NEVADA SYSTEM OF HIGHER EDUCATION

INTERNAL AUDIT DEPARTMENT

REPORT ON JULY 1, 2019 THROUGH DECEMBER 31, 2019 ACTIVITIES

NSHE
Internal Audit Department
Report on July 1, 2019 through December 31, 2019 Activities

Table of Contents

NSHE Internal Audit Department
Progress of Audit Schedule
July 1, 2019 through December 31, 2019

AUDIT	BUDGET	ACTUAL	OVER/ UNDER ()	COMMENTS
1. TMCC Foundation	200	318	118	First audit of an institutional foundation. Audit was under-budgeted as a result of being in the "unannounced" category. Time needed for reviewing reports and procedural requirements for an affiliated entity is more consistent with a 300 hour budget (much like item #3 below).
2. GBC Grants Management	300	390	90	Additional hours were spent learning how to obtain needed grant award and effort reporting information from Workday, reviewing expenditures, and reviewing the hard copy award files.
3. WNC Foundation	300	319	19	
4. NSC Travel	250	305	55	Overage due to additional time invested to export/isolate expense reports from Workday and research comparable travel programs.
5. NSHE Crime Statistics Assurance	300	1811	1511	This was a new and complex audit. As noted at the Sept 2019 Audit Committee, after initial budget, this project morphed into 3 individual audits, so the original budget was extremely low. More hours were spent reviewing federal regs than anticipated, as well as review of campus crime files and the reported annual crime stats for each campus.

NSHE Internal Audit Department
Internal Audit Team Metrics
For the six months ended December 31, 2019
Comparative Analysis

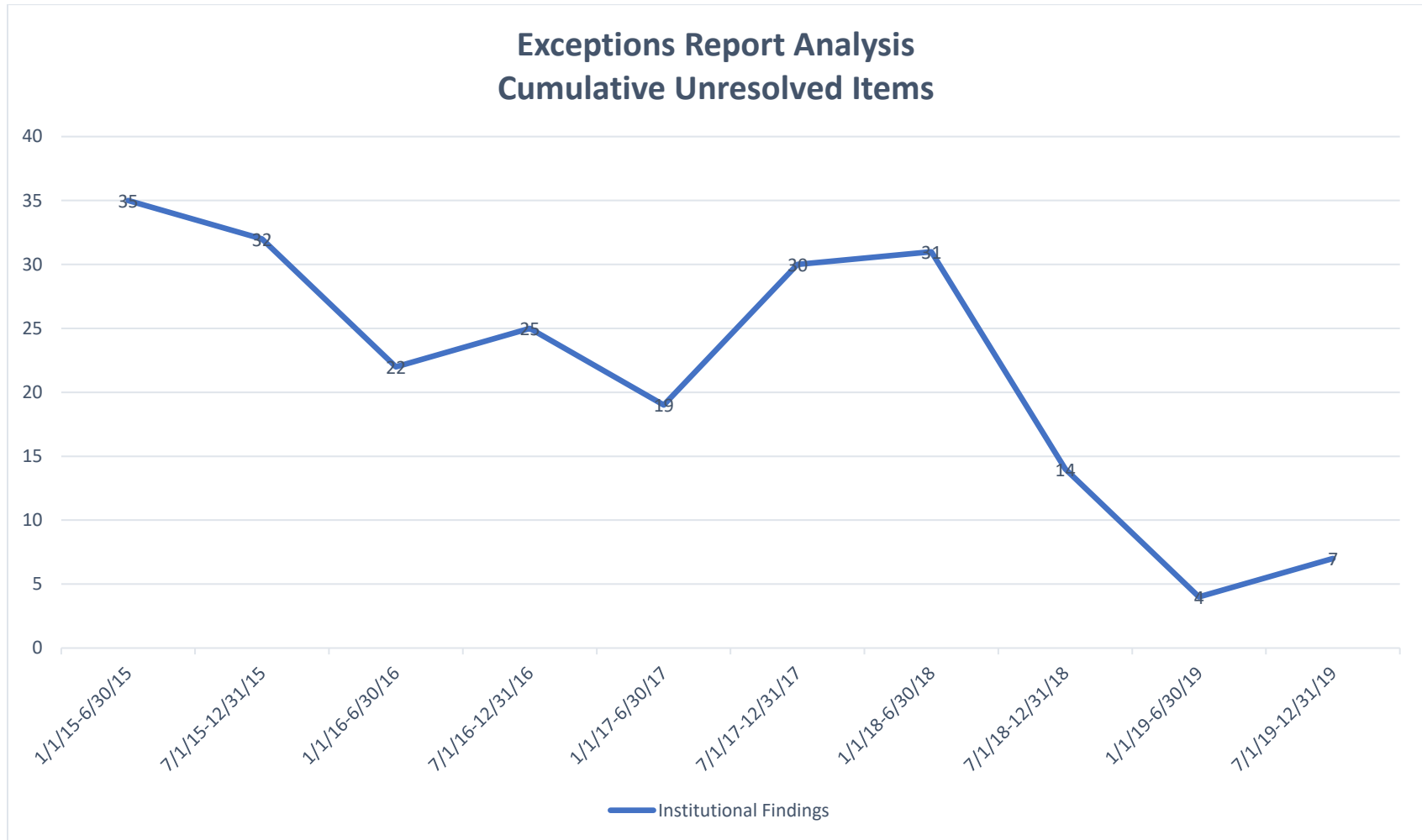|	(six-months) 12/31/2019		(fiscal year-end) 6/30/2019	(six-months) 12/31/2018	(fiscal year-end) 6/30/2018	(six-months) 12/31/2017
Percentage of Audit Plan Completed or In-progress:	36%	A	74%	48%	68%	44%
Number of Management or Special Requests received (cumulative):	25	B	21	17	13	11
Number of months in Audit Cycle Time (opening conference to final report issuance):	7.90	C	4.33	4.83	4.38	4.83
Percentage of Internal Auditors with Professional Certifications and/or advanced degrees:	63%	D	63%	50%	50%	43%
Percentage of Internal Auditors in pursuit of Professional Certifications or advanced degrees:	25%	D	50%	50%	50%	57%

