

MINUTES
LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT
BOARD OF TRUSTEES' MEETING
LAS VEGAS, NEVADA
November 10, 2016
(approved January 12, 2017)

The Board of Trustees of the Las Vegas-Clark County Library District met in regular session in the Clark County Library, Las Vegas, Nevada, at 6:00 p.m., Thursday, November 10, 2016.

Present:

Board:	M. Saunders, Chair	R. Ence
	Y. Yturralde	S. Bilbray-Axelrod
	K. Crear	S. Moulton
	R. Wadley-Munier	
	F. Ortiz	J. Melendrez

Counsel: G. Welt

Absent: M. Francis Drake - excused

Staff: Dr. Ronald R. Heezen, Executive Director
Numerous Staff

Guests: Martha Ford, Piercy Bowler Taylor & Kern

M. Saunders, Chair, called the meeting to order at 6:31 p.m.

Roll Call and Pledge of Allegiance (Item I.)

All members listed above represent a quorum. Trustee Melendrez and Wadley-Munier attended via telephone and were on when the meeting began. Trustee Crear attended via telephone, calling in at 6:34 p.m. Trustee Bilbray-Axelrod left the meeting at 6:55 p.m. and called in for the rest of the meeting. Appendix A.

Trustee Bilbray-Axelrod led attendees in the Pledge of Allegiance.

Public Comment (Item II.)

None.

Agenda (Item III.)

Chair Saunders moved Item IX.A. to after Item III. Trustee Moulton moved to approve the Agenda as changed. There was no opposition and the motion carried.

Discussion and possible Board action regarding the Finance and Audit Committee's recommendation to approve the audit performed by Piercy Bowler Taylor & Kern for the Fiscal Year 2015-2016. (Item IX.A.)

Trustee Crear called in at this time.

Finance and Audit Committee Chair Bilbray-Axelrod reported that the Committee voted to recommend approval of the Fiscal Year 2015-2016 Audit Report.

Trustee Bilbray-Axelrod moved to approve the 2015-2016 Audit Report as presented by Piercy Bowler Taylor & Kern and to incorporate the Opinion Letter into the official minutes of the Board of Trustees' November 10, 2016 meeting. There was no opposition and the motion carried.

The Opinion Letter is attached as Appendix B.

**Presentation on the
Information
Technology
Department by IT
Director/CIO Al
Prendergast
(Item IV.)**

IT Director/CIO Al Prendergast gave a presentation on the District's Information Technology Division. His remarks, attached as Appendix C, provide details on the division setup, number of employees, budget, and functions. He then introduced his direct reports, Access Services Manager Sufa Anderson, Collection and Bibliographic Services Manager Rebecca Colbert, and Assistant IT Director Ron Melnar to provide details for each of their areas.

Sufa Anderson has been Access Services Manager for the last four years and has been with the District for over 20 years. Anderson started as a Teen Volunteer at the West Charleston Library five years earlier prior to being hired as staff. She has had the pleasure of working in over half of the District's urban branches and has held virtually every position there is to hold within a branch. These experiences have been instrumental in shaping her knowledge, understanding, and passion for library services.

Access Services encompasses many 'service-related' functions. One function of Ms. Anderson's position is to manage the District's Library Services Platform, Sierra, which holds all of the patron and item data. This allows patrons to place holds, determines if a patron can access a computer, and use the District's eMedia and other online resources; in essence, what access a patron has to library services. Anderson manages settings and ensures everything is working for the District, as well as for the Boulder City and North Las Vegas library districts.

Another function of Ms. Anderson's position is to ensure there are procedures for many of the areas in which staff interact with the public as they utilize District services. As such, Anderson chairs both the District's Circulation and Computer Center Department Heads meetings as well as the Technology Advisory Committee (TAC) meetings. These meetings are an excellent way to keep staff up to speed, discuss what is and is not working, and ensure staff continue to evolve and meet the needs of District communities.

There are two departments that report directly to Ms. Anderson, the Interlibrary Loan Department and the Distribution Center.

Interlibrary Loan is a fantastic service; if someone is looking for a book that the District does not carry in the collection, they can request it via Interlibrary Loan. Interlibrary Loan staff will work to obtain the item from another library anywhere in the United States that is willing to loan their copy.

The Distribution Center is a new department that has been developing for a little over a year now. This center serves as the storage and overflow facility for District materials. In addition to housing materials, the Distribution Center supplements branch collections and assists with the de-selection of materials District-wide. This department currently houses over 60,000 items, and those items go to fill more than 5,000 holds each month.

Ms. Anderson also prepares a large number of reports and compiles statistics, some of which Trustees see in the Board Report on a monthly basis. She works with vendors to order a variety of supplies from

library cards to barcode cloners, and spend a great deal of time interacting with patrons via telephone or email regarding their library account or other service related questions.

Rebecca Colbert is the Collections and Bibliographic Services Manager and, like Ms. Anderson, she has a long history with the District. Her first job out of high school was a page at the Rainbow Library back when it was a storefront facility. She left the library then, taught English classes at UNLV and helped to open the UNLV Law Library. Colbert returned to the district 12 years ago and is happy to be managing Collections and Bibliographic Services.

Her unit is divided into three parts: Collection Development, Acquisitions, Cataloging. She likes to think of the department as the infrastructure of the library materials.

First, there is Collection Development, where every item is chosen by a librarian. This is impressive considering the District has over three million items in its collection. There are 2.5 FTE staff in Collection Development for both adult and YPL materials. Print, audiovisual and electronic items (ebooks and databases) are selected every day. Staff orders new items prior to publication as well as replacement items and books that did not begin as a hit but demand has increased: Staff calls those items sleepers. Staff take pride knowing it is hard to stump the librarian. If someone has heard about a book on Oprah or in the newspaper, chances are good the District already has it on order by the time a patron checks the catalog. Collection Development staff have eyes and ears at branches and maintain regular, open communication with branch staff.

Once Collection Development selects material for the collection, orders go to Acquisitions for ordering and payment. One Acquisitions librarian and four support staff make sure orders are sent and received. They verify shipments and process almost 3,000 invoices each year and are professional bean counters. The Acquisitions Librarian and Ms. Colbert maintain the District's generous \$9 million collections budget and divide that money into dozens of funds for internal tracking of staff's spending. The Acquisitions staff also provides oversight for special accounts such as grant purchases and jail libraries. Staff is also responsible for maintaining supplies, as well as resurfacing and replacing damaged items.

After items are selected, ordered and received, they go to Cataloging. Ms. Colbert explained that there is one senior cataloger and five support staff. The cataloger loads cataloging records from vendors and cataloging databases for the District as well as for the North Las Vegas and Boulder City library districts. Staff verifies cataloging and loads records for thousands of items each month. Staff loads electronic records and performs original cataloging and in multiple languages. Good cataloging is essential to help patrons find items. The District's library catalog is only as good as the ability to find information in it. Staff achieve this through following standard catalog rules and also using cataloging tricks to help patrons and staff find items. For example, Ms. Colbert explained that staff used several different common names so branch staff and patrons could find a copy of

the Nevada High School Proficiency Exam (HSPE) for their use.

Ms. Colbert said that Collections and Bibliographic Services staff pride themselves on establishing and maintaining a good dialogue with branches and other departments. Staff provide support to programming, marketing, outreach, YPL and summer reading. Staff are all in this together and make an effort to get behind the scenes work done so that the effort is invisible to patrons and the District's materials are easily found and used.

Dr. Heezen asked Ms. Colbert to explain how she had saved the District money recently. When she was negotiating a contract with Gale-Cengage for the Career Online High School Platform, Colbert, due to good relations with the vendor, was able to save the District \$35,000.

Ron Melnar began with the District in July of 2006 as the Network and Systems Analyst. He was promoted to the Assistant Director position in March of 2007. Before he came to the District, Melnar was in the Air Force for 20 years. At first, he maintained computerized weapons systems and then, as a Senior Non-Commissioned Officer, he was an organizational computer manager at Nellis Air Force Base.

