

**BOARD OF REGENTS and its
AUDIT, COMPLIANCE AND TITLE IX COMMITTEE
NEVADA SYSTEM OF HIGHER EDUCATION**
University of Nevada, Reno
Joe Crowley Student Union, Milt Glick Ballrooms B & C
87 West Stadium Way, Reno

Thursday, June 8, 2023

Video Conference Connection from the Meeting Site to:
System Administration, Las Vegas
4300 South Maryland Parkway, Board Room
and
Great Basin College, Elko
1500 College Parkway, Berg Hall Conference Room

Members Present:

Ms. Laura E. Perkins, Chair
Mr. Joseph C. Arrascada, Vice Chair
Mr. Patrick J. Boylan
Dr. Michelee Cruz-Crawford
Mrs. Carol Del Carlo

Other Regents Present:

Ms. Heather Brown
Mrs. Amy J. Carvalho
Mr. Jeffrey S. Downs
Mr. Donald Sylvantee McMichael Sr.

Others Present:

Mr. Dale A.R. Erquiaga, Acting Chancellor
Mr. Scott Anderson, Internal Audit Manager, Officer in Charge
Ms. Patty Charlton, Acting Vice Chancellor, Academic and Student
Affairs and Community Colleges
Mr. Andrew Clinger, Chief Financial Officer
Ms. Keri Nikolajewski, Interim Chief of Staff to the Board
Ms. Carrie L. Parker, Deputy General Counsel
Dr. Federico Zaragoza, President, CSN
Dr. Kumud Acharya, President, DRI
Ms. Joyce M. Helens, President, GBC
Dr. DeRionne Pollard, President, NSC
Dr. Karin M. Hilgersom, President, TMCC
Dr. Keith E. Whitfield, President, UNLV
Mr. Brian Sandoval, President, UNR
Dr. J. Kyle Dalpe, President, WNC

Faculty senate chairs in attendance were: Ms. Tracy Sherman, CSN (*Chair, Council of Faculty Senate Chairs*); Mr. Patrick Villa (*incoming CSN Chair*); Dr. Brittany Kruger, DRI; Mr. David Sexton, GBC; Dr. Molly Appel, NSC; Mr. Ed Boog, SA; Dr. Bill Robinson, UNLV; Dr. Eric Marchand, UNR; Dr. Peter S. Reed (*incoming UNR Chair*); and Ms. Rachelle Bassen, WNC. Student body president in attendance was: Mr. Brayson Gomez, SGA President, TMCC.

Deputy Attorney General Craig M. Burkett was also in attendance.

Land Acknowledgment

Before beginning, we take a moment to recognize that here in Nevada we stand on the land of the Wa She Shu – Washoe; Numu – Northern Paiute; Nuwe – Western Shoshone; and Nuwu – Southern Paiute. We take a moment to recognize and honor their stewardship that continues into today. With this recognition, we state an intention to rightfully include their voice and respect them as the 27 sovereign tribal nations of Nevada.

Chair Perkins called the meeting to order at 1:30 p.m. with all members present except Vice Chair Arrascada and Regent Cruz-Crawford.

1. Information Only – Public Comment – None.
2. Approved – Consent Items – The Committee recommended approval of the Consent Items.
 - 2a. Approved – Minutes – The Committee recommended approval of the March 9, 2023, meeting minutes. (*Ref. A-2a on file in the Board Office.*)
 - 2b. Approved – Follow-Up: Change in Leadership, WNC – The Committee recommended approval of the follow-up response to the audit report of WNC Change in Leadership for the period July 1, 2020, through December 31, 2021. (*Ref. A-2b on file in the Board Office.*)
 - 2c. Follow-Up: Recharge Centers, DRI – The Committee recommended approval of the follow-up response to the audit report of DRI Recharge Centers for the period July 1, 2020, through June 30, 2022. (*Ref. A-2c on file in the Board Office.*)
 - 2d. Approved – Uniform Guidance Audit Report and Financial Statements, NSHE – The Committee recommended approval of the final NSHE Uniform Guidance Audit Report and Financial Statements for the year ended June 30, 2022. These statements were presented at the March 9, 2023, Committee meeting and now include the external auditor opinion letter. (*Ref. A-2d on file in the Board Office.*)

Regent Boylan moved approval of the Consent Items. Regent Del Carlo seconded. Motion carried. Vice Chair Arrascada and Regent Cruz-Crawford were absent.