Tickmark Legend

A - Our Internal Audit Plan is designed to be flexible. Historically, we did not capture within our audit plan an allocation for special projects or investigations, nor did we account for staffing level changes--- Beginning in FY 2017, the annual audit plan was revised to build in some flexibility and agility, explicitly capturing time for advisory projects, and tying hours back to current staffing levels. With these new measurements in place, we intend to spend ~70% on "planned" audits, allowing for time/flexibility to assist with other important projects as they emerge (as well as accounting for some overlap from on-going FY19 projects).
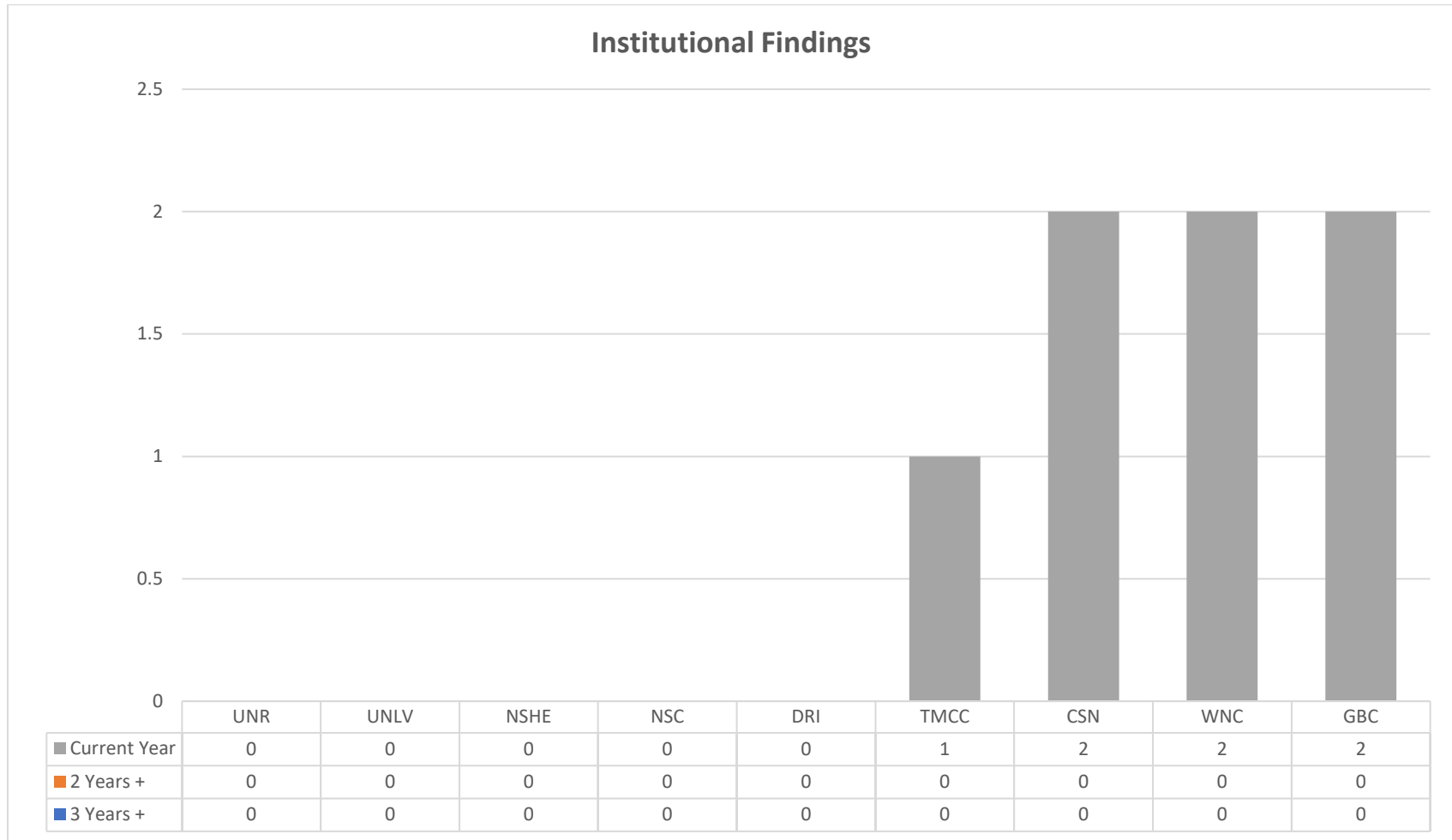
B - The increasing amount of management and/or special requests indicates a positive trend in one of our most important metrics--"How often does Internal Audit's phone ring?" Examples of requests recently executed by Internal Audit staff: Serving as a certified Quality Security Assessor for necessary PCI compliance requirements, providing independent validation to an institution's internal review, providing assistance and reviews in key areas during the pre-and post-implementation phase of the system-wide ERP (enterprise resource planning) project, reviews for consistency in information provided by Athletics Departments to the NCAA, coordinated business process reviews with institutions, and other BOR/management/hotline initiatives.

C - Part of the concept of relevance is timeliness. Executing audit fieldwork and providing a deliverable in a timely fashion is a key measure of our usefulness to management. While there are many factors that go into the duration of an audit, we set our benchmark in the 3-6 months range. With an increased focus in this area, the trend had stabilized in recent periods. This period, we see an increase in average cycle time due mainly to an NSHE-wide crime statistics assurance review. This audit took longer than expected/budgeted, and essentially became "3 audits in 1", taking a deep dive into operations at UNR, CSN, and UNLV. When adjusting the cycle time measurement to account for that project as 3 separate audits, it becomes 5.64 months. While that is in-line with our overall benchmark, we will continue to enhance checkpoints within the audits, and we will scope smaller/faster individual audits with a focus on higher risk, higher value areas.

D - Professional development is strongly encouraged in our Internal Audit department. In addition to auditors with certifications (e.g. CPA, CIA, CISA, CFE) and/or advanced degrees, we have several in pursuit of varying certifications which will enhance the team's skillset and reach. This continuous improvement is important and embedded in the team's training opportunities (both internal and external) that are included in the annual audit plan.

4

**Exceptions Report Analysis
Cumulative Unresolved Items**

Period	Institutional Findings
1/1/15-6/30/15	35
7/1/15-12/31/15	32
1/1/16-6/30/16	22
7/1/16-12/31/16	25
1/1/17-6/30/17	19
7/1/17-12/31/17	30
1/1/18-6/30/18	31
7/1/18-12/31/18	14
1/1/19-6/30/19	4
7/1/19-12/31/19	7

NSHE Internal Audit Department
Exception Report Analysis
Institutional Findings - Cumulative Unresolved Items
For the six months ended December 31, 2019

Institutional Findings

	UNR	UNLV	NSHE	NSC	DRI	TMCC	CSN	WNC	GBC
■ Current Year	0	0	0	0	0	1	2	2	2
■ 2 Years +	0	0	0	0	0	0	0	0	0
■ 3 Years +	0	0	0	0	0	0	0	0	0

Campus: CSN

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
18	Crime Statistics Assurance/ CSN ASR Verification	We recommend supporting documentation be maintained for each year's ASR that could be used to tie back to the statistics reported. We recommend this information be maintained separately from the daily crime log and used following the calendar year end to prepare the ASR. We also recommend a process be developed to help ensure information from the records management system is summarized and recorded accurately on the daily crime log and eliminating or revising data that is not required or needed on the log. The process should also require a secondary review function to further ensure information entered on the daily crime log is complete and accurate.	Associate Vice President and Director of University Police Services Southern Command	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* As a result of the consolidation of CSNPD and UNLVPD into what is managed as University Police Services Southern Command, the process for completing the required Daily Crime Log and the preparation of statistics for inclusion in the Annual Security Report has changed in its entirety. The Daily Crime Log is completed by University Police Services Southern Command records staff through a thorough review of cases in the records management system and the shift briefing log. The Daily Crime Log consists of the following required columns: Date/Time Reported, Date/Time Occurred, Case #, Locations/Building, Violation(s) and Disposition. Entries are made on the log within two business days of receipt of the report of a crime as required under the Clery Act. Statistics included in the Annual Security Report are now documented on a separate tracking log. This log tracks the statistics for the crime types required to be discloses under the Clery Act and each CSN campus has its own log. Crimes that are included in the ASR are listed on this log by crime type, date reopened, case number, location of crime and the corresponding Clery Act geographic location. *How compliance and performance will be measured and documented for future audit, management and performance review.* The Clery Compliance Coordinator reviews case files and the shift briefing report on a daily basis to ensure statistics are captured in a timely and accurate manner. Additionally, the Clery Compliance Coordinator conducts periodic audits of the Daily Crime Log to ensure compliance with statutory requirements. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* It is the responsibility of the Associate Vice President & Director of University Police Services Southern Command and the Clery Compliance Coordinator to ensure compliance in the area.	CLOSED	12/5/2019

Exception & Response Analysis
Significant Audit Findings
By Campus/Topic
For the Six Months Ended December 31, 2019

Campus: NSHE

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
9	Crime Statistics Assurance/ NSHE Other	We recommend the reporting categories used to collect and report sex offense data be updated as required. We also recommend updates to previously reported data be made in the upcoming reporting period.	NSHE Finance and Administration	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* The four categories are currently being reported appropriately. Measures are now in place that include internal NSHE communications and monitoring of the clerycenter.org website for any new and/or updates to the Clery Act. This should eliminate any future issues. *How compliance and performance will be measured and documented for future audit, management and performance review.* The sex offenses template has been updated to remove the two outdated reporting categories and replaced, to include the expanded four categories. This is then sent to the institutions to be filled in and sent back to NSHE Finance and Administration Department for further review. This should insure consistent reporting across all institutions. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* Nevada System of Higher Education Finance and Administration Department.	CLOSED	12/5/2019

Campus: UNR

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
1	Crime Statistics Assurance/ UNR ASR Verification	We recommend crimes that meet the standards of an unfounded crimes under the Clery Act be withheld from the crime statistics as required. We also recommend the figures for the statistics mentioned be updated in the upcoming reporting period.	Clery Compliance Officer	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* For item one, the unfounded crimes have been removed from the associated crime categories that they had been duplicated in. Unfounded crimes will be double checked in the future to ensure the	CLOSED	12/5/2019

(AUDIT, COMPLIANCE AND TITLE IX COMMITTEE 03/05/20) Ref. A-4, Page 8 of 60

Campus: UNR

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
				lack of duplication. For item two, the crime has been moved to the correct geographic category for the 2018 ASR. *How compliance and performance will be measured and documented for future audit, management and performance review.* Information from the detailed computer software system that tracks reports and crime categories will support the accuracy of the reports. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* The Clery Compliance Officer, under the supervision of the Chief, will be responsible for ensuring accurate reporting.		