As the Assistant Director, Mr. Melnar manages the activities of the entire IT staff, as well as the IT operations in all of the District's 25 branches covering the 8,000 square miles of Clark County. Melnar's staff frequently visits the branches and will also provide remote support whenever possible so travel can be minimized. He also creates, reviews and approves specifications for all PC, laptop, server and networking hardware to help provide the best technical experience for all of the District's staff and patrons. IT staff also have an additional challenge of ensuring that the District has adequate growth capacity and systems are performing at optimal levels.

Mr. Melnar said that most people think of computers when they think of IT. IT staff support and maintain over 1,350 desktop and laptop computers for both staff and public users. When something goes wrong with either the software or hardware on one of these, staff members submit a trouble ticket to get it resolved. Five end-user support technicians resolve over 200 of these every month. When a ticket is closed, staff can submit a survey to rate IT staff performance. These come directly to Melnar and the overall satisfaction rating is over 96%.

The other side of IT is what staff call Systems and Networking. The six professionals in this area support and maintain over 140 servers that host all of the District's enterprise systems and applications. These include the Human Resources timekeeping, workforce management and employee evaluation systems, Financial Services payroll, budgeting, and accounting management systems, the District's entire email system, the wireless system, providing free public wifi as well as staff wireless access at all branches, the Vocera wireless voice system, our main web site, as well as the Foundation's web site and an internal staff intranet web site, Internet access, the telephone and voicemail systems, the Innovative Interfaces Library Services Platform system, the automated materials handling system and sorters, room and venue

reservations, computer reservations and public printing management systems. In addition, there are many other smaller systems that are no less important.

Furthermore, IT staff maintain an overarching network management and control system for all of these servers and computers called Windows Active Directory. There are also several important security systems that monitor all of the District's servers and network traffic to protect the equipment from cyberattacks and malicious software.

Mr. Melnar concluded by saying that IT impacts virtually every facet of the day to day operations in District libraries. If he has done his job right, he made it sound like a small number of staff performs a huge amount of work, and he said that none of this would be possible without the dedication and professionalism of the awesome group of people there are in IT.

Mr. Prendergast concluded by praising his staff, saying they are fantastic and he is extremely proud to work with them, supporting every part of the District. He added that every department in IT has a librarian working in it.

Attendees gave Mr. Prendergast and his staff applause.

Trustee Ortiz had a question about communicating a problem with a branch's telephone and or computer issues when both systems were down. He has worked in public agencies where this has occurred. Mr. Prendergast and Library Operations Director Jennifer Schember explained that each branch has what is known as a red phone for this specific purpose if there is no other way to contact IT. It is not part of the District's telephone system. In the past, individual branches have lost power and their phone service but were able to use the red phone to communicate. The District has never had a situation where everything has been down across the entire District.

Trustees Moulton and Bilbray-Axelrod and Chair Saunders commented that they were very impressed with the loyalty of the staff, appreciated knowing who does what, appreciated the amount of work they did, and enjoyed the presentation. Chair Saunders also thanked Mr. Melnar for his service to the country in the Air Force.

Approval of Minutes. Moved to the December Meeting.
(Item V.A.)

Chair's Report
(Item VI.)

Trustees Wadley-Munier and Ence briefly reported on the Nevada Library Association (NLA) Conference which was held in October at the South Point.

Trustee Wadley-Munier said it was a very rewarding experience as she was able to attend several sessions, including one on how to put together a committee to create and maintain a library web page. She also enjoyed meeting District employees who attended on a one on one basis. Wadley-Munier thanked the District for the opportunity to attend.

Trustee Ence said he took copious notes and the conference was very

interesting. He came to the conclusion that NLA without the District's staff participation would not have been the success it was. He said he saw District staff everywhere leading sessions and volunteering and they were always enthusiastic and helpful. One of the sessions he attended covered the District's partnership with Three Square led by Spring Valley Branch Manager Nikki Winslow and a colleague which was very popular. Another session he attended, entitled, "Library's a Brand", so impressed him with the efforts to provide services to everyone.

Chair Saunders recognized Trustee Bilbray-Axelrod on her election to the Nevada Assembly in District 34. She received a round of applause from attendees.

**Library Reports
(Item VII.)**

Trustee Moulton moved to accept Reports VII.A. 1-7. There was no opposition and the reports were accepted.

**Executive Director's
Report
(Item VII.A.)**

Executive Director Dr. Heezen introduced Scott Clonan, this year's NLA President, who is also the branch manager at the Sunrise Library. Mr. Clonan was given a round of applause.

Dr. Heezen then introduced Kim Clanton-Green and Carlotta Dickerson who have recently been promoted to serve as Regional Library Operations Managers. Both Clanton-Green and Dickerson have over 30 years of service with the District and were most recently branch managers at the Sahara West and Rainbow libraries, respectively. Heezen then asked Robbie DeBuff to stand, Ms. DeBuff is rejoining the District from the Nevada State Library to serve as Assistant Branch Manager at the Clark County Library.

Dr. Heezen then pointed out the District was honored in the recent *Las Vegas Review-Journal's* Annual Best of Las Vegas issue as a Gold winner for Best in Literary Services. Heezen then drew Trustee's attention to the Annual Reports in their packets, for the District as well as the Library District Foundation. He added that the Library District Foundation's Annual Report is an updated version of the one originally provided with the Development and Planning Report.

Dr. Heezen reminded Trustees that the December 8, 2016 Board meeting will begin at 5:30 p.m. and include a briefing by Legislative Counsel Jennifer Lazovich.

Dr. Heezen concluded by thanking technicians Brian Zawitowski and Nyla Walter for their work in setting up and running the equipment for the meeting.

**Library Operations
and Monthly
Statistics
(Item VII.A.1.a.)**

Accepted.

**Branding and
Marketing Report
and Electronic
Resources Statistics**

Accepted.

(Item VII.A.2.a.)

**Community
Engagement Report
and Monthly
Statistics
(Item VII.A.2.b.)**

Accepted.

**Development and
Planning Report
(Item VII.A.2.c.)**

Accepted.

**Information
Technology Report
(Item VII.A.2.d.)**

Accepted.

**Financial Services
Report
(Item VII.A.3.a.)**

Accepted.

**General Services
Report
(Item VII.A.3.b.)**

Accepted.

**Human Resources
Report
(Item VII.A.3.c.)**

Accepted.

**Unfinished Business
(Item VIII.)**

None.

**Announcements
(Item X.)**

The next Board Meeting will be held Thursday, December 8, 2016 in the Windmill Library at 5:30 p.m.

**Public Comment
(Item XI.)**

Trustee Ortiz requested the OSHA Safety report from Human Resources Director Jerilyn Gregory for the last two years in January.

Trustee Ortiz requested that Facilities Director Steve Rice revisit the District's smoking policy and confirm that all branches are non-smoking or, if any are not, just bring that forward to revisit based upon recent changes in the law.

Dr. Heezen said that the Facilities Master Plan, when completed, would plan how far from the entrances each branch allows smoking.

**Executive Session
(Item XII.)**

Removed from Agenda.

**Adjournment
(Item XIII.)**

Chair Saunders adjourned the meeting at 7:11 p.m.