3. Information Only – Chair's Report – Chair Perkins thanked Internal Audit Manager Scott Anderson for all his support.

Regent Cruz-Crawford entered the meeting.

(Audit Summary on file in the Board Office.)

4. Approved – Disability Resource Center, TMCC – The Committee recommended approval of the report and institutional response to the TMCC Disability Resource Center audit for the period July 1, 2021, through September 30, 2022. *(Ref. A-4 on file in the Board Office.)*

Internal Audit Manager Scott Anderson reviewed the *Audit Summary* and *Ref. A-4* and recommended control improvements in the following areas:

- Tracking and accounting of sensitive equipment inventory
- Equipment loaned to students

Regent Del Carlo moved approval of the report and institutional response to the TMCC Disability Resource Center audit for the period July 1, 2021, through September 30, 2022. Regent Cruz-Crawford seconded. Motion carried. Vice Chair Arrascada was absent.

5. Approved – Network Security, DRI – The Committee recommended approval of the report and institutional response to the DRI Network Security audit for the period July 1, 2021, through June 30, 2022. *(Ref. A-5 on file in the Board Office.)*

Internal Audit Manager Anderson reviewed the *Audit Summary* and *Ref. A-5* and recommended control improvements in the following areas:

- Update policies and improve oversight of decentralized systems operating on the DRI network
- Update policies and procedures to enhance external stakeholder risk management
- Enhance configuration standards for key networked systems and formalize change management policies

Regent Boylan asked who could change the Board *Handbook* and *Procedures and Guidelines Manual*. Chair Perkins noted it would be included under New Business.

Regent Boylan moved approval of the report and institutional response to the DRI Network Security audit for the period July 1, 2021, through June 30, 2022. Regent Cruz-Crawford seconded. Motion carried. Vice Chair Arrascada was absent.

6. Information Only – Audit, Compliance and Title IX Committee Updates – Internal Audit Manager Anderson provided general remarks regarding proposed Title IX updates currently under a public review and comment period. Final regulations are expected in the fall. Internal Audit Manager Anderson gave a brief overview of the background, processes, and metrics of the NSHE hotline and incident management system established in 2019. At the December 2022 meeting, 179 cases were noted to have come through the hotline since its inception. Fifty-nine (59) of those were new in the six months from the prior update in June 2022. The cases represented a significant increase in activity, and 2022 had the highest number of reports. The increase is thought to be related primarily to the return to the traditional work environment and perhaps a greater willingness of reporters to speak out about workplace issues. Since December, there have been 39 new submissions. Since the hotline's inception, approximately 56 percent have been anonymous. However, in 2022 the anonymous rate was 71 percent. The increase is likely due to a more cautious workforce following the great resignation era and related concerns about job security and the economy. The trend does seem to be reversing in 2023, as reporters have been more willing to disclose their identities. Reports submitted through the hotline are categorized based on the nature of the submission. The categories include accounting, auditing and financial reporting, business integrity, human resources and diversity, environment, health and safety, misuse or misappropriation of assets, and others. In 2022, over 60 percent of hotline reports were human resources related. The increase correlates with the benchmarking report, which indicates the percentage of human resources cases increased from about 50 percent in 2021 to 54 percent in 2022. The increase makes sense with the shift in workforce dynamics back to the office environment and the corresponding increase in employee interaction during this period.

Regent Cruz-Crawford requested that the Board receive the statistics after the meeting.