Campus: WNC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
26	Foundation/ Cash Control	As a best practice, we recommend the mail be opened in the presence of two employees and that donations be recorded on a log that lists each check, amount, and the corresponding gift account for which the donations are intended. We recommend the log be signed by both employees and used to reconcile to the donations that are recorded in the fundraising software and bank statements. We also recommend the monthly bank reconciliation and supporting documentation be periodically reviewed by another employee.	Foundation Executive Director	*How compliance was achieved.* Foundation staff has developed new processes to ensure that two employees are present when the mail is opened. The staff then log the cash or checks received on a tracker. This tracker is then signed by both employees as verification. On a monthly basis, the tracker will be reviewed to ensure that it reconciles to the data in Donor Perfect and to the bank statement. Additionally, the bank reconciliation is now reviewed and approved on a monthly basis by the Foundation Director. *What will be done to avoid the identified problems and issues in the future?* Adhering to the new processes and safeguards will ensure that the identified problems and issues do not re-occur. *How compliance and future good management and practice will be measured, monitored and assured.* Properly completed trackers/	CLOSED	12/5/2019

Campus: WNC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
				logs and bank reconciliations will be maintained to ensure that compliance and future good management is monitored. *Who will be responsible and may be held accountable in the future if repeat or similar problems arise.* Foundation staff is responsible and may be held accountable in the future if repeat or similar problems arise. *When the measures will be taken and on what schedule compliance and good practice will be secured.* Effective immediately, the measures have been implemented. *How compliance and performance will be documented for future audit, management and performance review.* The completed and verified trackers will serve as documentation for future audit, management and performance review.		
27	Foundation/ Student Employees	We recommend foundation staff take greater care to help ensure the college's student employment policies are being followed. We also recommend student employees be reminded of the policies and that they be instructed to provide an explanation in the comments section of the Workday time entry page if they work during class time.	Foundation Executive Director	*How compliance was achieved.* Foundation staff have been made aware of the policies regarding student employment and have been provided the training materials. During our internal audit, it was discovered that the normal, routine training was not provided this past year due to the Workday implementation. The training that was more procedural in regards to Workday input (old way vs new way) instead of the general work study guidelines that are normally discussed. Additionally, the Student Employment Coordinator will ensure that all new supervisors of work study students will attend a training. *What will be done to avoid the identified problems and issues in the future?* Foundation staff have been trained on the policies and will ensure that all of their student employees will abide by the guidelines. *How compliance and future good management and practice will be measured, monitored and assured.* Foundation staff will provide a report of monthly hours worked by student employees to the Foundation Director to ensure that the students are in compliance with the work study guidelines. Additionally, all Foundation staff will have print outs of the student's schedule to ensure that they are not	CLOSED	12/5/2019

Campus: WNC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
				working during class time. This will help ensure compliance and good management and practice. *Who will be responsible and may be held accountable in the future if repeat or similar problems arise.* Foundation staff is responsible and may be held accountable in the future if repeat or similar problems arise. *When the measures will be taken and on what schedule compliance and good practice will be secured.* Effective immediately, the measures have been implemented. *How compliance and performance will be documented for future audit, management and performance review.* Foundation staff will maintain accurate records and files for all student workers. This will help to provide documentation for future audit, management and performance review.		
5	Foundation / Statement of Revenue and Expenditures	For improved accounting and financial reporting, we recommend the 84 self-supporting accounts be reclassified as gift accounts in Workday.	Controller	*How compliance was achieved:* The Controller's Office is currently working to create new gift accounts in Workday, transfer any balances and inactivate the old accounts. As this is a time-consuming process, we expect this to be completed by the end of 2019. This finding is the result of data conversion during the implementation of Workday. *What will be done to avoid the identified problems and issues in the future?* All new Foundation gift accounts will be created in a manner that aligns with the gift account standards. *How compliance and future good management and practice will be measured, monitored and assured.* All Foundation accounts will be reviewed and built in a consistent manner in Workday. *Who will be responsible and may be held accountable in the future if repeat or similar problems arise.* The Controller will be responsible and may be held accountable in the future if repeat or similar problems arise.	OPEN	12/05/2019

Exception & Response Analysis
Significant Audit Findings
By Campus/Topic
For the Six Months Ended December 31, 2019

Campus: WNC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
				When the measures will be taken and on what schedule compliance and good practice will be secured. The measures are effective immediately and the clean-up work is expected to be completed by December 31, 2019. *How compliance and performance will be documented for future audit, management and performance review.* The Workday chart of accounts is the documentation that will suffice for future audit, management and performance review.		

Campus: TMCC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
15	Foundation/ Cash Controls	As a best practice, we recommend the mail be opened in the presence of two employees and that donations be recorded on a log that lists each check, amount, and the corresponding gift account for which the donations are intended. We recommend the log be signed by both employees and used to reconcile to the donations that are recorded in the fundraising software.	Vice President of Finance and Administrative Services	*Corrective Action Taken:* On April 25, 2019, a new procedure was implemented that includes all checks being opened in front of two staff members. The checks are then logged into a newly created check receipt log that is initialed by two staff members. The log includes the name on the check, date, check number, amount, gift account name and initials for two staff members. On a monthly basis, the log is reconciled with the donor reports that are created out of the Raiser's Edge donor database. *Compliance, Measurement, and Documentation:* On a monthly basis, the check log will be reconciled with the donor database to ensure all checks are included in the log. *Responsibility:* Executive Director and AAIV.	CLOSED	9/05/2019
16	Foundation/ Foundation Account Review	We recommend that scholarships only be awarded to students who meet the donor criteria.	Foundation Scholarship Manager	*Corrective Action Taken:* The Foundation's Scholarship Manager contacted the donor whose scholarship was awarded incorrectly and informed them that their account will be reimbursed for the one incorrectly awarded scholarship. A scholarship with their reimbursed funds will be awarded with the correct criteria this fall.	CLOSED	9/05/2019

Exception & Response Analysis
Significant Audit Findings
By Campus/Topic
For the Six Months Ended December 31, 2019

Campus: TMCC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
				Compliance, Measurement, and Documentation: During the scholarship's cycle management process, which occurs at the end of each calendar year, the Scholarship Manager will check each scholarship donor's awarding criteria with their scholarship agreement to ensure accuracy. *Responsibility:* Scholarship Manager.		

Campus: UNLV

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
3	Crime Statistics Assurance / UNLV Record Keeping Systems Review	We recommend Police Services improve its procedures for recording criminal incidents and alleged criminal incidents on the daily crime log. We also recommend the crime codes and crime descriptions be reviewed with department personnel to help ensure this information is properly recorded in the records management system.	Associate Vice President and Director of University Police Services	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* University Police Services Southern Command has hired a Clery Compliance Coordinator who is responsible for overseeing compliance with the Clery Act including how the daily crime log is completed. The daily crime log is now completed independently of the records management system using a combination of information from the system and the shift briefing reports. A review of the crime codes is currently underway in order to ensure accuracy and the department is exploring the possibility of obtaining a new records management system that will alleviate some of the technological restraints currently faced by the current system. *How compliance and performance will be measured and documented for future audit, management and performance review.* An audit process to ensure daily log accuracy will be established by the Clery Compliance Coordinator. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.*	CLOSED	12/5/2019

Exception & Response Analysis
Significant Audit Findings
By Campus/Topic
For the Six Months Ended December 31, 2019

Campus: UNLV

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
				The Associate Vice President & Director and the Clery Compliance Coordinator are responsible for ensuring compliance in this area.		