Respectfully submitted,

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Ydoleena Yturralde, Secretary

2016 ATTENDANCE

Appendix A

November 10, 2016 Regular Board Meeting

		2016																
		January 14 Regular Board Mtg	February 11 Regular Board Mtg	March 10 Regular Board Mtg	April 14 Finance & Audit Cmte	April 14 Regular Board Mtg	May 19 Regular Board Mtg	June 9 Purchasing Policy Cmte	June 9 Nominating Committee	June 9 Regular Board Mtg	July 14 Regular Board Mtg	August 11 Regular Board Mtg	September 8 Regular Board Mtg	October 13 Naming Policy Cmte	October 13 Regular Board Mtg	November 10 Naming Policy Cmte	November 10 Finance & Audit Cmte	November 10 Regular Board Mtg
Bilbray-Axelrod	Shannon	A-E	P	P	P	P	A-E	P	P	P	P	P	P	A-E	P	P	P	P
Crear	Keiba	A-E	A-E	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Drake	Marilyn	P	P	P		A-E	P	P	P	P	P	P	P	P	P	A-E	A-E	A-E
Ence	Randy	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Melendrez	Jose	P	P	P	P	P	P	P	P	P	P	P	A-E	P	P	P	P	P
Moulton	Sheila	P	P	A-E	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Ortiz	Felipe	P	P	A-E	P	P	P	P	P	P	A-E	P	P	P	P	P	P	P
Saunders	Michael	A-E	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Wadley-Munier	Robin	P	A-E	P	P	P	P	P	P	P	P	A-E	P	P	P	P	P	P
Yturralde	Ydoleena	P	P	P	A-E	A-E	A-E	P	P	P	P	P	P	P	P	P	P	P

attended Committee meeting but not a member

A-E Excused Absence
A-U Unexcused Absence

as of November 10, 2016



LAS VEGAS - CLARK COUNTY LIBRARY DISTRICT

**REQUIRED
COMMUNICATIONS
LETTER**

**TO THE
BOARD OF TRUSTEES AND AUDIT COMMITTEE**

**FOR THE YEAR ENDED
JUNE 30, 2016**

LAS VEGAS - CLARK COUNTY LIBRARY DISTRICT
REQUIRED COMMUNICATIONS LETTER

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P B T K

PIERCY BOWLER
TAYLOR & KERN

Certified Public Accountants
Business Advisors

Board of Trustees and Audit Committee
Las Vegas - Clark County Library District
7060 West Windmill Lane
Las Vegas, Nevada 89113

RE: Required Communications

Ladies and gentlemen:

As part of our engagement to audit the basic financial statements of the Las Vegas - Clark County Library District (the District) as of June 30, 2016, and for the year then ended, we are required under applicable auditing standards to communicate certain matters to those charged with governance responsibilities for the District for the purpose of assisting them in meeting their responsibilities with regard to the financial reporting process. This report contains those required communications.

The matters reported herein were considered in forming our opinion on the District's basic financial statements contained in our report dated September 30, 2016, and these matters do not change that report.

The purpose of this communication, among other things, is to describe the scope of our testing of internal control over financial reporting and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. This communication is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record, and its distribution is not limited.

Piercy Bowler Taylor & Kern

September 30, 2016

Copies provided to:

Dr. Ronald R. Heezen, Executive Director
Fred James, Chief Financial Officer/Deputy Director
Floresto Cabias, Assistant Finance Director

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MANAGEMENT'S RESPONSIBILITY

It is management's responsibility to provide those charged with governance responsibilities, prior to issuance of the District's annual basic financial statements and our report thereon, with detailed information related to the District's 1) initial selection of, and changes in, significant accounting policies and practices, 2) significant estimates, 3) significant unusual transactions, and 4) corrected and uncorrected misstatements, if any.

Appended to this communication is a copy of the letter of representation, requested by us, to be executed by management with regard to our audit services.

SIGNIFICANT AUDIT ADJUSTMENTS (CORRECTED MISSTATEMENTS)

Our audit resulted in no significant adjustments to the District's basic financial statements.

DIFFICULTIES OR CONTENTIOUS MATTERS ENCOUNTERED IN PERFORMING THE AUDIT

Management cooperated fully, and no significant difficulties or contentious matters were encountered in completing the June 30, 2016, audit.

MATTERS INVOLVING INTERNAL CONTROL

We planned and performed our audit of the basic financial statements of the District as of June 30, 2016 and for the year then ended, in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* issued by the Comptroller General of the United States. We considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the District's basic financial statements. Such procedures were not performed for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

The principal objectives of effective internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that all transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of basic financial statements in accordance with accounting principles generally accepted in the United States. The concept of reasonable assurance requires that management, in fulfilling its responsibility, make estimates and judgments to assess the expected benefit and related costs of control procedures. Because of inherent limitations in any internal control, errors or fraudulent acts, particularly when involving forgery and collusion, may occur and not be detected. In addition, there is a risk that procedures may become inadequate in future periods because of changes in conditions and the degree of compliance with the procedures may deteriorate.

Definitions. A *deficiency* in internal control over financial reporting 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 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

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Required Communications
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the District's basic financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control, that is less severe than a material weakness yet important enough to merit attention by those with governance. Our consideration of internal control would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

Findings. Our procedures did not identify any internal control deficiencies that we consider to be a material weakness.

OTHER GOVERNANCE MATTERS

Auditors' responsibility under applicable professional standards. As stated in our report on the District's basic financial statements, our responsibility as independent auditors, under applicable professional standards, is to express an opinion, based on our audit, on the District's basic financial statements, which are the responsibility of the District's management. Our responsibilities, as contrasted with management's, are spelled out more fully in our letter of engagement.

Despite any limited assistance we may have provided to management in its preparation, our responsibility for information accompanying the District's basic financial statements is limited to 1) reading such information to ascertain that it is materially consistent with information presented in the District's basic financial statements 2) considering whether any statements contained therein may appear to be materially misstated, and 3) assuring the satisfactory resolution of our concerns, if any. In this instance, we performed the required procedures, and any changes requested by us in this process were satisfactorily made and all questions satisfactorily resolved.

In considering the matters reported herein, you should be cognizant of your responsibility for oversight of the financial reporting process and management's responsibilities for establishing and maintaining an effective internal control subject to regulatory and ownership approval, and for the District's basic financial statements.

Fraudulent or other illegal or abusive activities. We did not become aware of any possible fraudulent or other illegal or abusive activities or any significant complaints or concerns regarding the District's accounting and financial reporting.

Significant accounting policies. The significant accounting policies employed by the District are disclosed in the notes to the District's basic financial statements and are essentially as prescribed, recommended or permitted under applicable authoritative literature for, or commonly used by, other entities in your industry. The accounting policies have been consistently applied and are not controversial or lacking in authoritative guidance or consensus.

Significant estimates. The basic financial statements do not contain any significant management estimates except with regard to the useful lives of the capital assets and valuation of the other postemployment benefit obligation and net pension liability.

Significant unusual transactions. Significant unusual transactions are those that occur outside the normal course of business or that otherwise appear to be unusual due to their timing, size, or nature. We are not aware of any significant unusual transactions.

Related parties. No significant audit issues were encountered in connection with the District's related party

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transactions, for example, nondisclosure by management or questionable authorization/purpose.

Disagreements or pre-retention discussions with, and consultations with other accountants by, management. We are also required by professional standards to communicate any significant disagreements with management, consultations by management with other accountants that we become aware of, or discussions with us prior to our retention regarding any major issues, over the application of accounting principles, management's judgments about accounting estimates, disclosures to be made in the District's basic financial statements, the scope of the audit or the wording of the auditors' report, regardless of whether the matter was satisfactorily resolved. No such disagreements were encountered in our audit, nor are we aware of any consultations with other accountants, nor were we consulted prior to retention, regarding any such matters.

Licensing and independence. This will confirm that we are duly licensed to perform this engagement. In addition, in our professional judgment, we are independent of the District and, when applicable, its affiliated entities under all applicable rules, regulations, and interpretations, and we represent that we know of no relationships that a reasonably informed person might consider an impairment of our independence under such requirements with regard to this engagement.

Management consulting services. We have not provided the District with any management consulting services.

Compliance with laws, regulations, contracts and grants. Compliance with laws, regulations, contracts and grants applicable to the District is the responsibility of the District's management. As part of obtaining reasonable assurance about whether the District's basic financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grants. However, our objective was not to provide an opinion on overall compliance with such provisions.

In accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, we have issued our report dated September 30, 2016, on our consideration of the District's internal control over financial reporting and on our tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and should be considered in assessing the results of our audit.

In accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance), auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, we have issued our report dated September 30, 2016, on our consideration of the District's compliance with requirements applicable to major programs and on internal control over compliance. The purpose of that report is to describe the scope of our testing of compliance and internal control over compliance and the results of that testing, and to provide an opinion on the District's compliance with such requirements, but not to provide an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance. This report is an integral part of an audit

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performed in accordance with the requirements of the Uniform Guidance, auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and should be considered in assessing the results of our audit.

Material instances of noncompliance are failures to follow requirements or violations of prohibitions contained in laws, regulations, contracts and grants, that when aggregated, in our judgment, are material to the District's basic financial statements or a major grant program. The results of our tests of compliance and internal control over compliance did not disclose material instances of noncompliance or material weaknesses in internal control over compliance.

**REPRESENTATIONS SOUGHT
FROM MANAGEMENT**

September 30, 2016

Piercy Bowler Taylor & Kern
Certified Public Accountants
6100 Elton Avenue, Suite 1000
Las Vegas, Nevada 89107

To the Firm:

In this letter, the use of the phrase "financial statements" refers to the basic financial statements and related disclosures of the Las Vegas - Clark County Library District (the District), including any accompanying or supplemental information, as of June 30, 2016 and for the year then ended. It is in relation to these financial statements and in connection with the professional audit services that you provided that we make the representations contained herein.

Certain representations in this letter are described as referring or being limited to matters that are "material" to, or that could have a "material effect" on, the financial statements. We understand that items are considered qualitatively material, regardless of size, if they involve an omission or misstatement of information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. However, such materiality considerations do not apply to those representations contained herein that are not directly related to amounts included in the financial statements. For purposes of these representations, any matters having a possible effect of \$10,000 individually or \$15,000 in the aggregate, on the financial statements are considered quantitatively material.

GENERAL REPRESENTATION OF TRUTHFULNESS

We have responded fully and truthfully to all inquiries made to us by you and confirm, to the best of our knowledge and belief, all representations we have previously made (or should have made) including, but not limited to, those specifically stated in this letter.

We reconfirm, to the best of our knowledge and belief, those representations previously made with respect to all comparative prior period information presented with the current period financial statements updated as necessary in this letter.

We agree to hold you harmless and indemnify you for any costs incurred as a result of your reliance on any false representations made to you by management personnel in connection with your services.

TRANSACTIONS, RECORDS, ESTIMATES, ADJUSTMENTS, AND FINANCIAL REPORTING

1. We are responsible for authorizing, initiating, processing, and reporting transactions only in connection with the legitimate business purposes and best interests of the District, including, but not limited to, all related party and other transactions outside the normal course of business, if any. It is also our responsibility to ensure that such transactions comply with various laws, regulations,

and contractual agreements applicable to the District and the District has complied with all such requirements that would have a material effect on the financial statements in the event of non-compliance.

The District has complied with all restrictions on resources, including donor restrictions, and all aspects of contractual and grant agreements that would have a material effect on the financial statements.

We are responsible for evaluating the classification of contract and grant revenues as either contributions or exchange transactions in accordance with the provisions of applicable standards and for ensuring that all such revenues are appropriately reported.

We have properly classified and reported the District's equity and changes therein, in accordance with all resource restrictions and the provisions of applicable standards.

The District has complied with all applicable laws and regulations in adopting and amending the budget, and the budget information presented in financial statements includes all approved amendments.

We have determined that there are no component units or joint ventures that require disclosure under applicable *Governmental Accounting Standards*.

2. We are unaware of any material transactions that have not been recorded in the financial records underlying the financial statements including, but not limited to, related party transactions, (such as sales or purchases of goods or services, loans, transfers, leasing arrangements or guarantees) and related amounts receivable or payable or illegal transactions.
3. We have made available to you all financial records and related data underlying the financial statements of which management is aware of and believes are relevant to the preparation of the financial statements and any additional items that you requested, including but not limited to, 1) the names of all related parties and all relationships and transactions with related parties, and 2) minutes of and related resolutions (or accurate and complete summaries of discussions held and actions taken at) all meetings of those charged with governance through the date of this letter. Such minutes or summaries include and fairly describe all decisions made and actions taken by the respective bodies that bear significantly on the financial statements. Furthermore, we have provided you with unrestricted access to persons within the District that you have selected to obtain audit evidence from.
4. We are responsible for and have identified all fair value and other accounting estimates that materially affect the financial statements including, specifically, those that are susceptible to material revision during the first year subsequent to the end of the most recent period presented as a result of evolving events that have a reasonable probability of occurrence. We have informed you of the key factors and significant assumptions that underlie those estimates.
We understand that the service(s) provided by you did not include preparing, or assisting in the preparation of, any fair value estimates contained in the District's financial statements.
5. We are responsible for all recorded accounting estimates, including all asset valuation allowances. Such estimates reflect management's best judgment considering all reasonably available facts, including management's knowledge and experience about past events and current circumstances, and expected courses of action and are not materially misstated.
6. We have evaluated and have recorded (or will record) adjustments to the books of account for all financial statement misstatements identified by us or by you, if any, during the course of your engagement. There are no misstatements that remain unadjusted as a result of perceived immateriality, both individually and, if applicable, in the aggregate.

7. We are responsible for the fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States. In other words, it is our responsibility to ensure that the financial statements and related disclosures are free of material misstatements in relation to the requirements of accounting principles generally accepted in the United States, which financial reporting framework we have evaluated and determined to be acceptable and appropriate.

We are responsible for the fair presentation of the accompanying supplemental information.

We are responsible for the financial statements including all disclosures required by laws and regulations or other applicable standards to which the District is subject.

We are responsible for the proper classification of revenues in the statement of activities and reporting of all inter-fund, internal, and intra-entity activity and balances in accordance with Governmental Accounting Standards Board Statement No. 34, as amended.

We are responsible for identifying all funds that meet the quantitative criteria in Governmental Accounting Standards Board Statement No. 34, as amended for presentation as a major fund and for ensuring that all qualifying funds are reported as such. In addition, any fund presented as a major fund that does not meet the quantitative criteria has qualitative significance to users of the financial statements.

Any assistance that you provided to us in connection with the preparation of the financial statements and/or analysis of accounts including that which resulted in proposed adjustments was evaluated, reviewed, and approved by Fred James, Chief Financial Officer/Deputy Director, a member of the District's management team, who possesses suitable skills, knowledge, and/or experience to do so, meaning that this individual understands the services performed sufficiently to oversee them, but is not required to possess the expertise to perform or re-perform the services.

8. There have been no significant changes in business activities, accounting practices or internal controls that might affect the financial statements.
9. We have reviewed and approved what we intend to be the final draft of the financial statements.

SPECIFIC DISCLOSURE REPRESENTATIONS

1. **Delayed adoption of new accounting principle(s).** As indicated in the notes to the financial statements, management has opted to delay the adoption of certain new accounting principle(s) until required to do so, and the expected future effect of adoption is disclosed therein.
2. **Related party transactions and balances.** There are no material related party transactions and related amounts receivable or payable.
3. **Concentrations, risks and uncertainties.** Except as disclosed in the financial statements or an attachment to this letter, there are no concentrations of credit or other business or economic risks (including, but not limited to, customers, suppliers, lenders, products, services, sources of labor or materials, franchise or other licenses, operating areas, markets, *etc.*) that make the District vulnerable to a severe impact within the first year subsequent to the end of the most recent period presented. In addition, we are not aware of any undisclosed matters regarding the financial stability of depository banks or other financial institutions that might affect your judgment about the significance of any risk of loss to the District associated with uninsured deposits.

