above may be affected (NRS 641, NRS 641A, NRS 641B, NRS 641C).

Section 2: Addition of "LMSW" Licensure Type to those granted by the Board of Examiners for Social Workers

- **Inclusion of a fourth active licensure type to be provided by the Nevada Board of Examiners for Social Workers, "Licensed Master of Social Work", or "LMSW".**
 - These proposed changes are included in "Attachment 1"

Section 3: Temporary Use of Unofficial Transcripts for Licensure Applications

- For the purposes of improving paths to licensure for rural Nevada residents currently completing or having recently completed academic programs for the purpose of achieving first-time licensure, or licensure by endorsement for those wishing to practice in Nevada who were previously licensed in another state, the following changes are proposed:
 - **Expedition of Provisional Licensure and Licensure by Endorsement process based on temporary approval of transcripts.** One current barrier to new professionals joining the behavioral health workforce in Nevada includes timeliness of institutions of higher education being able to provide the official transcripts of graduating seniors or new graduates to the licensing boards in a timely manner that allows for the processing of the students' provisional licensure, required to begin clinical oversight hours. We proposed that behavioral health board may allow students to submit their unofficial transcripts for conditional approval for a 6-month grace period, during which the student's official transcripts must be submitted by the institution granting matriculation. All other requirements (background check, fees, application paperwork) shall be required with no exceptions.

Section 4: Licensure Process Evaluation and Continuous Quality Improvement

- **Expand data to be included in each of the four behavioral health occupational licensing boards' annual reports to the Legislative Committee on Health Care (NRS 641.145, NRS 641A.183, NRS 641B.165, NRS 641C.230).**
 - The boards will also report the number of applications for licensure by endorsement were approved, the number of applications for licensure by endorsement are denied, and the reasons for denial.
 - The reports specified in the abovementioned statutes will also be submitted to each of the Regional Behavioral Health Policy Boards.

- For the purpose of transparency and continuous quality improvement, request an LCB staff study by the Research Division to conduct the following activities related the behavioral health licensing Boards:
 - Evaluation of current licensure processes for new licensees, for the purpose of identifying barriers to licensure
 - Evaluation of current licensure processes for licensure by endorsement (for providers who are licensed out of state), for the purpose of identifying barriers to licensure.
 - Reports by the behavioral health boards (listed above) to the Legislative Committee on Health Care regarding these barriers and steps the Boards will take to remove these barriers. Reports of progress on planned actions will be submitted annually, alongside other annual data reports.
 - If there are any barriers to licensure identified from the evaluation that are not being addressed by the licensing boards, the licensing boards must provide evidence that the barrier is necessary to maintain the quality of services rendered by licensed professionals.

Attachment 1: Proposed Language for the Addition of the “LMSW” Licensure Type

1 **Section 1.** Chapter 641B of NRS is hereby amended by adding
 2 thereto the provisions set forth as sections 2, 3, and 4 of this act.

3 **Sec. 2. NRS 641B.040**

4 **Sec. 3. 1. *The Board shall grant a license to engage in***
 5 ***social work as a masters social worker to any applicant who***
 6 ***possesses the preliminary qualifications set forth in NRS 641B.200***
 7 ***and who:***

8 ***(a) Possesses a master’s degree in social work from a college***
 9 ***or university:***

10 ***(1) Accredited by the Council on Social Work Education or***
 11 ***which is a candidate for such accreditation; or***

12 ***(2) Located in a foreign country if the application includes***
 13 ***the documentation required by section 3 of this act.***

14 ***(b) Passes an examination prescribed by the Board.***

15 **2. *A person licensed as a masters social worker may:***

16 ***(a) Engage in independent social work or clinical social work***
 17 ***as part of an internship program approved by the Board to***
 18 ***complete the 3,000 hours of supervised, postgraduate social***
 19 ***work required for licensure as an independent social worker***
 20 ***pursuant to NRS 641B.230 or a clinical social worker pursuant to***
 21 ***NRS 641B.240;***