Campus: GBC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
32	Grants Management/ Expenditures	We recommend that greater care be taken to ensure expenditures charged to sponsored projects are reasonable, as stipulated in the Uniform Guidance cost principles. We also recommend the grant be reimbursed for the cost of the hotel charge.	Vice President for Business Affairs	The Vice President for Business Affairs has sent out a memo to all employees reminding them to adhere to travel policies and procedures. The Principal Investigator, Grants Director, and Grant Accountant will closely monitor travel requests and transactions in Workday for adherence to policy. The Principal Investigator will be responsible and may be held accountable if policies and procedures are not followed.	CLOSED	9/05/2019
6	Grants Management/ Procedures	We recommend the above three sections of the GBC Policies and Procedures manual be reviewed and updated, as necessary, to reflect current practice.	Grants Director	The Grants Director is currently working on updating GBC's Policies and Procedures. The Grants Director will review GBC's Policies and Procedures on an annual basis. The Grants Director will be responsible and may be held accountable if policies and procedures are not kept up to date.	OPEN	9/05/2019

Exception & Response Analysis
Significant Audit Findings
By Campus/Topic
For the Six Months Ended December 31, 2019

	Campus: NSC						

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
11	Travel/ Expense Report Reimbursement	We recommend employees be reminded of established travel policies and the guidelines for completing and submitting expense reports. We recommend Accounting Services evaluate their current process to prevent duplicate payments in the future and the college consider requesting reimbursement from the employees mentioned.	Director of Accounting Services	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:* To eliminate duplicate payments, the NSC Travel policy has been revised to include meal timeframes that employees must adhere to in processing verifications and expense report reimbursements; NSC Procurement and Travel policies states purchases must be for business use and consistent with NSC, NSHE, and State policies and procedures; and Accounting Services now provides annual travel training to employees. *How compliance and performance will be measured and documented for future audit, management and performance review:* Accounting Services reviews all employee travel expenses to ensure compliance with NSC, NSHE and State policies and procedures before approval in Workday; *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:* The Director of Accounting is responsible for adherence to the travel policies and guidelines.	CLOSED	12/5/2019
12	Travel/ Travel Policy	We recommend the travel policies in the procurement card user manual be updated with the above revisions and communicated to all NSC employees.	Director of Accounting Services	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:* NSC policy has been revised to include specific guidelines and timeframes for submitting spend authorizations and expense reports, the procedure for requesting the NSC travel card, a section that addresses allowable and unallowable travel expenses, the timeframes that apply to claiming individual meals and how to segregate personal expenses from business expenses when combined travel is approved; *How compliance and performance will be measured and documented for future audit, management and performance review:* Accounting Services audits all initiated travel verifications and expense reports prior to approval in Workday. Quarterly reviews are also conducted to ensure compliance; Documentation must be included I the Spend Authorization in order to clearly delineate business versus personal expenses;	CLOSED	12/5/2019

Exception & Response Analysis
Significant Audit Findings
By Campus/Topic
For the Six Months Ended December 31, 2019

Campus: NSC						
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
				Who will be responsible and may be held accountable in the future if repeat or similar observations are noted: The Director of Accounting Services is responsible for adherence to the travel policies and guidelines.		

Campus: NSHE

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
1	Financial Statements 2019/ Accounting for certain debt activities	Management should review, and consult with bond counsel to ensure management's understanding of accurate such that the appropriate accounting for the transaction can be employed.	Institutional Controllers	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:* This particular debt was a crossover advance refunding, which under GAAP does not get removed as a liability until the crossover date has occurred. This was treated by UNR as a regular advance refunding and the debt was removed when the funds to pay the debt were transferred to escrow. To ensure these are appropriately captured in the future, UNR has implemented procedures to identify crossover advance refundings. In addition, all debt issuances will be more thoroughly reviewed and any unusual circumstances will be discussed with bond counsel to ensure management's understanding. *How compliance and performance will be measured and documented for future audit, management and performance review:* Procedures to more thoroughly review debt transactions have been put in place to ensure the proper accounting is evaluated and documented appropriately. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:* The Controllers at the institutions, in coordination with System Office administration, are primarily responsible for the appropriate recording.	12/5/2019

Campus: UNR School of Medicine Integrated Clinical Services, Inc.

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
2	Financial Statements 2019/ Material Weakness- Reporting of Subsequent Events	We recommend management perform a comprehensive review of events and transactions occurring after each reporting period-end for proper reporting and disclosure.	Controller	University of Nevada, School of Medicine/ICS agrees with the recommendation and will have a comprehensive review of events and transactions occurring after each reporting period-end for subsequent events evaluation and proper reporting and disclosure of events and transactions.	12/5/2019

Campus: UNLV Medicine, Inc.

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
3	Financial Statements 2019/ Significant Deficiency- Fee for Service Revenue Cutoff	We recommend the Organization closely monitor the occurrence of late charges captured in the patient accounting system and develop a process for estimating additional expected late charges after the financial statement close period.	UNLV Medicine Controller	UNLV Medicine is aware there is a need to perform additional steps to ensure that all revenue and costs related to fee for service revenue for the prior year have been identified and recorded in the appropriate year. The issue identified was directly related to the system implementation occurring throughout the 2018 fiscal year-end closing process. As is typical of a system conversion of this magnitude, the conversion was not without complications that resulted in some operational challenges during the go live to stabilization period. UNLV Medicine has continued to improve upon user training and system processes that impact charge capture/billing lag. These changes have significantly improved the timeliness of charge capture such that we are confident in the accuracy of ongoing reporting.

Nonetheless, we continue to improve upon these procedures and system functionality and reporting in order to seek continued improvement in overall revenue cycle management. Throughout the year, charge capture/billing lag will be tracked to monitor improvement and trends to ensure year-end revenue cutoff is accurate.

The UNLV Medicine Controller is responsible for ensuring accurate revenue recognition. | 12/5/2019 |

Campus: UNR					

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
1	2019 NSHE Uniform Guidance/ Internal Control over Compliance	1. Security Administration (#4 & #5)- #4 - Management should ensure that terminated users have their application(s) access removed in a timely manner (industry standard is typically 48 hours). #5 -Management should conduct user access reviews on a periodic basis to ensure appropriateness of access rights of users within key financial applications. 2. Change Management (#1-3,#6 & #7) Management should segregate duties and remove users with access to both the Development and Production environments (limiting them to be able to access just one environment) or implement a formal review process over the activities performed by those responsible for program maintenance on a periodic basis.	PeopleSoft Manager	***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:*** (4) Due to the limited size of the Office of Information Technology staff, the PeopleSoft Administrator role will continue to be necessary for certain positions in order for them to accomplish their duties in the various environments. One consultant and three staff are currently assigned the PSA role. We recognize the risks associated with the role, and the following mitigation strategies are in place to reduce and manage the risk. • The Office of Information Technology PeopleSoft Manager oversees the staff and consultants that are assigned the PSA role. Changes are documented in security applications and approved by the Manager. • An audit trigger was re-activated April 1, 2019. It notifies the Registrar, PeopleSoft Security Coordinator and her back up, PeopleSoft Manager, CSO and the CIO when the PSA role is granted to users in the production, test, quality assurance or development environments. • The consultant is covered under the Master Services Agreement between NSHE and Sierra Cedar, Inc., signed on January 15, 2008, that includes Article 9- Data Rights and Confidentiality. The contractor is expected to be complete with the upgrade project by November 2019. (5) Starting in October 2019, one of our PeopleSoft Business Analysts will provide backup and assistance to our Coordinator, PeopleSoft Application Security with processing the terminations. A review process is being developed and will be implement by 1/31/2020 as an additional control to ensure PeopleSoft access is removed in a timely manner upon their termination. ***How compliance and performance will be measured and documented for future audit, management and performance review:*** (4) Changes to user access are documented in security applications. Audit trigger notifications for the addition of PS Admin role will provide support that management is made aware when the PS Admin role is added. (5) A review process will be documented to show PeopleSoft access is removed in a timely manner upon an employee's termination. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:*** The PeopleSoft Manager will be responsible for compliance with these requirements.	12/5/2019

(AUDIT, COMPLIANCE AND TITLE IX COMMITTEE 03/05/20) Ref. A-4, Page 19 of 60

	Campus: UNR				

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
2	2019 NSHE Uniform Guidance/ Special Tests and Provisions: Return of Title IV Funds for withdrawn students	We recommend that UNR enhance internal controls to improve the accuracy of reporting to COD.	Director of Financial Assistance	***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:*** UNR recognizes the one error identified in the sample of 60. The exception occurred due to the amount of Title IV aid earned being marked as 100% on the R2T4 file cover sheet, when the actual amount computed and supported by system print-outs was less than 100%. Cover sheets that indicate the earned aid is less than 100% are prioritized in the closeout process to ensure funds are returned timely. The notation error was identified by the employee just after the end of 45 day window, and Title IV funds were promptly returned to the program. UNR has a system in place where a secondary review of the information on the R2T4 cover sheet is performed. In response to this finding, in September 2019 the Office of Financial Aid added a procedure for the secondary reviewer to document a comparison of the results of their computation for the percentage of Title IV aid earned to the initial earned-aid calculation. This will ensure that the noted percentages on the cover sheet are correct, and will allow for the proper prioritization of files by staff to ensure compliance with the 45 day return of funds requirement. ***How compliance and performance will be measured and documented for future audit, management and performance review:*** The additional documentation will be included on the R2T4 cover sheet, and will show the results of the calculations of both the preparer and secondary reviewer for the percentage of Title IV aid earned. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:*** The Director of Financial Assistance and the employees responsible for R2T4 calculations and timeliness of the return of funds will be held accountable.	12/5/2019