4. **Receivables.** All material receivables recorded in the financial statements represent valid claims arising as a result of sales, loans or advances or other transactions occurring within or before the end of the most recent period presented and have been reduced to their estimated net realizable value by appropriate collection and/or other applicable valuation allowances.
5. **Investments in marketable securities.** All material investments in marketable debt and equity securities are classified and valued appropriately, in accordance with the District's intent and ability, and futures contracts, held as hedges, if any, are accounted for pursuant to applicable standards. There are no significant concentrations of market risk associated with such investments.
6. **Financial instruments.** Management has used the methods and assumptions disclosed in the financial statements, and taken all reasonable, appropriate and practical steps in the circumstances, to ascertain the appropriate accounting for and objectively estimate the fair value of material financial instruments and other assets carried or reflected in the financial statements or disclosures, if any, including instruments that do not have readily determinable market values, pursuant to applicable standards.
7. **Fair value measurements.** All assets and liabilities recorded in the financial statements at estimated fair value are appropriately segregated into fair value measurement input categories ("Level 1", "Level 2" or "Level 3") subject to any applicable and disclosed practicability exceptions. Such fair value measurements are based upon the methods and assumptions disclosed in the financial statements, and management has taken all reasonable, appropriate and practical steps in the circumstances, to objectively estimate the fair value of such assets and liabilities including those that do not have readily determinable market values and all such fair value measurements are supported by appropriate documentation.
8. **Title, carrying values and classification of assets.** There are no management plans or intentions that may materially affect the carrying value or classification of any District assets and the District has satisfactory title to such assets. All recorded carrying costs are recoverable, net of any impairment write-downs and other recorded valuation allowances and provisions, which are adequate, and we are unaware of any undisclosed value impairment indications, including those relating to long-lived assets, liens, encumbrances or other title impairments as of the end of the most recent period presented.
9. **Debt covenants.** No debt covenants have been violated and/or no events of default have occurred through the date of this letter. Furthermore, the District has not received any correspondence from lenders related to possible debt covenant violations or events of default.
10. **Commitments, contingencies and accruable liabilities.** Except as disclosed in the financial statements or an attachment to this letter, there are no matters of pending or threatened litigation, asserted or unasserted claims or assessments that our lawyers have advised or that we are aware of that are probable of assertion, that could have a material effect on the financial statements, including, but not limited to, 1) environmental remediation obligations, 2) gain or loss contingencies that require recognition or disclosure in accordance with applicable accounting standards, 3) guarantees (written or oral) or "in-substance" guarantees of the obligations of other entities or individuals (including, for example, general partnership interests), 4) warranties or rights of return, 5) arrangements with financial institutions involving compensating balances or other restrictions on cash balances, 6) lines-of-credit or similar arrangements, 7) unconditional promises to contribute or otherwise transfer cash or other assets, 8) conditional promises to contribute or otherwise transfer cash or other assets that would require accrual or disclosure under applicable standards, 9) potential losses from unfavorable sales commitments, 10) other commitments requiring disclosure in the financial statements (including for the issuance of capital stock or

partnership or other equity units, asset repurchase agreements, capital stock reserved for options, warrants, conversions or similar rights), 11) side agreements or other arrangements (either written or oral) with others, or 12) other unrecorded liabilities.

11. **Multiple-employer cost-sharing defined healthcare benefit plan(s).** We have no intention to terminate or materially modify the District's defined healthcare benefit plan(s). Although it is possible that a liability would be incurred by the District in the event of its withdrawal from participation in, or the termination of, such plan(s), the liability is not subject to reasonable estimation based on available information. Adequate provision has been made for the defined benefit obligations using actuarial assumptions and methods that reflect the conclusions of qualified actuaries as stated in actuarial reports dated July 1, 2014, 2011 and 2008, which are appropriate in the circumstances.
12. **Multiple-employer cost-sharing defined pension benefit plan(s).** We have no intention to terminate or materially modify the District's defined pension benefit plan(s). Although it is possible that a liability would be incurred by the District in the event of its withdrawal from participation in, or the termination of, such plan(s), the liability is not subject to reasonable estimation based on available information. Furthermore, all contributions required for the District's defined benefit plan(s) have been made or recorded as liabilities as of the end of the most recent period presented.

The District records its proportionate share of the net pension liability of the Nevada Public Employees' Retirement System in accordance with applicable standards. Management has agreed its contributions to the amounts and allocation metrics used by the Nevada Public Employees' Retirement System in determining the the District's proportionate share, which is appropriate in the circumstances.
13. **Solvency.** We understand that you have neither determined nor will opine as to whether the District is solvent or insolvent for bankruptcy or other purposes since such would be a legal determination that may be made only by a court.
14. **Use of a specialist and/or reliance on government pension plan auditors in connection with the valuation of assets or liabilities.** For assets and liabilities valued with the assistance of a valuation specialist and/or government pension plan auditor, we made an objective evaluation of their qualifications, objectivity or independence to perform the assignment and did not do anything that might have materially biased or influenced their conclusion(s).
15. **Subsequent events.** We are responsible for evaluating events or transactions that have occurred subsequent to the end of the most recent period presented, but before the financial statements are issued or available for issuance (subsequent events), through the date of this letter, for recognition and disclosure. We have performed appropriate subsequent events evaluation procedures, which are sufficient in the circumstances. There have been no significant events subsequent to the end of the most recent period presented that, in our judgment, would materially affect and, therefore, require adjustment to, or disclosure in, the financial statements.

INTERNAL CONTROL OVER FINANCIAL REPORTING AND FRAUD

1. We are responsible for designing, implementing, establishing and maintaining effective internal control over financial reporting that provides reasonable assurance that 1) the financial statements are fairly presented in conformity with accounting principles generally accepted in the United States, 2) the District's resources are adequately safeguarded, 3) the District is in compliance with

all applicable laws, regulations and contractual requirements, and 4) fraudulent and other illegal acts are detected and prevented, including those involving both fraudulent financial reporting and misappropriation of assets possibly leading to financial statement misstatements.

2. We are responsible for evaluating the qualifications of all service organizations employed by the District including, but not limited to, computer service bureaus, financial institutions, investment advisors, brokers and other agents that we engage, particularly as to their integrity and ability to perform the services requested in accordance with management's authorization(s), and do not use or rely upon any services that your Firm performs in making these evaluations.
3. We are unaware of any fraud that is either material, probably material or that, although not material, involves management or other employees who have a significant role in internal control over financial reporting.
4. There has been no communication from or action by law enforcement or regulatory agencies concerning possible, alleged or suspected fraud, deficiencies in financial reporting practices or other noncompliance with laws, regulations or contractual requirements or any other illegal acts that should be considered for disclosure or for recording a loss contingency.
5. We are responsible for assessing the expected benefits and the related costs of all control procedures, including any additional or alternative procedures recommended by you.
6. We are responsible for considering and have considered the cause(s) of proposed adjustments (whether or not made and without distinction between those proposed by us or you), if any, including those that may have resulted, in whole or in part, from deficiencies in the design and operation of related controls.
7. There have been no changes in internal control over financial reporting or any other factors subsequent to the end of the most recent period presented that might significantly affect internal control over financial reporting, including any corrective actions taken by management with regard to any identified material weaknesses and other significant deficiencies.
8. We understand that a *deficiency* in internal control over financial reporting 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 misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected. A *significant deficiency* is a deficiency, or combination of deficiencies, that is less severe than a material weakness yet important enough to merit attention by those charged with governance.
9. We are responsible for and continually assess the effectiveness of internal control over financial reporting including disclosure controls, and do not use or rely upon procedures performed by your Firm for this purpose.
10. We have disclosed to you all known deficiencies in the design or operation of internal control over financial reporting, including disclosure controls, that were identified as part of management's assessment or otherwise, specifically identifying all such deficiencies that are material weaknesses and other significant deficiencies as defined above, if any.
11. All control deficiencies identified by management, or by you during or as a result of previous engagements, if any, have been communicated to those charged with governance of the District and resolved to management's satisfaction.

COMPLIANCE WITH AND INTERNAL CONTROL OVER FEDERALLY FUNDED PROGRAMS

1. We are responsible for complying, and have complied, with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance), various other laws, regulations, and provisions of contracts, including grant agreements applicable to each of the District's federal programs and represent that the District has complied, in all material respects, with all such requirements.

