

# Nevada System of Higher Education

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October 31, 2017

## MEMORANDUM

TO: Ms. Allison Stephens, Chair  
Mrs. Cathy McAdoo, Vice Chair  
Dr. Patrick R. Carter  
Dr. Mark W. Doubrava  
Mr. Sam Lieberman  
Mr. John T. Moran

FROM: Joe Sunbury, Chief Internal Auditor *JRS*

SUBJECT: Internal Audit Reports  
Audit and Compliance Committee – November 30, 2017

The Internal Audit Department has completed the enclosed three audits and discussed the findings with the responsible administrators at the institutions involved. The institution response to the audit findings is also enclosed. The Internal Audit reports must be read in their entirety so as not to arrive at any conclusions out of context; however, I have summarized the reports in the following table:

Institution	Audit	Agenda Ref.	Audit period	Key Findings	Additional Comments
UNLV	Excess Credit Fee	A-7	1/1/16 – 12/31/16	<ul style="list-style-type: none"> <li>-Updates to UNLV appeal procedures related to transfer credits.</li> <li>-Calculation of threshold in accordance with Board policy.</li> <li>-Revisions to the NSHE Procedures and Guidelines Manual and BOR Handbook for consistency.</li> </ul>	
UNR	Excess Credit Fee	A-8	1/1/16 – 12/31/16	<ul style="list-style-type: none"> <li>-Students were charged the Excess Credit Fee (ECF) ahead of reaching the 150% credit threshold.</li> <li>-ECF revenue is recorded in a state-supported fee account, making it difficult to determine whether ECF revenue is being used in accordance with Board policy.</li> <li>-Revisions to the NSHE Procedures and Guidelines Manual to require proactive administrative review.</li> </ul>	
GBC	Library	A-9	7/1/16 – 6/30/17	<ul style="list-style-type: none"> <li>-Updates to written procedures to capture adequate controls (related to Accounts Receivable, Expenditures).</li> <li>-Deposit receipts in a timely manner in accordance with policy.</li> </ul>	

Follow-up responses have been submitted for the two internal audit reports presented to the Audit and Compliance Committee at your meeting on June 8, 2017. The current state of the recommendations follows.

<b>Institution</b>	<b>Audit</b>	<b>Agenda Ref.</b>	<b>Audit period</b>	<b># of Recommendations open when audit was presented</b>	<b>Status Update</b>	<b>Additional Comments</b>
TMCC	Change in Leadership	A-2b	1/1/15 – 1/31/16	1	All recommendations have been implemented.	
DRI	Change in Leadership	A-2c	7/1/15 – 6/30/16	2	One recommendation remains open – anticipated closure by 12/31/17.	

Please contact me if you have any questions or need additional information.