In response to a request from Chair Perkins asking for the difference between the benchmarking report and the NSHE report, Internal Audit Manager Anderson stated the benchmarking report is a compilation of information submitted by 3400 organizations. In contrast, the NSHE statistics are kept internally based on NSHE hotline submissions.

Regent Del Carlo was pleased to hear that the word related to the hotline had gotten out.

Chair Perkins clarified that a report is given once a year with the statistical information on the hotline.

Regent Cruz-Crawford would like NSHE to be more transparent with the data. Chair Perkins noted it would be included under New Business.

In response to Regent Carvalho's question about whether the hotline was available to employees and students, Internal Audit Manager Anderson answered yes. Regent Carvalho also asked whether the hotline information is examined to determine areas that NSHE should work on. Internal Audit Manager Anderson stated most cases are referred out, and responses are communicated. Regent Carvalho was more interested in trends and research and where NSHE can improve how it does business.

7. Information Only – Audit, Compliance and Title IX Committee Development – Mr. Matt Unterman, Principal – Advisory Services, and Mr. Dennis Morrone, National Managing Partner, Grant Thornton, LLP, led a committee development workshop and provided general remarks related to topics and trends impacting higher education. The Committee discussed these items to ensure alignment with industry standards and best practices. (*Ref. A-7 on file in the Board Office.*)

In response to a question from Regent Cruz-Crawford whether associate degrees are included in the county-level degree attainment, Mr. Unterman stated he would have to clarify whether they are included.

Regent Cruz-Crawford thanked Grant Thornton for the presentation. She believed the information held a lot of weight in the job of Regents. If everyone works together, they can make a huge difference in students' lives.

Regent Del Carlo agreed that Grant Thornton has the best presentations and uses excellent research. The Nevada Legislature has requested a funding formula study. The funding formula is not equitable, and the community colleges suffer because of it. Regent Del Carlo asked if Grant Thornton has consultants that can help with the funding formula study. Mr. Unterman thanked Regents Del Carlo and Cruz-Crawford for the kind words and offered that Grant Thornton wants to make a difference and is ready to help.

Regent Del Carlo requested the Grant Thornton studies be added to the BoardPaq library.

Regent Boylan asked how the Board could go forward with this information. Chair Perkins noted a request for a workshop would be included under New Business.

Regent Brown stated she would like to see the Board commit to working with the school districts (K-16), expanding CTE, dual enrollment, pre-K and early childhood education, and even growing cooperative extension programs, while using the provided data.

Regent Cruz-Crawford requested more demographic information in the data request.

Chair Perkins thanked Grant Thornton for all the information provided.

8. Information Only – New Business

Regent Boylan requested to know who has access to make changes to the Board *Handbook* and *Procedures and Guidelines Manual*.

Regent Cruz-Crawford requested that NSHE be more transparent with the NSHE hotline data, and that demographic information be added.

Regent Del Carlo requested the Grant Thornton studies be added to the BoardPaq library.

Chair Perkins and Regent Boylan requested a workshop to provide the next steps in determining how NSHE moves forward with the Grant Thornton information.

8. Information Only – New Business – *(Continued)*

Regent Carvalho requested that an exit audit be performed when business officers leave the institutions.

9. Information Only – Public Comment

Kent Ervin stated there needs to be transparent Title IX statistical reporting on the number and types of cases, how they are resolved, and how long the investigations take. Justice delayed is justice denied and can allow harassment or other harmful situations to persist. The Regents should ask for complete and uniform Title IX case reporting for students and staff from each institution and compliance audits of processes.

The meeting adjourned at 3:16 p.m.

Prepared by:

Angela R. Palmer
Special Assistant and Coordinator
to the Board of Regents

Submitted for approval by:

Keri D. Nikolajewski
Interim Chief of Staff
to the Board of Regents

Approved by the Board of Regents at its September 8, 2023, meeting.