Campus: UNLV					

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
3	2019 NSHE Uniform Guidance/ Internal Control over Compliance	1. Security Administration (#4 & #5) #4 - Management should ensure that terminated users have their application(s) access removed in a timely manner (industry standard is typically 48 hours). #5 -Management should conduct user access reviews on a periodic basis to ensure appropriateness of access rights of users within key financial applications. 2. Change Management (#1-3,#6 &#7) Management should segregate duties and remove users with access to both the Development and Production environments (limiting them to be able to access just one environment) or implement a formal review process over the activities performed by those responsible for program maintenance on a periodic basis.	Associate Director of Enterprise Applications and Executive Director of Financial Aid and Scholarships	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:* For context 1 and 2: UNLV understands the importance of adequate segregation of duties within the PeopleSoft environments and applications. The positions that are the subject of the finding are the PeopleSoft Administrators who are responsible for installation, configuration, upgrades and troubleshooting all the application environments and Database Administrators are responsible for installation, configuration, upgrade and troubleshooting for the services associated with all the database environments. The PeopleSoft and Database Administrators are not programmers/developers and their access to the environments is required to provide timely support of the application within the scope of their job duties. UNLV will continue to review access requirements for the PeopleSoft and Database Administrators prior to the start of Fall and Spring terms. Additionally, UNLV will continue to research other control methods that will address segregation of duties while providing appropriate service and support. For context 3: UNLV understands the importance of adequate segregation of duties. During fiscal year 2019, the Financial Aid and Scholarships Office identified that a PeopleSoft user account used to run specific batch processes also allowed the user the ability to update individual student records. This error was identified by management and upon identification, the batch processing user account was modified to eliminate this ability. Management investigated the use of the batch processing user account confirming and self-reporting transactions related to a single student record and completed the return of funds to the Department of Education noted as "questioned costs" for this finding. *How compliance and performance will be measured and documented for future audit, management and performance review:* For context 1 and 2, UNLV will review the access needs each Fall and Spring term to determine if the current level of access for the PeopleSoft and Database Administrators are still required. Additionally, UNLV will continue to research other control methods that will address segregation of duties while providing appropriate service and support. For context 3, the batch processing user profile was modified upon identification of this issue in order to eliminate the ability for the profile to modify individual student records. Any changes made to the user profile are managed and	12/5/2019

(AUDIT, COMPLIANCE AND TITLE IX COMMITTEE 03/05/20) Ref. A-4, Page 21 of 60

Campus: UNLV					

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				documented through the campus system support ticketing system and would require approval by the Executive Director of Financial Aid and Scholarships. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:*** For context 1 and 2, the Associate Director of Enterprise Applications will be responsible for reviewing the access needs for the PeopleSoft and Database Administrators. The Associate Director will complete periodic reviews and is accountable if repeat or similar observations are noted. For context 3, the Executive Director of Financial Aid and Scholarships is responsible for ensuring adequate segregation of duties within the Financial Aid and Scholarship Office.	
4	2019 NSHE Uniform Guidance/ Special Tests and Provisions: Return of Title IV Funds for withdrawn students	We recommend that UNLV enhance internal controls to improve the accuracy of reporting to COD. We recommend UNLV enhance internal controls to improve the timing determining if a student requires a Return to Title IV calculation. We also recommend that UNLV review all Fall 2018 students to identify any students that may need a Return to Title IV calculation performed.	Executive Director of Financial Aid and Scholarships	***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:*** Staffing changes within the unit brought to light in FY19 that there were gaps in the completion of the return of Title IV funds (R2T4) processing that have now been resolved. We have expanded the number of staff trained to review and complete R2T4 transactions in order to ensure that we are able to handle the R2T4 volume and process files within established timelines. In order to prevent a future finding in this area we will conduct regular internal review of the R2T4 population to ensure calculations are being completed accurately and timely and to ensure that our established intervals for conducting R2T4 calculations is being followed. These measures have already been activated. We have already begun a review of the entire Fall 2018 R2T4 population and will be expanding this review to include Spring 2019 as well. It is our intention to identify and correct any issues that may be outstanding and to use this information to further strengthen our policies. ***How compliance and performance will be measured and documented for future audit, management and performance review:*** The institutions R2T4 Policies & Procedures manual are being updated to provide better guidance on conducting R2T4 and new reports have been created in order to ensure accurate data is used in this process. Dates for reviewing the potential R2T4 population are being populated into our master calendar to ensure that we can capture all R2T4 students well within the regulatory timelines. Additionally, we will conduct regular internal review of the R2T4 population in order to identify and correct potential findings in a timely manner. We anticipate these enhancements being in place no later than December 2019.	12/5/2019

Campus: UNLV					

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				Who will be responsible and may be held accountable in the future if repeat or similar observations are noted: The Executive Director of the Financial Aid and Scholarships is responsible for ensuring compliance with return of Title IV funds procedures.	
5	2019 NSHE Uniform Guidance/ Special Tests and Provisions and Reporting: Pell Disbursements are not Submitted Timely to the Department of Education via the Common Origination and Disbursement (COD)	We recommend that UNLV enhance internal controls to improve the accuracy of reporting to the COD reporting system. Management should evaluate the existence of this issue of non-compliance in the remaining population and ensure queries within PeopleSoft are adequate to meet the federal requirements.	Executive Director of Financial Aid and Scholarships	***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:*** The UNLV financial aid office has effective policies and compliance measures in place to prevent against future findings for the timely reporting of Pell Disbursements via COD. As an increased measure we are expanding the number of staff capable of reporting disbursements to COD to ensure that we can accurately report to COD within guidelines. ***How compliance and performance will be measured and documented for future audit, management and performance review:*** By training additional staff on this procedure, we will be able to strengthen our system of Check and Balances in order to ensure for timely reporting and compliance accuracy. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:*** Executive Director of Financial Aid and Scholarships.	12/5/2019
6	2019 NSHE Uniform Guidance/ Special Tests and Provisions: Gramm-Leach Bliley Act – Student Information Security	We recommend UNLV perform a risk assessment on the required areas and document the safeguards for the risks identified.	Associate Vice President, Financial Services and the Vice Provost for Information Technology in partnership with System Computing Services	***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:*** UNLV has not conducted a formal GLBA risk assessment for Student Information Security. However, there are several security measures in place to mitigate risk in each of the three listed categories both at UNLV and at System Computing Services (SCS), the entity responsible for safeguarding the infrastructure underlying UNLV's student information system hosted in SCS data centers. (1) *Employee training and Management;* AT UNLV: • All employees with access to the student information system, including those with banking information, must undergo FERPA training before being given access to the student information system. • The number of employees with access to student banking data is highly restricted. • General student information system access and security protocols (e.g., initial access review by staff in Student Accounts; terminated	12/5/2019

Campus: UNLV					

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				employee removal) are in place for the employees with access to the student information system. At SCS: • All employees supporting the information system infrastructure take mandatory monthly SANS Securing the Human training. Training completions are tracked and enforced. (2) *Information systems, including network and software design, as well as information processing, storage, transmission and disposal.* At UNLV: • The banking data is encrypted at rest. • The banking information within the student information system is not generally available. Only a limited number of staff members have been granted access to the information. Those staff have been approved by leadership in Student Accounts for access based on need to perform assigned job responsibilities. • UNLV works with SCS to ensure secure network connections between campus users and the student information system at SCS. At SCS: • The information system infrastructure is housed in an access-controlled building, equipped with nearly 24/7 live surveillance and systems monitoring to ensure protections and timely response to any system failures. A formal change-management process is in place to review and approve any proposed changes to network or infrastructure systems. (3) *Detecting, preventing and responding to attacks, intrusions, or other systems failures or that safeguards for such risks had been put in place.* At UNLV: • UNLV participates in the regular vulnerability scanning of the UNLV internet accessible network address space offered through the Department Homeland Security's cyber hygiene program. • UNLV participates in web application vulnerability scanning of all internet facing websites within UNLV domains. • UNLV checks with software vendor regularly to get and install patches to resolve software vulnerabilities. • UNLV has is place a breach policy and associated procedures in the even of a security breach. At SCS:	