22 ***(b) Engage in clinical social work within an agency and under***
 23 ***the supervision of a clinical social worker, with the approval of the***
 24 ***Board; and***

25 ***(c) Supervise other persons engaging in the practice of social***
 26 ***work.***

27 **Sec. 4. *If an applicant for a license to engage in social work***
 28 ***is a graduate of a college or university located in a foreign***
country, the application must include:

29 **1. Proof that the applicant has received the degree of social**
30 **work or its equivalent, as determined by the Board. The proof of**
31 **the degree of social work or its equivalent must be submitted**
32 **directly to the Board by the college or university. If proof of the**
33 **degree is unavailable from the college or university that granted**
34 **the degree, the Board may accept proof from any other source**
35 **specified by the Board.**

1 **2. A written statement or other proof from the Council on**
2 **Social Work Education recognizing that the degree is equivalent**
3 **to a degree issued by a college or university accredited by the**
4 **Council on Social Work Education.**

5 **Sec. 5.** NRS 641B.206 is hereby amended to read as follows:
6 641B.206 1. In addition to any other requirements set forth in
7 this chapter:

8 (a) An applicant for the issuance of a license to engage in social
9 work as an associate in social work, a social worker, **a masters**
10 **social worker**, an independent social worker or a clinical social
11 worker shall include the social security number of the applicant in
12 the application submitted to the Board.

13 (b) An applicant for the renewal of a license to engage in social
14 work as an associate in social work or the issuance or renewal of a
15 license to engage in social work as a social worker, **a masters social**
16 **worker**, an independent social worker or a clinical social worker
17 shall submit to the Board the statement prescribed by the Division of
18 Welfare and Supportive Services of the Department of Health and
19 Human Services pursuant to NRS 425.520. The statement must be
20 completed and signed by the applicant.

21 2. The Board shall include the statement required pursuant to
22 subsection 1 in:

23 (a) The application or any other forms that must be submitted
24 for the issuance or renewal of the license; or

25 (b) A separate form prescribed by the Board.

26 3. A license to engage in social work as an associate in social
27 work, a social worker, **a masters social worker**, an independent
28 social worker or a clinical social worker may not be issued or
29 renewed by the Board if the applicant:

30 (a) Fails to submit the statement required pursuant to subsection
31 1; or

32 (b) Indicates on the statement submitted pursuant to subsection
33 1 that the applicant is subject to a court order for the support of a
34 child and is not in compliance with the order or a plan approved by
35 the district attorney or other public agency enforcing the order for
36 the repayment of the amount owed pursuant to the order.

37 4. If an applicant indicates on the statement submitted pursuant
38 to subsection 1 that the applicant is subject to a court order for the
39 support of a child and is not in compliance with the order or a plan
40 approved by the district attorney or other public agency enforcing
41 the order for the repayment of the amount owed pursuant to the
42 order, the Board shall advise the applicant to contact the district
43 attorney or other public agency enforcing the order to determine the
44 actions that the applicant may take to satisfy the arrearage.

1 **Sec. 6.** NRS 641B.220 is hereby amended to read as follows:
2 641B.220 1. The Board shall grant a license to engage in
3 social work as a social worker to any applicant who possesses the

4 preliminary qualifications set forth in NRS 641B.200 and who:

5 (a) Possesses a baccalaureate degree or master's degree in social
6 work from a college or university ~~{accredited}~~ :

7 (1) *Accredited* by the Council on Social Work Education or
8 which is a candidate for such accreditation ~~{+}~~ ; or

9 (2) *Located in a foreign country if the application includes*
10 *the documentation required by section 3 of this act.*

11 (b) Passes an examination prescribed by the Board.

