

**BOARD OF REGENTS* and its
AUDIT COMMITTEE
NEVADA SYSTEM OF HIGHER EDUCATION**
Student Union, Ballrooms B & C
University of Nevada, Las Vegas
4505 S. Maryland Parkway, Las Vegas
Thursday, December 1, 2016, 3:30 p.m.

Video or Telephone Conference Connection from the Meeting Site to:
System Administration, Reno
2601 Enterprise Road, Conference Room
and
Great Basin College, Elko
1500 College Parkway, Berg Hall Conference Room

A video conference connection will be made from the meeting site to the Reno System Administration Building, Conference Room, at 2601 Enterprise Road, Reno, Nevada; and Great Basin College, Berg Hall Conference Room, at 1500 College Parkway, Elko, Nevada. Members of the Board and/or the public may attend the meeting and provide testimony or public comment at these sites via the video conference connection. In the event the video conference connection is not functioning, a teleconference connection will be made available.

ROLL CALL:

Mr. Rick Trachok, Chairman	_____
Mr. Michael B. Wixom, Vice Chairman	_____
Dr. Andrea Anderson	_____
Mr. Cedric Crear	_____
Mr. Robert Davidson	_____
Dr. Mark W. Doubrava	_____
Dr. Jason Geddes	_____
Mr. Trevor Hayes	_____
Mr. James Dean Leavitt	_____
Mr. Sam Lieberman	_____
Mr. Kevin C. Melcher	_____
Mr. Kevin J. Page	_____
Ms. Allison Stephens	_____

**COMMITTEE
ROLL CALL:**

Ms. Allison Stephens, Chair	_____
Dr. Andrea Anderson, Vice Chair	_____
Dr. Mark W. Doubrava	_____
Mr. James Dean Leavitt	_____
Mr. Sam Lieberman	_____
Mr. Kevin J. Page	_____

In addition to the Audit Committee, this meeting is noticed as a meeting of the Board of Regents to allow other Regents who may wish to attend to participate.

IMPORTANT INFORMATION ABOUT THE AGENDA AND PUBLIC MEETING

NOTE: Below is an agenda of all items scheduled to be considered. Notification is hereby provided that items on the agenda may be taken out of the order presented, including moving an item to a different day if the meeting is noticed for more than one day, two or more agenda items may be combined for consideration, and an agenda item may be removed from the agenda or discussion relating to an item on the agenda may be delayed at any time.

In accordance with the Board of Regents' Bylaws, Title I, Article V, Section 20, items voted on may be the subject of a motion to reconsider at this meeting. A motion to reconsider an item may be made at any time before adjournment of this meeting. Similarly, if an item is tabled at any time during the meeting, it may, by proper motion and vote, be taken from the table and thereafter be the subject of consideration and action at any time before adjournment of this meeting.

*The Board of Regents, at its regularly scheduled meetings, meets concurrently with its Committees (the Academic, Research and Student Affairs Committee; the Audit Committee; the Business, Finance and Facilities Committee; the Cultural Diversity and Title IX Compliance Committee; the Health Sciences System Committee; and the Investment Committee). The Board's Committee meetings take place in accordance with the agendas published for those Committees. Regents who are not members of the Committees may attend the Committee meetings and participate in the discussion of Committee agenda items. However, action items will only be voted on by the members of each Committee, unless a Regent is temporarily made a member of that Committee under Board of Regents' Bylaws, Title 1, Article VI, Section 6. The full Board of Regents will consider Committee action items in accordance with the Board of Regents' agenda published for the current or for a subsequent meeting.

In accordance with the Board of Regents' Bylaws, Title 1, Art. V, Section 13, a quorum may be gained by telephonic hookup.

Some agenda items are noted as having accompanying reference material. Reference material may be accessed on the electronic version of the agenda by clicking the reference link associated with a particular item. The agenda and associated reference material may also be accessed on the Internet by visiting the Board of Regents' website at:

<http://system.nevada.edu/Nshe/index.cfm/administration/board-of-regents/meeting-agendas/>

Many public libraries have publicly accessible computer terminals. Copies of the reference material and any additional support materials that are submitted to the Board of Regents' Office and then distributed to the members of the Board of Regents after the mailing of this agenda but before the meeting, will be made available as follows: 1. Copies of any such materials are available at the Board of Regents' Office at 2601 Enterprise Road, Reno, Nevada and the Board of Regents' Office at 4300 South Maryland Parkway, Las Vegas, Nevada. A copy may be requested by calling Angela R. Palmer at (775) 784-3465; 2. Copies of any such materials will also be available at the meeting site.

Reasonable efforts will be made to assist and accommodate physically disabled persons attending the meeting. Please call the Board office at (775) 784-4958 in advance so that arrangements may be made.