Campus: UNLV					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				• SIEM (Security Incident and Event Management) software is used to support management of the information systems infrastructure and related security, including advanced threat detection, application security, incident management, and real-time monitoring. • The SCS Chief Information Security Officer (CISO) works closely with institutions' information security leaders and analysts to share threat intelligence, collaborate on initiatives, and ensure a robust and united front against threats. ***How compliance and performance will be measured and documented for future audit, management and performance review:*** The above compliance and performance measures will continue and be strengthened as new risks are identified. UNLV will engage a third party to complete a risk assessment on the required areas and document the safeguards for the risks identified. UNLV prefers that the risk assessment be done in concert with SCS for all NSHE institutions that have not yet completed such an assessment. SCS has indicated that a new formal risk assessment by an outside third party is planned for FY20. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:*** The Associate Vice President, Financial Services and the Vice Provost for Information Technology in partnership with System Computing Services are responsible.	
7	2019 NSHE Uniform Guidance/ Eligibility	We recommend that UNLV enhance controls to ensure aid is packaged and disbursed to eligible students, with a timely review process by a director.	Executive Director of Financial Aid and Scholarships	***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:*** These findings are attributed to lack of timely review and internal data audit controls and system configuration that ensures compliance with Pell eligibility and award levels/limits. In order to achieve improved results regular review and internal testing will be scheduled to ensure for accuracy. The financial aid office also will enhance processes with regard to ensuring timely and adequate management review of system configuration related to eligibility issues. Specifically, we will focus on ensuring that Pell disbursements are being pulled from the correct disbursement schedules and award levels/limits. With regard to satisfactory academic progress (SAP), existing processes that are already in place are designed to prevent students who are ineligible for aid due to SAP reasons from being awarded. While appropriate policies and procedures are already in place to identify these issues, the office will improve our departmental audit process and enhance training on the areas identified.	12/5/2019

Exception & Response Analysis
Uniform Guidance Audit Report
By Campus/Topic
For the Six Months Ended December 31, 2019

Campus: UNLV

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				How compliance and performance will be measured and documented for future audit, management and performance review: In order to maintain compliance and measure outcomes we will create appropriate reporting queries to allow us to compare student EFC's, enrollment status, and Pell awards to ensure for accuracy. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:*** The Executive Director of the Financial Aid and Scholarships is responsible for ensuring compliance.	

Campus: NSC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
8	2019 NSHE Uniform Guidance/ Special Tests and Provisions: Return of Title IV Funds for withdrawn students	We recommend that NSC enhance internal controls and the return of title four funds process to ensure that it is sufficient to timely determine the accuracy of reporting to COD	Director of Financial Aid	***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:*** Because the issue was identified and corrected through its quality control process, NSC will continue to conduct peer reviews of R2T4 calculations. When possible, these reviews will take place to allow for corrections to be made within the required 45-day timeframe for reporting. ***How compliance and performance will be measured and documented for future audit, management and performance review:*** Returns of funding related to R2T4 are documented in PeopleSoft. The results and timing of quality control activities are documented on spreadsheets. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:*** The Director of Financial Aid has the responsibility for ensuring reporting deadlines are met and will be held accountable in the future for any issues which may arise.	12/5/2019
9	2019 NSHE Uniform Guidance/	We recommend that NSC enhance internal controls to improve the accuracy of reporting to the COD reporting system. Management should evaluate the existence of	Director of Financial Aid	***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:***	12/5/2019

Campus: NSC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
	Special Tests and Provisions and Reporting: Pell Disbursements are not Submitted Timely to the Department of Education via the Common Origination and Disbursement (COD)	this issue of non-compliance in the remaining population and ensure queries within PeopleSoft are adequate to meet the federal requirements.		Because this is related to a chronic failure of PeopleSoft to export for reporting records of students who have dropped enrollment, NSC financial aid will continue its process of flagging these records for manual processing and performing bi-weekly reconciliations of COD disbursement records. ***How compliance and performance will be measured and documented for future audit, management and performance review:*** The results of COD disbursement record audits are stored on spreadsheets. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:*** The Director of Financial Aid has the responsibility for ensuring reporting deadlines are met and will be held accountable in the future for any issues which may arise.	

Campus: CSN

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
10	2019 NSHE Uniform Guidance/ Special Tests and Provisions and Reporting: Pell Disbursements are not Submitted Timely to the Department of Education via	We recommend that CSN enhance internal controls to improve the accuracy of reporting to the COD reporting system. Management should evaluate the existence of this issue of non-compliance in the remaining population and ensure queries within PeopleSoft are adequate to meet the federal requirements.	Associate Vice President of Financial Aid	There have been issues where PeopleSoft does not properly send selected records to COD, and previously the College was resubmitting records through PeopleSoft in those instances. The resubmissions were not 100% successful. CSN does run queries weekly to compare records between PeopleSoft and COD to ensure records are reported to COD. These reports are reviewed and corrections are made, if necessary. ***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:*** CSN will request a reconciliation report from COD weekly to compare to the disbursements in PeopleSoft using an access database to identify records where disbursements do not sync in both reports. Those records will be reviewed in COD and PeopleSoft and one attempt will be made to re-submit the record using	12/5/2019

Campus: CSN					

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
	the Common Origination and Disbursement (COD)			PeopleSoft. If the re-submission is not successful, CSN will make manual updates in COD and will not rely on the re-submission process. To ensure that required deadlines are met, an additional Senior Specialist will be assigned to back up the current Senior Specialist to provide coverage for absences and to assist in working any large exception reports. ***How compliance and performance will be measured and documented for future audit, management and performance review:*** The employee assigned to review the weekly reconciliation report will save the files in a shared network drive and will provide update reports to the direct supervisor. This will ensure the resources can be redirected to this process if the volume of mismatched records exceeds the employee's ability to finish in the required timeframe. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:*** The Associate Vice President of Financial Aid is responsible for all aspects of student aid eligibility and accuracy.	
11	2019 NSHE Uniform Guidance/ Disbursements to or On Behalf of Students	We recommend that CSN enhances controls to ensure the required monitoring, disbursement, and return of student funds occurs within the required period.	Associate Vice President of Financial Aid	CSN concurs with the finding and recommendation. It was an isolated case in both instances that involved a one-time manual entry error. CSN did not return a credit balance for one student within the 14-day requirement for the summer term due to a disbursement error on the students account from the spring. Due to the disbursement error in the spring, financial aid placed a hold to prevent the spring refunds on May 29, 2019. The summer award was posted to the student's account on May 29, 2019. However, the hold placed for the spring refund also prevented the summer refund. This was identified from the unapplied payment report that identifies the missing summer disbursements, which was sent May 30, 2019 to financial aid. The spring disbursement error was not corrected in time for the summer disbursement to be released within 14 days. ***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:*** CSN Cashier's Office will run a report on unapplied payments after each refund run and provide to Financial Aid to resolve within 7 days to meet required deadlines. This report will also be provided to the Director of Student Accounts and the Associate Director of Financial Aid for quality control monitoring. This will ensure that all credit balances are posted with the 14-day window to the student's accounts.	12/5/2019

	Campus: CSN				

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				How compliance and performance will be measured and documented for future audit, management and performance review: Weekly reports for unapplied payments will be run by the Cashier's Office and provided to the Financial Aid Office for review. All unresolved disbursements will be reported to the Director of Student Accounts and the Associate Director of Financial Aid for direction to meet the 14-day window. Completed reports will be maintained by each office on a network drive. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:*** The Associate Vice President of Financial Aid is responsible for all aspects of student aid eligibility and accuracy. CSN disbursed a Direct Loan to a first-year, first-time borrower prior to the 30-day delayed disbursement requirement. Normally, CSN awards loans in an automated process. The student identified was a student that had been manually awarded and the wrong disbursement period had been selected. ***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:*** CSN will develop queries to compare when loans are assigned for first year, first-time designation and the payment period to ensure that the error does not occur. The query will be used weekly to identify any exceptions and all exceptions will be corrected prior to disbursement. ***How compliance and performance will be measured and documented for future audit, management and performance review:*** Weekly queries will be run by the Financial Aid Office. After the review and any corrections are made, the final queries will be stored on the network drive. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:*** The Associate Vice President of Financial Aid is responsible for all aspects of student aid eligibility and accuracy.	
12	2019 NSHE Uniform Guidance/ Special Tests and Provisions:	We recommend that CSN develop policies and procedures to ensure student status changes are uploaded timely and correctly to NSLDS. Additionally, we recommend that the Institution review the remaining population of students and as well as student	Registrar and Executive Director of Institutional Research	CSN's current process for monitoring and reconciling errors from the National Student Clearinghouse Degree Transmission upload caused incomplete data to be reported to NSLDS. ***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:***	12/5/2019