12 2. The Board shall grant a license to engage in social work as a
13 social worker to an applicant licensed as an associate in social work
14 who:

15 (a) Possesses the preliminary qualifications set forth in
16 NRS 641B.200;

17 (b) Possesses a baccalaureate degree or master's degree in a
18 related field, or has completed equivalent course work in a related
19 field;

20 (c) Completes 3,000 hours of employment in Nevada as an
21 associate in social work; and

22 (d) Passes an examination prescribed by the Board.

23 3. A person who is granted a license to engage in social work
24 as a social worker pursuant to subsection 1 or 2 may supervise
25 another person engaged in the practice of social work.

26 **Sec. 7.** NRS 641B.230 is hereby amended to read as follows:

27 641B.230 1. The Board shall grant a license to engage in
28 social work as an independent social worker to any applicant who
29 possesses the preliminary qualifications set forth in NRS 641B.200
30 and who:

31 (a) Possesses a master's or doctoral degree in social work from a
32 college or university ~~{accredited}~~ :

33 (1) *Accredited* by the Council on Social Work Education or
34 which is a candidate for such accreditation ~~{+}~~ ; or

35 (2) *Located in a foreign country if the application includes*
36 *the documentation required by section 3 of this act.*

37 (b) Completes 3,000 hours of supervised, postgraduate social
38 work approved by the Board.

39 (c) Passes an examination prescribed by the Board.

40 2. A person licensed as an independent social worker may:

41 (a) Engage in social work independently or within an agency;
42 and

43 (b) Supervise other persons engaging in the practice of social
44 work.

1 **Sec. 8.** NRS 641B.240 is hereby amended to read as follows:

2 641B.240 1. The Board shall grant a license to engage in
3 social work as a clinical social worker to any applicant who
4 possesses the preliminary qualifications set forth in NRS 641B.200
5 and who:

6 (a) Possesses a master's or doctoral degree in social work from a
7 college or university ~~{accredited}~~ :

8 ***(1) Accredited*** by the Council on Social Work Education or
9 which is a candidate for such accreditation ~~{+}~~ ; ***or***

10 ***(2) Located in a foreign country if the application includes***
11 ***the documentation required by section 3 of this act.***

12 (b) Completes 3,000 hours of supervised, postgraduate, clinical
13 social work approved by the Board.

14 (c) Passes an examination prescribed by the Board.

15 2. A person licensed as a clinical social worker may:

16 (a) Engage in social work independently or within an agency;
17 and

18 (b) Supervise other persons engaging in the practice of social
19 work.

20 **Sec. 9.** NRS 641B.260 is hereby amended to read as follows:

21 641B.260 1. The Board may hold hearings and conduct
22 investigations into any matter related to an application for licensure.
23 The Board may require the presentation of evidence.

24 2. The Board may refuse to issue a license to an applicant if the
25 applicant:

26 (a) Is not of good moral character as it relates to the practice of
27 social work;

28 (b) Has submitted any false credential to the Board;

29 (c) Has been disciplined in another state in connection with the
30 practice of social work ***or a related profession*** or has committed any
31 act in another state which is a violation of this chapter; ~~{or}~~

32 ***(d) Has committed any act which constitutes grounds for***
33 ***initiating disciplinary action pursuant to NRS 641B.400;***

34 ***(e) Has entered a plea of guilty, guilty but mentally ill or nolo***
35 ***contendere to, been found guilty or guilty but mentally ill of, or***
36 ***been convicted, in this State or any other jurisdiction, of a crime***
37 ***arising out of, in connection with or related to the activities of the***
38 ***applicant in such a manner as to demonstrate the unfitness of the***
39 ***applicant to engage in social work, and the time for appeal has***
40 ***elapsed or the judgment of conviction has been affirmed on***
41 ***appeal; or***

42 ***(f) Fails to comply with any other requirements for licensure.***

43 **Sec. 10.** NRS 641B.275 is hereby amended to read as follows:

44 641B.275 1. The Board shall grant a provisional license to
45 engage in social work as a social worker to a person:

1 (a) Who applies to take the next available examination and who
2 is otherwise eligible to be a social worker pursuant to subsection 1
3 of NRS 641B.220; or

4 (b) Who:

5 (1) Possesses a baccalaureate degree or a master's degree in a
6 related field of study from an accredited college or university
7 recognized by the Board ~~†~~ *or from a college or university located*
8 *in a foreign country if the application includes the documentation*
9 *required by section 3 of this act;* and

10 (2) Presents evidence of enrollment in a program of study
11 leading to a degree in social work at a college or university
12 accredited by the Council on Social Work Education or which is a
13 candidate for such accreditation and which is approved by the Board
14 ~~†~~ *or at a college or university located in a foreign country if the*
15 *application includes the documentation required by section 3 of*
16 *this act.*

17 2. The Board shall grant a provisional license to engage in
18 social work as an independent social worker to a person who applies
19 to take the next available examination and who is otherwise eligible
20 to be an independent social worker pursuant to subsection 1 of
21 NRS 641B.230.

22 3. The Board shall grant a provisional license to engage in
23 social work as a clinical social worker to a person who applies to
24 take the next available examination and who is otherwise eligible to
25 be a clinical social worker pursuant to subsection 1 of
26 NRS 641B.240.

27 4. The Board shall establish by regulation the period during
28 which a provisional license issued pursuant to this section will be
29 valid. The period must be:

30 (a) No longer than 9 months for a person who is granted a
31 provisional license to engage in social work pursuant to paragraph
32 (a) of subsection 1 or subsection 2 or 3; and

33 (b) No longer than 3 years for a person who is granted a
34 provisional license to engage in social work pursuant to paragraph
35 (b) of subsection 1.

36 **Sec. 11.** NRS 641B.284 is hereby amended to read as follows:

37 ***641B.284 Inactive status of license: Application; effect; duration; regulations.***

38 ***1. A licensed social worker may apply to the Board to have his or her license placed on***
inactive status. The Board may grant the application if the license is in good standing and the
licensee has met all requirements for the issuance or renewal of a social worker's license as
of the date of the application.

39 ***2. If the application is granted, the licensee shall not engage in any work or activities***
that require a social worker's license in this State unless the licensee is returned to active
status.

40 ***3. A person whose license has been placed on inactive status pursuant to this section is***
exempt from:

41 ***(a) The requirement to qualify in regard to his or her experience and knowledge pursuant***
to NRS 641B.200.

42 ***4. The inactive status of a license is valid for 5 years after the date that the inactive***
status is granted.

43 ***5. The Board shall not refund any portion of the renewal fee of a social worker's license***
that was paid before the license was placed on inactive status.

44 ***6. The Board shall adopt regulations prescribing the:***

45 ***(a) Procedures for making an application pursuant to this section;***

46 ***(b) Procedures and terms upon which a person whose license has been placed on inactive***
status may resume work or activities that require a social worker's license; and

47 ***(c) Fees for the renewal of the inactive status of a license.***

48 Sec. 12. NRS 641B.410 is hereby amended to read as follows:
49 641B.410 1. The Board, any ~~{of its members}~~ *member of the*
50 *Board, any employee of the Board* or any member of a review panel
51 of social workers who becomes aware that any one or combination
52 of the grounds for initiating disciplinary action may exist as to a
53 person practicing social work in this State shall, and any other
54 person who is so aware may, file a written complaint specifying the
55 relevant facts with the Board. The complaint must specifically
56 charge one or more of the grounds for initiating disciplinary action.

1 2. The Board shall retain all complaints filed with the Board
2 pursuant to this section for at least 10 years, including, without
3 limitation, any complaints not acted upon.

