

BOARD OF REGENTS BRIEFING PAPER

1. AGENDA ITEM TITLE: CODE REVISION, INTERNAL AUDIT DOCUMENTATION

MEETING DATE: June 4, 2026

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

The Board of Regents Handbook Title 2, Chapter 9, Section 9.2 Internal Audit Department Working Papers, documents that all working papers from an NSHE internal audit are confidential and can only be released under certain circumstances. Previously, the department was primarily responsible for assurance services, or what have been known as “traditional audits.” Over the years, the department has progressively taken on additional responsibilities, including advisory and investigative projects, along with managing an incident management reporting system.

The Institute of Internal Auditors Global Internal Audit Standards Domain II: Ethics and Professionalism, Principle 5 Maintain Confidentiality, emphasizes that in our capacity as internal auditors, we have unrestricted access to data, records, and other information that is often confidential, proprietary, and/or contains personally identifiable information (PII). It is important for the internal audit department to be respectful and protect information received when providing internal audit services.

Final reports may be presented to the Board pursuant to the requirements of the Nevada Open Meeting Law (NRS chapter 241) and the Nevada Public Records Act (NRS chapter 239).

This is a *Code* revision and requires two hearings of the Board, as such the item has been brought back for final action of the Board. This was previously presented during the February 2026 meeting.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

Amend Title 2, Chapter 9, Section 9.2 Internal Audit Department Working Papers to more accurately reflect the department’s evolving services provided, the documentation maintained, and the confidentiality of Internal Audit Department documentation.

4. IMPETUS (WHY NOW?):

The Internal Audit Department has evolved over the years, providing additional services (advisory, investigative, etc.). The proposed updates have been prepared to better align with the current projects/engagements completed by the internal audit department and the documentation maintained.

5. CHECK THE NSHE STRATEGIC PLAN GOAL THAT IS SUPPORTED BY THIS REQUEST:

- Access (Increase access to higher education)
- Success (Improve student success)
- Close Institutional Performance Gaps
- Workforce (Meet workforce needs in Nevada)
- Research (Increase solutions-focused research)
- Coordination, Accountability, and Transparency (Ensure system coordination, accountability, and transparency)
- Not Applicable to NSHE Strategic Plan Goals

6. INDICATE HOW THE PROPOSAL SUPPORTS THE SPECIFIC STRATEGIC PLAN GOAL

The proposed updates have been prepared to better align with the department’s current projects/engagements and ensure protection of data.

7. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- The proposed updates better align with responsibilities of internal auditors in the Global Internal Audit Standards.
- Updates reflect current internal audit services performed by the internal audit department and sensitive documentation maintained.

8. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

The current language is adequate to protect all internal audit documentation.

9. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

Maintain the current provisions to Title 2, Chapter 9, Section 9.2.

10. RECOMMENDATION FROM THE CHANCELLOR'S OFFICE:

The Chancellor's Office recommends approval.

11. COMPLIANCE WITH BOARD POLICY:

- Consistent With Current Board Policy: Title # _____ Chapter # _____ Section # _____
- Amends Current Board Policy: Title # 2 Chapter # 9 Section # 9.2
- Amends Current Procedures & Guidelines Manual: Chapter # _____ Section # _____
- Other: _____
- Fiscal Impact: Yes _____ No _____
Explain: _____

POLICY PROPOSAL - HANDBOOK
TITLE 2, CHAPTER 9, SECTION 9.2

Internal Audit Department *Documentation* [~~Working Papers~~]

Additions appear in *boldface italics*; deletions are [~~stricken~~ and bracketed]

Section 9.2 Internal Audit Department *Documentation*
[~~Working Papers~~]

9.2.1. ***Because NSHE internal auditors have unrestricted access to the data, records, and other information necessary to fulfill the internal audit charter, they often receive information that is confidential, proprietary, deliberative, or personally identifiable. All documentation, including but not limited to underlying materials, including information received, working papers, and draft reports, from any NSHE internal audit, advisory project, investigation of compliance concerns and complaints or other internal audit projects are confidential and may be destroyed by the NSHE chief internal auditor according to the records retention schedule after the final report is issued, except that the chief internal auditor:***

- (a) Shall release such ***documentation*** [~~working papers~~] when subpoenaed by a court of competent jurisdiction;
- (b) Shall make such ***documentation*** [~~working papers~~] available for inspection by the members of the [~~Audit Committee~~] ***Board of Regents*** upon [~~his or her~~] ***their*** request ***pursuant to Title 4, Chapter 1 of the Board of Regents Handbook;*** and
- (c) May make such ***documentation*** [~~working papers~~] available for inspection by an authorized representative of a governmental entity for an official matter.