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
	Campus: CSN				
	Enrollment Reporting	classifications to ensure that all are being properly reported.		Corrective measures entail the creation of an added step in the current procedure for reviewing the Degree Transmission uploads, along with the modification of the enrollment and degree reporting to NSLDS. In this procedure, an analyst and an administrative assistant in the Office of the Registrar will be assigned to review and reconcile identified discrepancies based on the file submitted by the Office of Institutional Research. Unresolved discrepancies will be reported to the Associate Registrar and follow-up phone calls will be made to the National Student Clearinghouse as needed. The National Student Clearinghouse also provided some guidance to address this finding. They recommended a "Graduates Only" enrollment file to help address inconsistencies between enrollment and degree reporting. CSN will engage with an external consultant before spring 2020 to modify our existing enrollment reporting process to ensure these enrollment records are reported to the NSLDS within the reporting requirements. In the meantime, the Office of the Registrar will begin manually reconciling graduation records. ***How compliance and performance will be measured and documented for future audit, management and performance review:*** The analyst and administrative assistant assigned to this task will report in real-time discrepancies in the Enrollment and Degree transmission files to the Associate Registrar who will make adjustments accordingly. Completed reconciliation reports will be maintained on the Office of the Registrar network drive. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:*** The Registrar and the Executive Director of Institutional Research will share responsibility for reviewing and reporting data in an accurate and timely manner.	
13	2019 NSHE Uniform Guidance/ Special Tests and Provisions: Gramm-Leach Bliley Act – Student Information Security	We recommend CSN perform a risk assessment on the required areas and document the safeguards for the risks identified.	Chief Information Officer	***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:*** CSN has a preliminary GLBA Gap Assessment & Remediation Report that documents the current status and will serve as a baseline for future action. CSN will immediately convene a task force of stakeholders who will review the GLBA Gap Assessment & Remediation Report and implement recommendations. Requirements in 16 CFR 314 will be adhered to. ***How compliance and performance will be measured and documented for future audit, management and performance review:*** CSN will document the responses to the GLBA Gap Assessment & Remediation Report recommendations and will ensure that the performance of a risk	12/5/2019

Campus: CSN					
ITEM #	**DEPARTMENT / TOPIC**	**EXCEPTION**	**MANAGEMENT RESPONSIBILITY**	**MANAGEMENT RESPONSE**	**AUDIT COMMITTEE DATE**
				assessment is documented. CSN will also determine if another assessment is needed to ensure compliance. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:* CSN's Chief Information Officer, the Associate Vice President of Financial Aid, and the Senior Associate Vice President/Controller will be responsible for ensuring compliance with the GLBA and student information security.	

Campus: WNC					
ITEM #	**DEPARTMENT / TOPIC**	**EXCEPTION**	**MANAGEMENT RESPONSIBILITY**	**MANAGEMENT RESPONSE**	**AUDIT COMMITTEE DATE**
14	2019 NSHE Uniform Guidance/ Special Tests and Provisions: Return of Title IV Funds for withdrawn students	We recommend that WNC enhance internal controls to improve the accuracy of reporting to COD.	Director of Financial Assistance and Financial Aid Advisors	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:* Western Nevada College Financial Assistance recognizes the two errors identified in the sample. Appropriate steps to correct R2T4 calculations have occurred and staff responsible for R2T4 calculations continue to receive additional guidance and training. One error was an institutional error, as the date was transposed when entered into the PeopleSoft R2T4 function. Staff have received additional guidance and instruction on ensuring correct dates are entered and will continue to double check their work. The second error was related to the percentage of total aid earned calculation, which is calculated by PeopleSoft. Staff performed all necessary steps and entered accurate data for the calculation on this student. PeopleSoft's calculation of the percentage of aid earned was incorrect. To ensure this will not occur again, staff is now required to review and double check the PeopleSoft calculation and document their review in the R2T4 calculation file for each student. Staff can use a secondary screen in PeopleSoft's R2T4 function to also ensure the correct percentage is being used in the R2T4 calculation. *How compliance and performance will be measured and documented for future audit, management and performance review:* Compliance and performance will continue to be measured and documented through the office's R2T4 secondary check process by a separate staff member. The office has also trained additional staff members to assist with the second	12/5/2019

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
Campus: WNC					
				check process. Additionally, the office has implemented new procedures to ensure the Percentage of Aid Earned is being calculated correctly by PeopleSoft and documentation for this calculation is stored in the file. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:*** The Director of Financial Assistance and the Financial Aid Advisors who perform the R2T4 calculations and R2T4 second checks will be held accountable.	
15	2019 NSHE Uniform Guidance/ Special Tests and Provisions and Reporting: Pell Disbursements are not Submitted Timely to the Department of Education via the Common Origination and Disbursement (COD)	We recommend that WNC enhance internal controls to improve the accuracy of reporting to the COD reporting system. Management should evaluate the existence of this issue of non-compliance in the remaining population and ensure queries within PeopleSoft are adequate to meet the federal requirements.	Financial Aid Advisors	***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:*** Western Nevada College Financial Assistance Office recognizes that one Pell disbursement record was not submitted to COD, within the required 15 days. The student in question, had a Federal Aid Hold place on their account, due to a question related to the applicability of a course to their declared degree program. Financial Assistance staff was performing the required due diligence of resolving conflicting information, not realizing that the Federal Aid Hold would also prevent the disbursement being reported to COD for the student's aid eligible courses. WNC Financial Assistance staff were performing essential duties to ensure that the student's aid was correctly awarded. Financial Assistance staff understand the implications of using this hold on students with disbursed aid and will continue to take greater care in ensuring that the student's file is reported to COD in a timely manner. Western Nevada College Financial Assistance Office will continue to transmit files to COD for Pell Grant reporting on a weekly basis, at a minimum. During peak disbursement periods, the college continues to transmit files multiple times per week to COD to ensure that records are being reported as soon as possible and that errors can be resolved in a timely manner. ***How compliance and performance will be measured and documented for future audit, management and performance review:*** Western Nevada College Financial Assistance Office will transmit files to COD on a weekly basis and more frequently during peak disbursement periods. The Financial Aid Advisor will review Pell Reject query results and Loan Disbursement Record reports on a regular basis to measure, monitor, and assure compliance. Additionally, the Financial Aid Advisor responsible for disbursements now regularly reviews a query of students who have a Federal Aid hold. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:***	12/5/2019

Campus: WNC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				The Financial Aid Advisors responsible for transmitting files to COD and reviewing the Federal Aid Holds will be held accountable.	
16	2019 NSHE Uniform Guidance/ Special Tests and Provisions: Gramm-Leach Bliley Act – Student Information Security	We recommend WNC use the third-party gap assessment report as a baseline and perform a risk assessment on the required areas and document safeguards on the risks identified.	Director of Computing Services	***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:*** Western Nevada College recognizes that the required risk assessment was not completed during July 2018-June 2019. In September of 2019, WNC performed an annual risk assessment that addresses the three required areas noted in 16 CFR 314.4(b). The Director of Computing Services will perform a risk assessment annually, documenting safeguards and suggested courses of action for risks identified. This requirement has been documented in an internal policy defining the timeline, areas to be assessed and responsible parties. ***How compliance and performance will be measured and documented for future audit, management and performance review:*** The risk assessment requirement has been documented in a departmental policy. The Director of Computing Services will maintain physical copies of the risk assessments, along with digital copies housed in a departmental share drive. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:*** The Director of Computing Services for WNC is responsible for performing the annual risk assessment and may be held accountable for repeat observations.	12/5/2019

Campus: TMCC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
17	2019 NSHE Uniform Guidance/ Special Tests and Provisions: Return of Title IV Funds for	We recommend that TMCC enhance internal controls to improve the accuracy of reporting to COD.	Financial Aid Coordinator for Compliance	***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:*** When processing R2T4 calculation for Wintermester students, the PeopleSoft system did not adjust the term dates. This is not standard behavior, for other sessions offered at TMCC, they fall fully within the term and the dates do not need to be changed. Moving forward, when a Wintermester R2T4 calculation is performed, the term dates will be modified. Procedures have been adjusted.	12/5/2019

