

**BOARD OF REGENTS and its
AUDIT, COMPLIANCE AND TITLE IX COMMITTEE
NEVADA SYSTEM OF HIGHER EDUCATION**

Thursday, September 10, 2020

Members Present: Dr. Patrick R. Carter, Chair
Ms. Laura E. Perkins, Vice Chair
Dr. Jason Geddes
Mr. Trevor Hayes
Mr. Donald Sylvantee McMichael Sr.

Other Regents Present: Dr. Mark W. Doubrava, Board Chair
Mrs. Carol Del Carlo, Board Vice Chair
Ms. Amy J. Carvalho
Ms. Lisa C. Levine
Mrs. Cathy McAdoo

Others Present: Dr. Melody Rose, Chancellor
Mr. Andrew Clinger, Chief Financial Officer
Ms. Crystal Abba, Vice Chancellor, Academic and Student Affairs
Mr. Zelalem Bogale, Deputy General Counsel, System Administration
Ms. Keri Nikolajewski, Deputy Chief of Staff
Mr. Joe Sunbury, Chief Internal Auditor
Dr. Federico Zaragoza, President, CSN
Dr. Kumud Acharya, President, DRI
Ms. Joyce M. Helens, President, GBC
Mr. Bart J. Patterson, President, NSC
Dr. Karin M. Hilgersom, President, TMCC
Dr. Keith E. Whitfield, President, UNLV
Dr. Marc A. Johnson, President, UNR
Dr. Vincent R. Solis, President, WNC

Faculty senate chairs in attendance were: Dr. Maria Schellhase, CSN; Dr. Laura Naumann, NSC; Mr. Theo Meek, SA; Ms. YeVonne Allen, TMCC; Dr. Vicki Rosser, UNLV; and Dr. Amy Pason, UNR. Student body presidents in attendance were: Ms. Alyssa Fromelius, SGA President, TMCC; and Mr. Will Carrasco, GSA President, UNR. Classified council chair in attendance was: Ms. Julia Bledsoe, TMCC.

Chair Carter called the meeting to order at 10:25 a.m. with all members present.

1. Information Only – Public Comment – None.
2. Approved – Consent Items – The Committee recommended approval of the consent items.

2. Approved – Consent Items – (Continued)

- 2a. Approved – Minutes – The Committee recommended approval of the June 11, 2020, meeting minutes. (Ref. A-2a on file in the Board Office.)
- 2b. Approved – Follow-up: Change in Leadership, DRI – The Committee recommended approval of the follow-up response to the audit report of DRI Change in Leadership for July 1, 2018, through June 30, 2019. (Ref. A-2b on file in the Board Office.)

Vice Chair Perkins moved approval of the consent items. Regent Geddes seconded. Motion carried.

(Audit Summary on file in the Board Office.)

3. Approved – Travel, TMCC – The Committee recommended approval of the report and institutional response to the TMCC Travel audit for July 1, 2018, through September 30, 2019. (Ref. A-3 on file in the Board Office.)

Chief Internal Auditor Sunbury reviewed the *Audit Summary* and Ref. A-3 and highlighted:

- Development of international travel policy and athletic team travel procedures.
- Opportunities to enhance controls surrounding the documentation process and proper purchasing card usage.
- Review and potential update to NSHE-wide policy related to approximately \$3,000 in international travel paid with International Student Fees.

Chair Carter stated this was a good audit with recommendations for policy changes. President Karin M. Hilgersom said the planning council approved the policies at its first meeting. The policies reflect current practice.

Regent Geddes moved approval of the report and institutional response to the TMCC Travel audit for July 1, 2018, through September 30, 2019. Regent Hayes seconded. Motion carried.

4. Approved – Follow-up: Dental Faculty Practice, CSN – The Committee recommended approval of the follow-up report with CSN Dental Faculty Practice responses to the audit recommendations presented and approved at the June 11, 2020, meeting. (Ref. A-4 on file in the Board Office.)

CSN Vice President Dr. Sonya Pearson provided an update to the audit response, improvements, and corrective action plans related to policies and procedures, accounts receivable including collections, a quality assurance process, write-off procedures, check procedures, deposit procedures, and partnerships.

Dr. Pearson stated the Dental Faculty Practice had made significant progress in 60 days.