We have specifically identified and disclosed to you the provisions of contracts and grant agreements that have a direct and material effect on each of the District's federal programs.

We have identified and disclosed to you all amounts questioned and any known instances of non-compliance with the requirements of federal awards, including the results of, or current status of, other audits or program reviews through the date of this letter.

We are responsible for tracking the status of all audit and program review findings and have identified and disclosed to you all such findings. In addition, we are responsible for the preparation and implementation of the corrective action plan and a copy thereof has been provided to you.

2. We have made available to you all records and related data for our federal programs, including but not limited to: 1) a schedule of expenditures of federal awards prepared in accordance with the Uniform Guidance, which includes all expenditures made during the most recent period presented for all awards provided by federal agencies (including those passed through other entities) in the form of grants, federal cost reimbursement contracts, loans, loan guarantees, property, donated surplus property, cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations and other assistance; 2) all contracts and grant agreements, including amendments, if any, and other correspondence with federal agencies or pass-through entities related to the District's federal programs; and 3) all documentation related to the compliance requirements, including information related to federal program financial reports, and claims for advances and reimbursements.
3. We have specifically identified and disclosed to you all amounts that have been awarded to us under the authority of the *American Recovery and Reinvestment Act of 2009*, including any such amounts expended or received by us.
4. All federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared. The copies of federal program financial reports provided to you are true copies of the reports submitted (including electronically transmitted) to the applicable federal agency or pass-through entity.
5. We are responsible for and have monitored subrecipients compliance with applicable laws and regulations including the Uniform Guidance, reviewed and issued decision(s) as to subrecipient audit findings, if any, and ensured that corrective action was taken timely. In connection with reviewing the subrecipients' audit findings, we have considered the possible need for adjustment to our own books and records and made such adjustments as determined to be necessary.
6. All costs charged to federal programs, including allocated indirect costs, if any, are in compliance with applicable cost principles.
7. We are responsible for the accurate preparation of the summary schedule of prior audit findings,

which includes all findings required to be included by the Uniform Guidance. We are also responsible for the completion of the "data collection form" and the submission of our "reporting package" as required by the Uniform Guidance. Furthermore, we understand that if we fail to submit the "data collection form" and "reporting package" timely, it will preclude us from being classified as a "low-risk" auditee in each of the subsequent two years and may result in increased audit fees for each of those years.

8. We are responsible for designing, implementing, establishing and maintaining effective internal control over compliance for federal programs that provides reasonable assurance that we are managing federal awards in compliance with all applicable laws, regulations, and provisions of contracts, including grant agreements, which could have a material effect on our federal programs.
9. There have been no changes in internal control over compliance for federal programs subsequent to the most recent financial reporting period presented that might significantly affect internal control over compliance or have a direct and material effect on any of the District's federal programs. In addition, there have been no known instances of non-compliance occurring subsequent to the most recent financial reporting period presented through the date of this letter.

INTENDED USERS OF THE FINANCIAL STATEMENTS

The financial statements are intended solely for the third party users specified in the District's letter of engagement with you or in a supplemental written communication to you and no others without your prior written approval.

There are no current plans for the issuance of public debt (*i.e.*, municipal bonds including revenue bonds) during the first year subsequent to the end of the most recent period presented; and therefore, the financial statements are not expected to be included in any offering documents.

NATURE AND PURPOSE OF THE PROFESSIONAL SERVICE YOUR FIRM PROVIDED

Purpose of audit. We understand that your audit of the District's financial statements was made for the purpose of enabling you to express an opinion as to whether the financial statements are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States.

We understand that the required supplementary information (management's discussion and analysis, budgetary comparison schedules and other required information) presented with the financial statements is not a required part of the financial statements, but is required by applicable standards to be presented and that although you applied limited procedures to this information you did not audit it; and therefore, you will express no opinion on the required supplementary information.

We understand that the other supplementary information (introductory section, combining and individual fund financial statements and schedules and statistical section) presented with the financial statements is not a required part of the financial statements.

We understand that the introductory section and statistical section were not subjected to the procedures applied in the audit of the District's financial statements; and therefore, you will express no opinion on this information.

We understand that the combining and individual fund financial statements and schedules were subjected

to the procedures applied in the audit of the financial statements; and therefore, you will express an opinion on this information in relation to the financial statements taken as a whole.

We understand that the nature of the service that you provided requires that your service team exercise professional judgment in connection with virtually every aspect of and throughout the engagement, and that such judgment(s) might vary from those of another professional in the same or similar circumstances.

Very truly yours,

Las Vegas - Clark County Library District

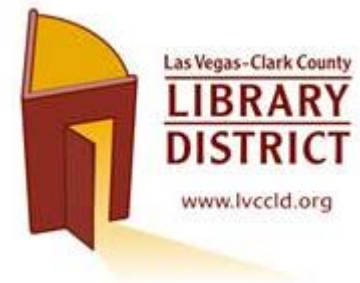
Dr. Ronald R. Heezen, Executive Director

Fred James, Chief Financial Officer/Deputy Director



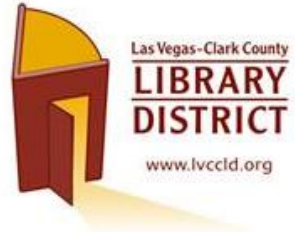
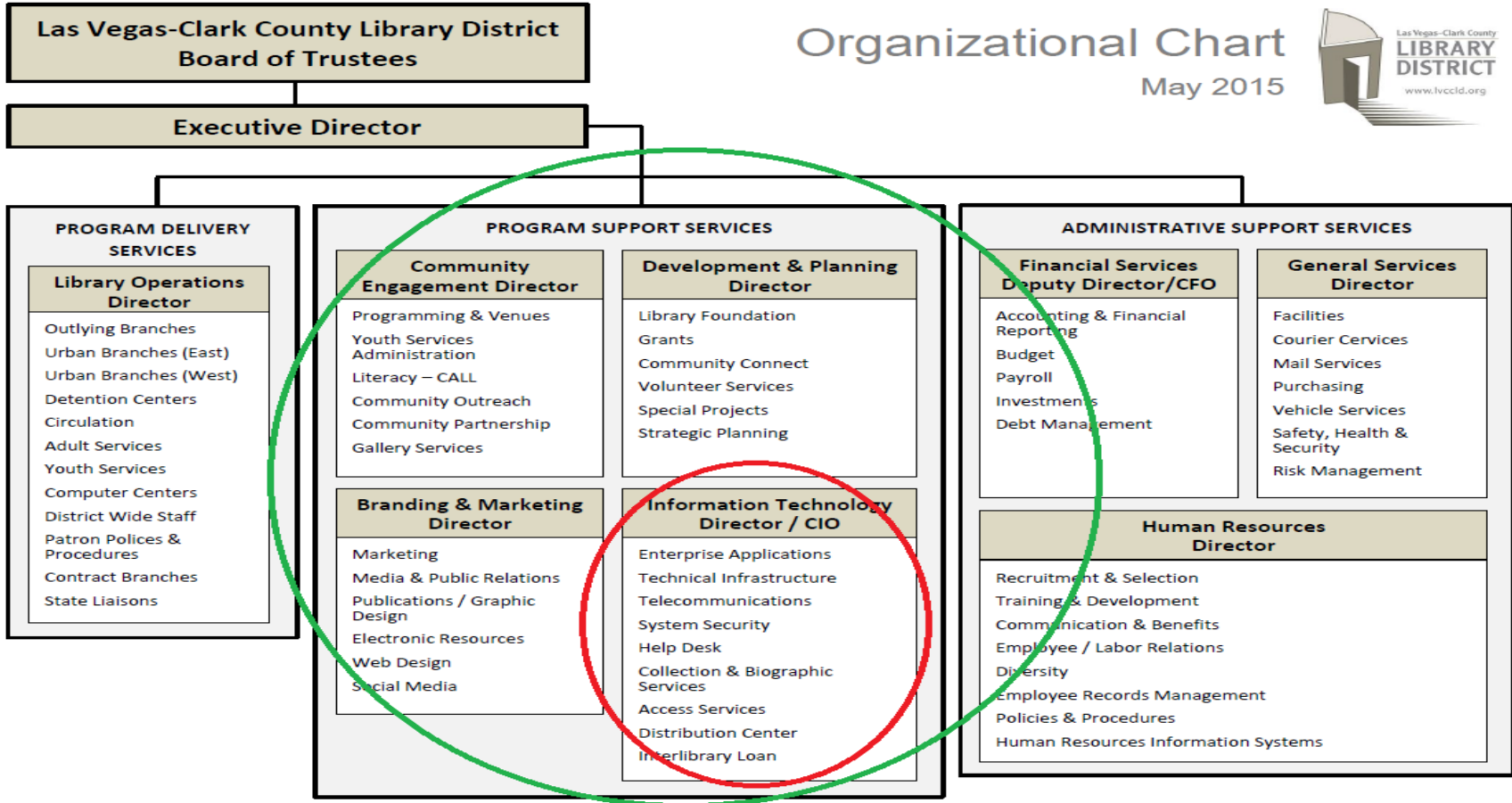
Information Technology Division