4 Sec. 13. NRS 641B.500 is hereby amended to read as follows: 641B.500 1.

5 Sec. 14. NRS 641B.505 is hereby amended to read as follows:
6 641B.505 1. Except as otherwise provided in this chapter, it
7 is unlawful for a person to engage in:

8 (a) The independent practice of social work unless he or she is
9 licensed as a ~~{clinical}~~:

10 (1) *Clinical* social worker or an independent social worker
11 pursuant to this chapter ~~{}~~; or

12 (2) *Masters social worker pursuant to section 2 of this act*
13 *as part of an internship program approved by the Board.*

14 (b) The clinical practice of social work unless he or she is
15 licensed as a ~~{clinical}~~:

16 (1) *Clinical* social worker pursuant to this chapter ~~{}~~; or

17 (2) *Masters social worker pursuant to section 2 of this act if*
18 *he or she is approved by the Board to work within an agency and*
19 *under the supervision of a clinical social worker or as part of an*
20 *internship program approved by the Board.*

21 2. As used in this section, “independent practice of social
22 work” means the unsupervised practice of social work, other than
23 for a public employer, for compensation.

24 Sec. 15. NRS 641C.130 is hereby amended to read as follows:

25 641C.130 The provisions of this chapter do not apply to:

26 1. A physician who is licensed pursuant to the provisions of
27 chapter 630 or 633 of NRS;

28 2. A nurse who is licensed pursuant to the provisions of chapter
29 632 of NRS and is authorized by the State Board of Nursing to
30 engage in the practice of counseling alcohol and drug abusers or the
31 practice of counseling problem gamblers;

32 3. A psychologist who is licensed pursuant to the provisions of
33 chapter 641 of NRS;

34 4. A clinical professional counselor or clinical professional
35 counselor intern who is licensed pursuant to chapter 641A of NRS;

36 5. A marriage and family therapist or marriage and family
37 therapist intern who is licensed pursuant to the provisions of chapter
38 641A of NRS and is authorized by the Board of Examiners for
39 Marriage and Family Therapists and Clinical Professional
40 Counselors to engage in the practice of counseling alcohol and drug
41 abusers or the practice of counseling problem gamblers; or

42 6. A person who *engages in clinical social work as part of an*
43 *internship program approved by the Board of Examiners for*

44 *Social Workers* or is licensed as a clinical social worker pursuant to
45 the provisions of chapter 641B of NRS and *the person* is authorized
46 by the Board of Examiners for Social Workers to engage in the

1 practice of counseling alcohol and drug abusers or the practice of

2 counseling problem gamblers.

3 **Sec. 16.** NRS 62A.270 is hereby amended to read as follows:

4 62A.270 “Qualified professional” means:

5 1. A psychiatrist licensed to practice medicine in this State and
6 certified by the American Board of Psychiatry and Neurology, Inc.;

7 2. A psychologist licensed to practice in this State;

8 3. A social worker holding a master’s degree in social work
9 and licensed in this State as a *masters social worker or* clinical
10 social worker;

11 4. A registered nurse holding a master’s degree in the field of
12 psychiatric nursing and licensed to practice professional nursing in
13 this State;

14 5. A marriage and family therapist licensed in this State
15 pursuant to chapter 641A of NRS; or

16 6. A clinical professional counselor licensed in this State
17 pursuant to chapter 641A of NRS.

18 **Sec. 17.** NRS 458A.057 is hereby amended to read as follows:

19 458A.057 1. “Qualified mental health professional” means
20 any of the following persons:

21 (a) A person who is certified as a problem gambling counselor
22 pursuant to the provisions of chapter 641C of NRS.

23 (b) A person who is certified as a problem gambling counselor
24 intern pursuant to the provisions of chapter 641C of NRS.

25 (c) A physician who is licensed pursuant to the provisions of
26 chapter 630 or 633 of NRS.

27 (d) A nurse who is licensed pursuant to the provisions of chapter
28 632 of NRS and is authorized by the State Board of Nursing to
29 engage in the practice of counseling problem gamblers.