1. PUBLIC COMMENT

INFORMATION ONLY

Public comment will be taken during this agenda item. No action may be taken on a matter raised under this item until the matter is included on an agenda as an item on which action may be taken. Comments will be limited to three minutes per person. Persons making comment will be asked to begin by stating their name for the record and to spell their last name. The Committee Chair may elect to allow additional public comment on a specific agenda item when that agenda item is being considered.

In accordance with Attorney General Opinion No. 00-047, as restated in the Attorney General's Open Meeting Law Manual, the Committee Chair may prohibit comment if the content of that comment is a topic that is not relevant to, or within the authority of, the Board of Regents, or if the content is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational or amounting to personal attacks or interfering with the rights of other speakers.

2. CONSENT ITEMS FOR POSSIBLE ACTION

Consent items will be considered together and acted on in one motion unless an item is removed to be considered separately by the Committee.

2a. MINUTES FOR POSSIBLE ACTION

Request is made for approval of the September 8, 2016, meeting minutes. ([Ref. A-2a](#))

2b. FOLLOW-UP: SOCIAL MEDIA, NSHE SYSTEM OFFICE FOR POSSIBLE ACTION

The Committee may approve acceptance of the follow-up response to the audit report of NSHE System Office Social Media for the period of Fall 2015. ([Ref. A-2b](#))

ESTIMATED TIME: 5 mins.

3. COMMUNICATIONS WITH THOSE CHARGED WITH GOVERNANCE, NSHE FOR POSSIBLE ACTION

Grant Thornton, LLP will present for approval a report on Communications with Those Charged with Governance for the Nevada System of Higher Education for the year ended June 30, 2016. This is a report on communications related to the consolidated audit of the System and is required for compliance with the professional standards for CPA firms. ([Ref. A-3](#))

ESTIMATED TIME: 15 mins.

4. OMB CIRCULAR A-133 AUDIT REPORT & FINANCIAL STATEMENTS, NSHE FOR POSSIBLE ACTION

Grant Thornton, LLP will present for approval the NSHE Office of Management and Budget (OMB) A-133 Audit Report and Financial Statements for the year ended June 30, 2016. ([Ref. A-4](#))

ESTIMATED TIME: 10 mins.

5. COMMUNICATIONS WITH THOSE CHARGED WITH GOVERNANCE, UNIVERSITY OF NEVADA, RENO SCHOOL OF MEDICINE INTEGRATED CLINICAL SERVICES, INC. FOR POSSIBLE ACTION

Grant Thornton, LLP will present for approval a report on Communications with Those Charged with Governance for the University of Nevada, Reno School of Medicine Integrated Clinical Services, Inc. for the year ended June 30, 2016. This is a report on communications related to the consolidated audit of the System and is required for compliance with the professional standards for CPA firms. ([Ref. A-5](#))

ESTIMATED TIME: 15 mins.

6. OMB CIRCULAR A-133 AUDIT REPORT & FINANCIAL STATEMENTS, UNIVERSITY OF NEVADA, RENO SCHOOL OF MEDICINE INTEGRATED CLINICAL SERVICES, INC. FOR POSSIBLE ACTION

Grant Thornton, LLP will present for approval the University of Nevada Reno, School of Medicine Integrated Clinical Services, Inc. Office of Management and Budget (OMB) A-133 Audit Report and Financial Statements for the year ended June 30, 2016. ([Ref. A-6](#))

ESTIMATED TIME: 10 mins.

(See reference document: [Audit Summary](#))

7. CLOUD COMPUTING MANAGEMENT, NSHE SYSTEM COMPUTING SERVICES FOR POSSIBLE ACTION

Chief Internal Auditor Joe Sunbury will present for approval the report and institutional response to the NSHE System Computing Services Cloud Computing Management audit for the period January 1, 2016, through June 30, 2016. The Committee will discuss the audit findings and recommendations and may recommend specific action to the Board of Regents and/or the Chancellor to address the findings and recommendations. ([Ref. A-7](#))

ESTIMATED TIME: 5 mins.

8. RENTAL PROPERTIES, UNR FOR POSSIBLE ACTION

Chief Internal Auditor Joe Sunbury will present for approval the report and institutional response to the UNR Rental Properties audit for the period July 1, 2014, through October 31, 2015. The Committee will discuss the audit findings and recommendations and may recommend specific action to the Board of Regents and/or the Chancellor to address the findings and recommendations. ([Ref. A-8](#))

ESTIMATED TIME: 5 mins.

