

TRUCKEE MEADOWS COMMUNITY COLLEGE  
CHANGE IN LEADERSHIP AUDIT  
Internal Audit Report  
July 1, 2023 through June 30, 2025

GENERAL OVERVIEW

The Internal Audit Department performs a Change in Leadership, or “exit” audit, each time an institutional president leaves office. The audit focuses on areas for which the president is both directly and indirectly responsible, as noted in the Scope of Audit section below. The president has high level responsibility over Truckee Meadows Community College (TMCC) as well as direct responsibility for activities conducted within the President’s Office.

SCOPE OF AUDIT

The Internal Audit Department has completed a Change in Leadership audit at Truckee Meadows Community College (TMCC). The audit was conducted for the period of July 1, 2023 through June 30, 2025.

Our review was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* issued by the Institute of Internal Auditors and included tests of the accounting records and other auditing procedures, as we considered necessary. The tests included but were not necessarily limited to these areas.

1. Testing the President’s Office expenditures, including the president’s host and travel expenses for reasonableness and compliance with related policies.
2. Reviewing the TMCC financial accounts to determine whether deficit balances exist and the reason for the deficits.
3. Reviewing the contracts entered into by TMCC for proper form and compliance with NSHE policies.

4. Reviewing any litigation filed against TMCC to determine materiality of legal issues.
5. Examining and testing the president's leave records and the President's Office equipment inventory for proper accountability.
6. Reviewing the capital projects initiated by TMCC and the president.

In our opinion, we can be reasonably assured that TMCC operated in a satisfactory manner during the audit period and that no material deficiencies were noted. However, implementation of the following recommendations would provide an opportunity to further improve processes.

## EXPENDITURES

The Internal Audit Department reviewed a sample of 46 expenditures that were charged to the President's Office accounts during the audit period. A variety of operating transactions were selected as well as hosting and travel expenditures charged to President's Office accounts. The expenditures were examined for proper supporting documentation and approval, reasonableness, and compliance with established purchasing and other required procedures. Of the 46 expenditures reviewed, the following exceptions were noted.

### *Hosting*

1. A hosting transaction and the host form were approved by the President rather than the Chancellor, as required. The President was listed as one of the hosted individuals.

However, according to the NSHE Procedures and Guidelines Manual (PGM), employees may not approve their own hosting expenditures, whether they are incurred directly or indirectly.

We recommend that hosting events where the President is in attendance be approved by the Chancellor as required.

### **Institution Response**

**TMCC agrees with this audit finding and recommendation.**

- **TMCC has implemented a process that routes hosting transactions involving the President to the Chancellor for approval. Internal hosting forms have also been updated to require Chancellor approval when the President is listed as a hosted individual. The revised form is in use and the process is under review to ensure effectiveness.**
  - **Compliance will be monitored through review of Workday workflows and documentation. The Budget and Accounting Office will conduct periodic reviews to confirm proper approval.**
  - **Responsibility is shared between the Office of the President and Accounting Services. Both offices will be accountable for ensuring compliance and addressing any repeat observations.**
2. Two tickets to a fundraiser were purchased and the list of attendees on the Host Form did not list all attendees. The Host Form identified one individual's name and the second attendee was listed as "guest." According to the NSHE PGM, hosting documentation should include the name of the person being hosted and the business relationship of the person.

We recommend that the required documentation on hosting expenditures be obtained and documented. If this information is not known until after an event, we recommend that the supporting documentation be subsequently updated and uploaded to Workday.

### **Institution Response**

**TMCC agrees with this audit finding and recommendation.**

- **In response, the process has been corrected to ensure that required attendee information is obtained and documented. This change has been implemented and is in effect.**
- **Compliance will be monitored through review of Host Forms and supporting documentation within Workday.**
- **Responsibility rests with the Office of the President to ensure complete and accurate documentation.**

*Other*

3. An invoice for a service provided to TMCC was not paid in a timely manner. As a result, TMCC was required to pay a late fee to the provider.

We recommend that invoices be promptly submitted for payment to ensure no extra fees are incurred by TMCC.

### **Institution Response**

**TMCC agrees with this audit finding and recommendation.**

- **The Office of the President have been reminded to conduct a thorough review of all invoices upon receipt to confirm service dates, ensure timely submission for payment, and avoid unnecessary late fees. This process is now in place.**
- **Compliance will be monitored through review supporting documentation within Workday.**
- **Responsibility rests with the Office of the President to ensure invoices are reviewed and submitted promptly.**

### **EQUIPMENT**

A review of the equipment inventory assigned to the President's Office was performed to determine whether items included on the equipment inventory reports were properly accounted for and whether other items were present that were not included on the reports. The following exceptions were noted:

4. Three computers were located and used by the President's Office, however, they are not assigned to the department in Workday and AssetWorks and one of the items did not have an inventory sticker attached, as required. In addition, two items listed on the Workday and AssetWorks inventory report for the President's Cost Center were actually the responsibility of another TMCC department.

We recommend that the President's Office work with TMCC Auxiliary Services to update the President's equipment listing in Workday and AssetWorks by ensuring that the proper department has a listing of the equipment that is their responsibility and it is

properly tagged.

### **Institution Response**

**TMCC agrees with this audit finding and recommendation.**

- **Identified equipment has been reassigned to the appropriate departments and updated in Workday and AssetWorks. Missing inventory tags have been applied, and records have been corrected to ensure alignment between physical assets and reporting systems.**
- **Compliance will be monitored through periodic review of equipment listings in Workday and AssetWorks, in coordination with TMCC Auxiliary Services, to ensure accurate assignment and proper tagging. System records will serve as documentation for audit and management review.**
- **Responsibility is shared between the Office of the President and TMCC Auxiliary Services. Both areas will be accountable for maintaining accurate inventory records and ensuring proper tagging.**

## STATEMENT OF REVENUES AND EXPENDITURES

The statement of revenues and expenditures provided below is based on the activity of two state and 13 self-supporting accounts that have been assigned to the TMCC President's Office. The revenue and expenditure information was obtained from Workday and is provided for informational purposes only.

	State Accounts	Self- Supporting Accounts	Total
Balance, July 1, 2023	\$ -	\$ 48,793	\$ 48,793
Transfers-In	-	144,519	144,519
Revenues			
State Appropriations	621,016	-	621,016
Total Revenue	621,016	-	621,016
Transfers-Out	-	2,060	2,060
Expenditures			
Personnel Costs	530,716	92,424	623,140
General Operations	70,566	32,607	103,173
Travel	19,734	-	19,734
Hosting	-	66,546	66,546
Sales and Service Recharge	-	(60,051)	(60,051)
Total Expenditures	621,016	131,526	752,542
Balance, June 30, 2024	\$ -	\$ 59,726	\$ 59,726
Balance, July 1, 2024	\$ -	\$ 59,726	\$ 59,726
Transfers-In	-	193,538	193,538
Revenues			
State Appropriations	666,843	-	666,843
Total Revenue	666,843	-	666,843
Transfers-Out	-	3,086	3,086
Expenditures			
Personnel Costs	579,956	100,838	680,794
General Operations	74,090	88,567	162,657
Travel	12,797	-	12,797
Hosting	-	89,563	89,563
Sales and Service Recharge	-	(58,864)	(58,864)
Total Expenditures	666,843	220,104	886,947
Balance, June 30, 2025	\$ -	\$ 30,074	\$ 30,074

The Internal Audit Department appreciates the cooperation and assistance received from  
TMCC personnel during this review.

Reno, Nevada  
April 21, 2026

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