November 10, 2016





District Organization Chart (for illustration only)



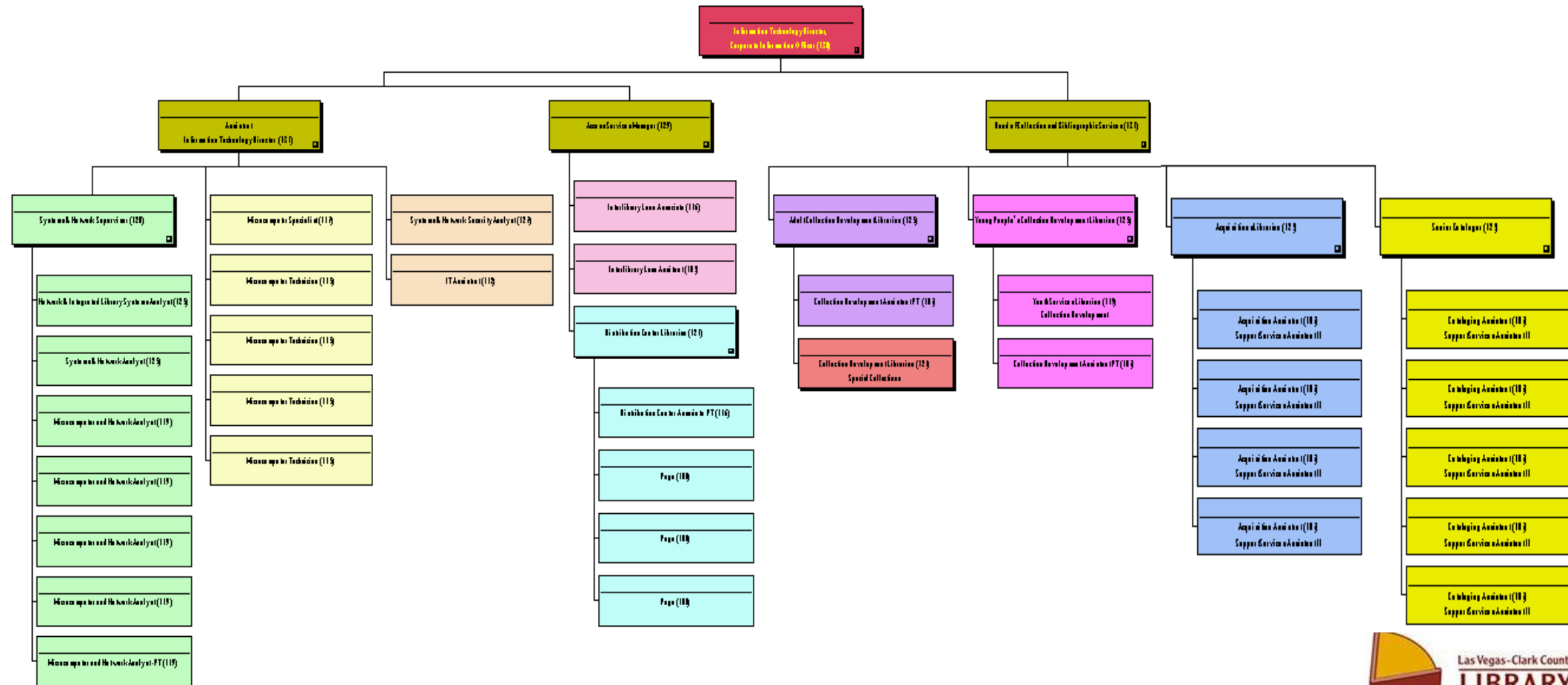


Information Technology Division Summary

- Manager: Information Technology Director, CIO Al Prendergast
- Functions: Access Services, Collection and Bibliographic Services, Information Technology
 - Staff: 42
 - FTE: 38.51
 - Operating Budget: \$14,789,704
 - Percent of District Operating Budget: 24.16%
 - Capital Projects Budget: \$1,478,700



Information Technology Division Organization Chart (for illustration only)



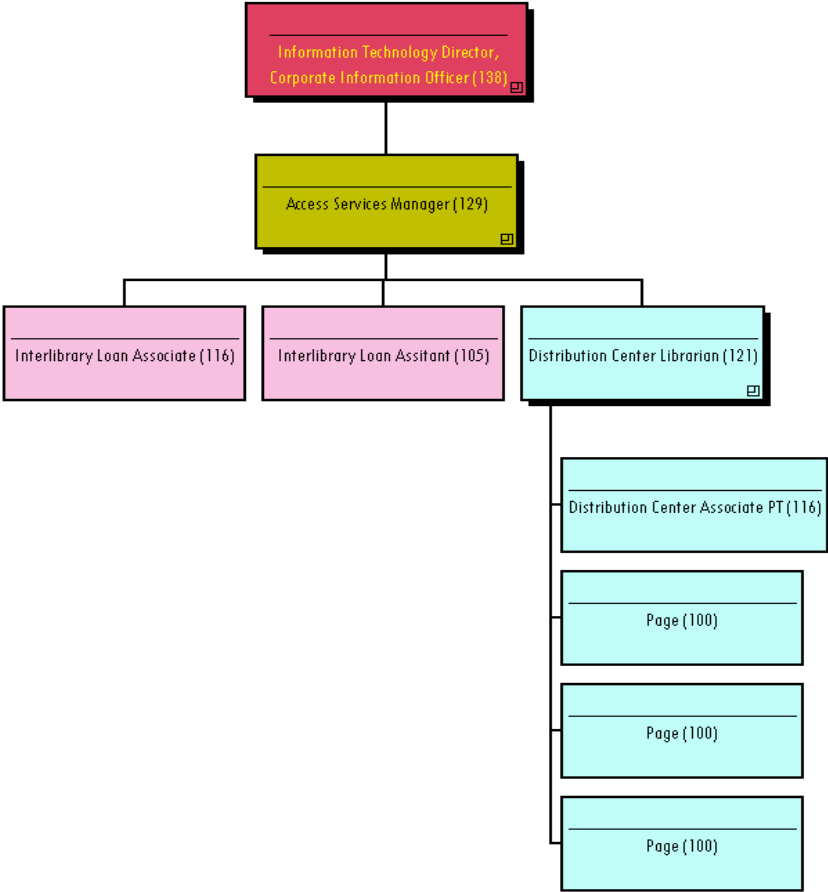


Access Services Summary

- Manager: Access Services Manager Sufa Anderson
- Functions: Distribution Center, Interlibrary Loan, Sierra LSP Management
 - Staff: 7
 - FTE: 4.83
 - Operating Budget: \$404,609
 - Percent of District Operating Budget: 0.66%
 - Capital Projects Budget: N/A



Access Services Organization Chart (for illustration only)