9. PURCHASING CARD PROGRAM, DRI FOR POSSIBLE ACTION

Chief Internal Auditor Joe Sunbury will present for approval the report and institutional response to the DRI Purchasing Card Program audit for the period July 1, 2015, through June 30, 2016. The Committee will discuss the audit findings and recommendations and may recommend specific action to the Board of Regents and/or the Chancellor to address the findings and recommendations. ([Ref. A-9](#))

ESTIMATED TIME: 5 mins.

10. TRAVEL, NSHE SYSTEM OFFICE FOR POSSIBLE ACTION

Chief Internal Auditor Joe Sunbury will present for approval the report and institutional response to the NSHE System Office Travel audit for the period January 1, 2015, through March 31, 2016. The Committee will discuss the audit findings and recommendations and may recommend specific action to the Board of Regents and/or the Chancellor to address the findings and recommendations. ([Ref. A-10](#))

ESTIMATED TIME: 5 mins.

11. HANDBOOK REVISION, INTERNAL AUDIT DEPARTMENT CHARTER FOR POSSIBLE ACTION

Chief Internal Auditor Joe Sunbury will present for approval revisions to Board policy concerning the Internal Audit Department Charter (*Handbook* Title 4, Chapter 9, Section A) to incorporate changes to the International Standards for the Professional Practice of Internal Auditing announced in October 2016. The proposed changes to the Standards were discussed at the June 2016 Audit Committee meeting. The Committee may discuss the changes and may recommend specific action to the Board of Regents and the Chancellor. ([Ref. A-11](#))

ESTIMATED TIME: 5 mins.

12. BYLAW REVISION, AUDIT COMMITTEE CHARGE INFORMATION ONLY

The Committee will consider a proposed amendment to *Handbook* Title 1, Article VI, Section 3, revising the charge for the Audit Committee by incorporating a compliance component to provide centralized oversight to the renamed Audit and Compliance Committee. This is the first reading of a proposed Bylaw revision and is presented at this meeting for information only. Final approval may be requested at the March 2-3, 2017, meeting. ([Ref. A-12](#))

ESTIMATED TIME: 10 mins.

13. INTERNAL AUDIT DEPARTMENTAL UPDATES AND EMERGING RISKS, NSHE INFORMATION ONLY

Chief Internal Auditor Joe Sunbury will provide general remarks regarding departmental initiatives and alignment related to on-going risk assessments.

ESTIMATED TIME: 10 mins.

14. NEW BUSINESS INFORMATION ONLY

Items for consideration at future meetings may be suggested. Any discussion of an item under "New Business" is limited to description and clarification of the subject matter of the item, which may include the reasons for the request.

ESTIMATED TIME: 10 mins.

15. PUBLIC COMMENT

INFORMATION ONLY

Public comment will be taken during this agenda item. No action may be taken on a matter raised under this item until the matter is included on an agenda as an item on which action may be taken. Comments will be limited to three minutes per person. Persons making comment will be asked to begin by stating their name for the record and to spell their last name. The Committee Chair may elect to allow additional public comment on a specific agenda item when that agenda item is being considered.

In accordance with Attorney General Opinion No. 00-047, as restated in the Attorney General's Open Meeting Law Manual, the Committee Chair may prohibit comment if the content of that comment is a topic that is not relevant to, or within the authority of, the Board of Regents, or if the content is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational or amounting to personal attacks or interfering with the rights of other speakers.

POSTED ON THE NEVADA SYSTEM OF HIGHER EDUCATION WEBSITE (<http://system.nevada.edu/>)
AND ON THE NEVADA PUBLIC NOTICE WEBSITE PURSUANT TO NRS 232.2175 (<http://notice.nv.gov/>),
AT THE SYSTEM ADMINISTRATION BUILDINGS AND E-MAILED FOR POSTING AT THE EIGHT NSHE INSTITUTIONS:

CSN, Building D, 1st Floor, 6375 W. Charleston Boulevard, Las Vegas, NV 89146
DRI, Maxey Building, 2215 Raggio Parkway, Reno, NV 89512
DRI, Southern Nevada Science Center, 755 E. Flamingo Road, Las Vegas, NV 89119
GBC, Berg Hall, 1500 College Parkway, Elko, NV 89801
NSC, Great Hall, 1125 Nevada State Drive, Henderson, NV 89015
TMCC, Red Mountain Building (RDMT 200), 7000 Dandini Boulevard, Reno, NV 89512
UNLV, Flora Dungan Humanities Building (FDH), 1st & 7th Floors, 4505 Maryland Pkwy, Las Vegas, NV 89154
UNR, Clark Administration, University of Nevada, Reno, Reno, NV 89557
WNC, Bristlecone Building Lobby, 2201 W. College Parkway, Carson City, NV 89703
System Administration, 4300 South Maryland Parkway, Las Vegas, NV 89119
System Administration, 2601 Enterprise Road, Reno, NV 89512