30 (e) A psychologist who is licensed pursuant to the provisions of
31 chapter 641 of NRS or a psychological assistant who is registered
32 with the Board of Psychological Examiners pursuant to the
33 provisions of chapter 641 of NRS and the regulations adopted
34 pursuant thereto.

35 (f) A clinical professional counselor or clinical professional
36 counselor intern who is licensed pursuant to chapter 641A of NRS.

37 (g) A marriage and family therapist or marriage and family
38 therapist intern who is licensed pursuant to the provisions of chapter
39 641A of NRS and is authorized by the Board of Examiners for
40 Marriage and Family Therapists and Clinical Professional
41 Counselors to engage in the practice of counseling problem
42 gamblers.

43 (h) A person who is *engaged in clinical social work as part of*
44 *an internship program approved by the Board of Examiners for*
45 *Social Workers or* licensed as a clinical social worker pursuant to

1 the provisions of chapter 641B of NRS and *the person* is authorized
2 by the Board of Examiners for Social Workers to engage in the
3 practice of counseling problem gamblers.

4 2. As used in this section, “practice of counseling problem
5 gamblers” has the meaning ascribed to it in NRS 641C.105.

6 **Sec. 18.** NRS 689A.0485 is hereby amended to read as
7 follows:

8 689A.0485 If any policy of health insurance provides coverage
9 for treatment of an illness which is within the authorized scope of
10 the practice of a licensed associate in social work, social worker,
11 *masters social worker*, independent social worker or clinical social
12 worker, the insured is entitled to reimbursement for treatment by an
13 associate in social work, social worker, *masters social worker*,

14 independent social worker or clinical social worker who is licensed
15 pursuant to chapter 641B of NRS.

16 **Sec. 19.** NRS 689B.0385 is hereby amended to read as
17 follows:

18 689B.0385 If any policy of group health insurance provides
19 coverage for treatment of an illness which is within the authorized
20 scope of the practice of a licensed associate in social work, social
21 worker, *masters social worker*, independent social worker or
22 clinical social worker, the insured is entitled to reimbursement for
23 treatment by an associate in social work, social worker, *masters*
24 *social worker*, independent social worker or clinical social worker
25 who is licensed pursuant to chapter 641B of NRS.

26 **Sec. 20.** NRS 695B.1975 is hereby amended to read as
27 follows:

28 695B.1975 If any contract for hospital or medical service
29 provides coverage for treatment of an illness which is within the
30 authorized scope of the practice of a licensed associate in social
31 work, social worker, *masters social worker*, independent social
32 worker or clinical social worker, the insured is entitled to
33 reimbursement for treatment by an associate in social work, social
34 worker, *masters social worker*, independent social worker or
35 clinical social worker who is licensed pursuant to chapter 641B of
36 NRS.

37 **Sec. 21.** NRS 695C.1775 is hereby amended to read as
38 follows:

39 695C.1775 If any evidence of coverage provides coverage for
40 treatment of an illness which is within the authorized scope of the
41 practice of a licensed associate in social work, social worker,
42 *masters social worker*, independent social worker or clinical social
43 worker, the insured is entitled to reimbursement for treatment by an
44 associate in social work, social worker, *masters social worker*, independent social worker or
clinical social worker who is licensed
1 pursuant to chapter 641B of NRS.

2 **Sec. 22.** 1. This act becomes effective upon passage and
3 approval.

4 2. Section 4 of this act expires by limitation on the date on which the provisions of 42 U.S.C. § 666
5 establish procedures under which the state has authority to withhold
6 or suspend, or to restrict the use of professional, occupational and
7 recreational licenses of persons who:

8 (a) Have failed to comply with a subpoena or warrant relating to
9 a proceeding to determine the paternity of a child or to establish or
10 enforce an obligation for the support of a child; or

11 (b) Are in arrears in the payment for the support of one or more
12 children, are repealed by the Congress of the United States.