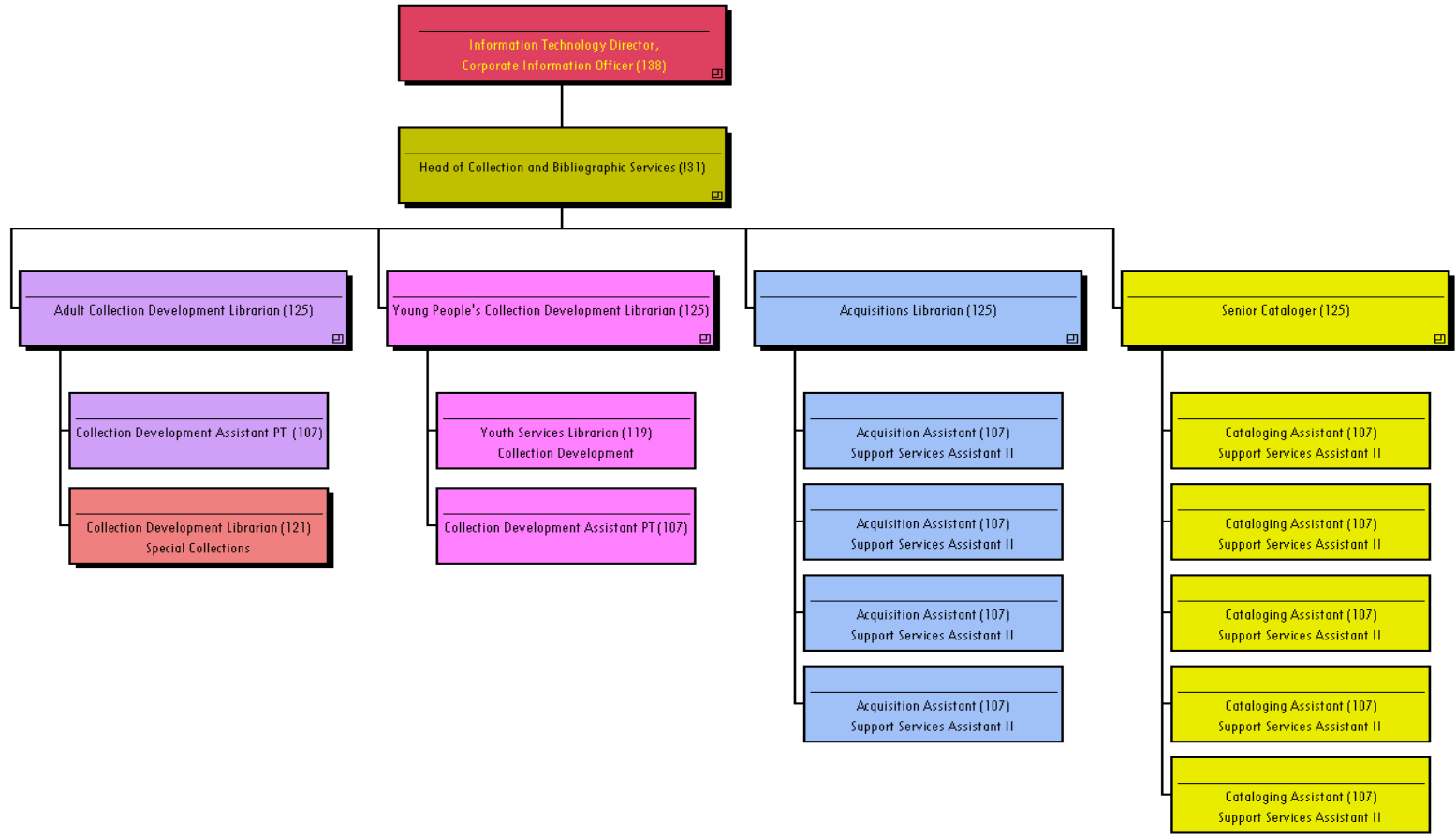


Collection and Bibliographic Services Summary

- Manager: Head of Collection and Bibliographic Services Rebecca Colbert
- Functions: Acquisitions, Cataloging, Collection Development
 - Staff: 18
 - FTE: 17.08
 - Operating Budget: \$10,978,748 (\$9,010,760 in Library Materials)
 - Percent of District Operating Budget: 17.94%
 - Capital Projects Budget: N/A



Collection and Bibliographic Services Organization Chart (for illustration only)



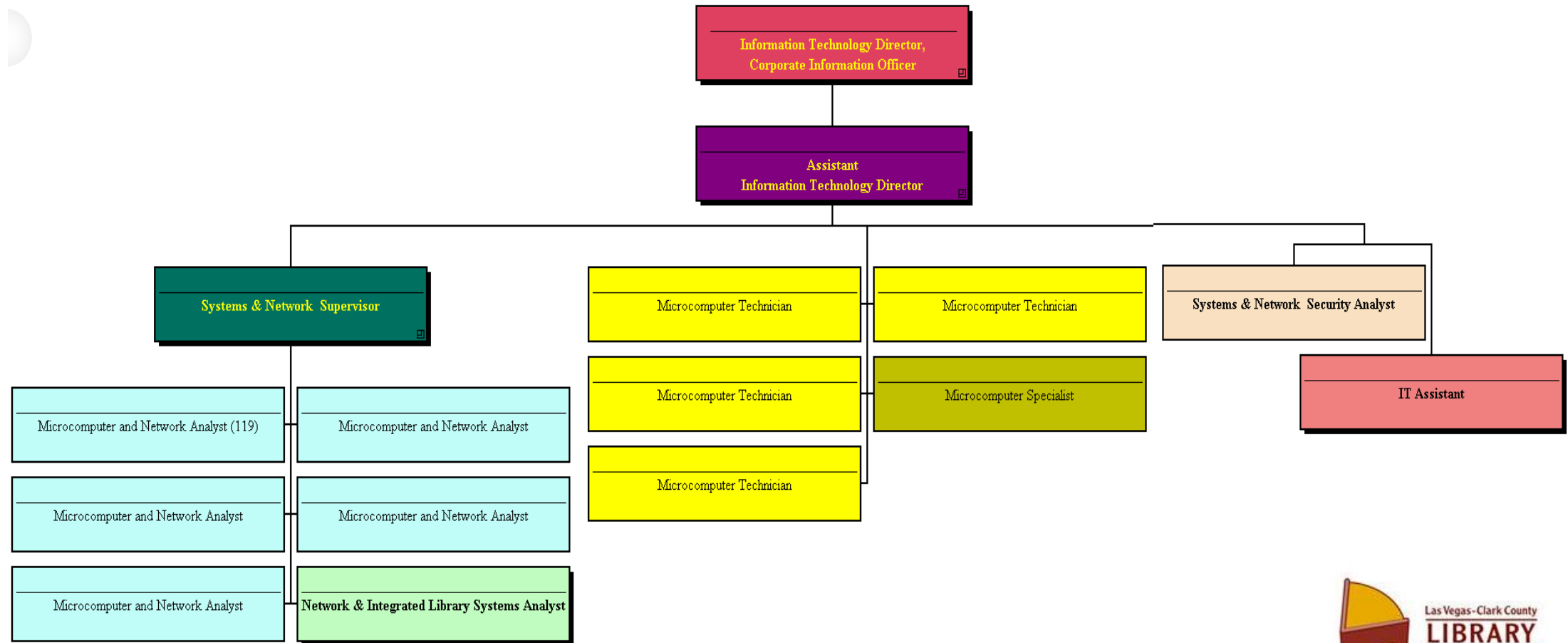


Information Technology Department Summary

- Manager: Assistant Information Technology Director Ron Melnar
- Functions: End User Support, Enterprise Applications, Networking
 - Staff: 17
 - FTE: 16.60
 - Operating Budget: \$3,406,347
 - Percent of District Operating Budget: 5.56%
 - Capital Projects Budget: \$1,478,500



Information Technology Department Organization Chart (for illustration only)





Questions?