4. Approved – Follow-Up: Dental Faculty Practice, CSN – (Continued)

Regent Hayes appreciated the hard work of the Practice in finding different models to use.

Vice Chair Perkins noted that Cooperative Extension is looking for partners in Southern Nevada.

Chief Internal Auditor Sunbury stated the December meeting would be the routine six-month follow-up. Dr. Pearson said December is appropriate timing and a part of CSN's due diligence to keep the Regents updated on progress.

Regent Geddes moved approval of the follow-up report with CSN Dental Faculty Practice responses to the audit recommendations presented and approved at the June 11, 2020, meeting. Regent McMichael seconded. Motion carried.

5. Approved – Internal Audit Department Work Plan and Status Report, NSHE – The Committee recommended approval of the Internal Audit Work Plan for the six months ending December 31, 2020, and the Internal Audit Department Status Report (previously called the "Audit Exception Report") for the six months ended June 30, 2020. (Ref. A-5 on file in the Board Office.)

Chief Internal Auditor Sunbury reviewed *Ref. A-5* and highlighted:

- Personnel hours budgeted for training/administrative items, including continuing education for the NSHE Internal Audit team, and continued "in-house" training.
- Process vs. Transactional reviews. Continue to modify traditional audits to capture more process analysis and work efficiently through transaction testing.
- Cost Savings. Continue to look for opportunities to alleviate costs. Several projects identified will lead to direct savings, including assistance to the external auditors, PCI compliance reviews, and collaborative projects with legal
- Seventeen (17) unresolved findings relate to the current period.

Chief Internal Auditor Sunbury reported he added additional hours for external auditor assistance to anticipate potential help with the external auditor testing related to the CARES Act.

Regent Hayes moved approval of the Internal Audit Work Plan for the six months ending December 31, 2020, and the Internal Audit Department Status Report (previously called the "Audit Exception Report") for the six months ended June 30, 2020. Regent McMichael seconded. Motion carried.

6. Information Only – Internal Audit, Compliance and Title IX Updates, NSHE – Chief Internal Auditor Sunbury provided general remarks regarding departmental updates, initiatives, and alignment related to on-going risk assessments and updates on efforts regarding incident management and the status of NSHE Title IX policy review.

6. Information Only – Internal Audit, Compliance and Title IX Updates, NSHE –
(Continued)

Chief Internal Auditor Sunbury stated the former Director of Compliance completed a compliance inventory. He believed it was important that a portion of the Internal Audit Department Work Plan be dedicated to updating it and using it to allow for a second line of defense for the institutions.

In response to a question from Regent Levine related to the utilization numbers for the hotline, Chief Internal Auditor Sunbury stated the national statistics show 1.4 cases per 100 employees, and NSHE had a total of 78. Chair Carter added that the institutions also have hotlines, so the call percentage that NSHE receives may not indicate the total number of calls received. Chief Internal Auditor Sunbury stated the hotline's most important use is to direct students and employees to the appropriate resources.

Chief Internal Auditor Sunbury reiterated the process by which concerns are received and distributed. He also added there are many avenues a student or employee can take during the process. Chair Carter stated that the Board Chairman and the Audit, Compliance and Title IX Committee Chair track follow-up concerns.

Chief Internal Auditor Sunbury stated Internal Audit has committed to the timely review of monitoring the institutions related to new Title IX policy requirements, including information that needs to be readily available to the public. Internal Audit's role may not be student-facing but is available to help campuses and direct students and employees to the appropriate resources.

Chief Internal Auditor Sunbury stated that because the Title IX policies were enacted under emergency measures, the Code revisions will come back through the Committee or directly to the Board within 120 days for formal approval.

Board Vice Chair Del Carlo noted that she asked for a report on hotline trends while on the Committee. Chief Internal Auditor Sunbury stated he provided benchmarking materials at the June meeting, but he would elaborate on those and return in December.

7. Information Only – New Business – None.

8. Information Only – Public Comment – None.

The meeting adjourned at 11:13 a.m.

Prepared by:

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Submitted for approval by:

Dean J. Gould
Chief of Staff and Special Counsel
to the Board of Regents

Approved by the Board of Regents at its December 3-4, 2020, meeting.