Campus: TMCC					

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
	withdrawn students			• For the second item, Admission and Records (A&R) processed an Exception to the Refund for a student. On the documents they collected the student indicated a Last Date of Attendance that differed from what was know previously. A&R did not notify financial aid of the exception to the refund and thus we were unaware of the discrepancy. From hence forward A&R will provide copies of their Exception to the Refund documents when they are processed to financial aid (when the student has financial aid). • For the third item, we do not concur with the R2T4 summer finding. Guidance received from the Department of Education state that if our school is using the last date of attendance of June 12, then the days from session 2 will not be used in the calculation since we are asking what was student's enrollment status as of the withdrawal date (student was not enrolled in the 2nd session classes at the time the R2T4 was conducted). Moving forward, a query will be used during the summer to determine potential R2T4 students. In addition, a follow up email will be sent to students to confirm if they will be attending future summer classes such as enrollment for the second session. ***How compliance and performance will be measured and documented for future audit, management and performance review:*** R2T4 calculations are reviewed by two staff and they are aware of the need to verify the term dates when the student attends Wintermester. Financial aid staff will also review the Exception to the Refund documents and make any necessary changes to the R2T4 calculation. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:*** Oversight of the R2T4 process has been moved to the Financial Aid Coordinator for Compliance, who will ensure that procedures are followed to avoid any future repeats of this error.	
18	2019 NSHE Uniform Guidance/ Disbursements to or On Behalf of Students	We recommend that TMCC enhances controls to ensure the required monitoring and return of student funds occurs within the required period.	Cashier Supervisor	***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:*** The student in question requested a no refund hold be placed on his account. This hold resulted in the 14-day refund period to be exceeded. To prevent this from recurring, a no refund hold placed at a student's request is not to exceed seven calendar days. This is effective, 10/1/2019. ***How compliance and performance will be measured and documented for future audit, management and performance review:***	12/5/2019

Campus: TMCC					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				The cashier supervisor, or higher authority is the only employee authorized to place a no refund hold at a student's request on the account of a student receiving federal financial aid. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:* The cashier supervisor is responsible for ensuring that a no refund hold placed at a student's request will not exceed seven calendar days.	
19	2019 NSHE Uniform Guidance/ Special Tests and Provisions: Gramm-Leach Bliley Act – Student Information Security	We recommend TMCC perform a risk assessment on the required areas and document the safeguards for the risks identified.	Chief Technology Officer	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:* IT is working with the newly hired NSHE Chief Information Security Officer (CISO) to update TMCC's institutional policies and procedures on risk assessment. In addition, a desire has been expressed by the smaller institutions to coordinate audits and risk assessments in a central manner to lower the cost to each institution. TMCC successfully completed its first Phishing Campaign which sets the baseline to assess future Cyber Security trainings through KnowBe4. *How compliance and performance will be measured and documented for future audit, management and performance review:* TMCC will activate other Phishing Campaigns in six-month intervals to hopefully lower the percentage of clicks created at the baseline testing. IT will also work closely with the NSHE CISO to address some of the short comings in the GLBA audit and work on a coordinated Risk Assessment. In addition, TMCC's Chief Technology Officer (CTO) will work with NSHE's CISO to establish a protocol and mitigation in case of a security or data breach. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:* The CTO will oversee and advocate the Cyber Security Training. The CTO will also be responsible to remedy findings, address short-comings with the leadership team, as well as lobby for funding if needed.	12/5/2019

Campus: SCS

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
20	2019 NSHE Uniform Guidance/ Internal Control over Compliance	1. Security Administration (#4 & #5) - #4 - Management should ensure that terminated users have their application(s) access removed in a timely manner (industry standard is typically 48 hours). #5 - Management should conduct user access reviews on a periodic basis to ensure appropriateness of access rights of users within key financial applications. 2. Change Management (#1-3,#6 &#7) - Management should segregate duties and remove users with access to both the Development and Production environments (limiting them to be able to access just one environment) or implement a formal review process over the activities performed by those responsible for program maintenance on a periodic basis.	Director of Information and Application Services	***Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:*** (1,7) Due to the limited size of SCS's Information Technology staff, the PeopleSoft and PeopleTool Administrator roles will continue to be necessary for certain positions in order for them to accomplish their duties in the various environments. Currently, 4 users are assigned the PeopleSoft Administrator role and two are assigned the PeopleSoft PeopleTools Administrator role. We recognize the risks associate with the role, and the following mitigation strategies are in place to reduce and manage the risk. - The Director of Information and Application Services oversees the IT staff that are assigned the Administrator roles. Changes are documented in security applications and approved by the Director. - Audit alerts are established to notify the PeopleSoft Administrators, Director of Information and Application Services and CISO when Administrator roles and permissions are granted in the various PeopleSoft environments. (6) Although there is no formal user access review process in place for the PeopleSoft application, Oracle Database or Microsoft AIX Server, user access reviews were performed as part of the system upgrade process during 2019. Typically, a risk based user access review is completed on an annual basis. For the Peoplesoft application and Oracle databases service tickets are created when access is requested and the Director of Information and Application Services must approve these requests when certain roles and permissions have been requested by a user, access is reviewed and amended accordingly. ***How compliance and performance will be measured and documented for future audit, management and performance review:*** (1,7) Changes to user access is monitored and alerts have been established for Administrator roles and permissions. The users with administrator access to both production and development are established and trusted employees, and are required to engage in both PeopleSoft environments on a daily basis in order to perform their job function. Furthermore, appropriate compensating controls have been deployed to support the mitigation of risk. (6) SCS will continue to adopt a risk-based user access review process and will document this accordingly. ***Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:*** (1,6,7) Director of Information and Application Services	12/5/2019

Exception & Response Analysis
Open Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2019

Campus: TMCC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
1	Foundation/ Foundation Bank Account	We recommend TMCC Foundation Board of Trustees continue to pursue investment opportunities with little to no risk that provide a greater return on investment.	Foundation Executive Director	*Corrective action taken:* The Foundation Board updated its Investment Policy in June 2017 and began looking at higher yielding investment options with comparable risk. In July 2017, $250,000 was invested in a CD with a competitive rate. The Foundation's Investment Committee met in April and July 2019 to review additional investment allocations. The Committee identified acceptable investment options and will bring their recommendations to the September 2019 Foundation Board meeting. Upon approval, funds will be immediately invested. *Compliance, Measurement, and Documentation:* At its annual June meeting, the Foundation Board will review the Foundation investments to ensure that returns are maximized at acceptable risk levels. *Responsibility:* Executive Director.	9/5/2019

Campus: CSN

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
2	Change in Leadership/ Deficit Account	We recommend that CSN management re-evaluate the documented corrective actions to determine whether they are being properly implemented and/or whether other measures are needed to resolve the deficit.	Senior Vice President Finance and Administration	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:* As has been previously reported, there was a restructuring of staff within the CSN Dental Faculty Practice (DFP), as well as reviews of procurement contracts, fees, and insurance reimbursement rates, and more effective processing of billing and collections, all to address the cash deficit. Some efficiencies were initially realized and the College closed fiscal year 2017 with revenues exceeding expenditures for the year by almost $4,000. However, another level of review in spring 2018 led the College to realize that certain aspects of the DFP needed to be enhanced to meet academic programming requirements. The DFP model that exists currently, and that meets those academic programming requirements, is not sustainable. CSN is now researching alternative models that are sustainable to the institution while also ensuring that our students obtain the clinical time that is needed for their degree.	02/28/2019

(AUDIT, COMPLIANCE AND TITLE IX COMMITTEE 03/05/20) Ref. A-4, Page 37 of 60

How compliance and performance will be measured and documented for future audit, management and performance review:
On December 31, 2018, the Vice President for Academic Affairs (VPAA), in consultation with the DFP staff, the Vice President for Finance and Administration (VPFA), and the College President, recommended moving toward a bifurcated clinical delivery model to meet student instructional needs, scheduling a reduced number of DFP dental patients and reducing staff and expenses while developing external clinical placements for CSN's dental hygiene and dental assisting students, thus reducing the DFP expenditures. The new office manager is aggressively pursuing collections from insurance and directly from past patients. To measure and document compliance and performance of the DFP moving forward, the VPAA and the Dean of Health Sciences in concert with the DFP staff and the VPFA will participate in consistent and frequent review of ongoing business/management practices and results for the purpose of ensuring continued improvement and clearing the deficit.

Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:
The VPAA and the Dean of Health Sciences will be responsible and held accountable.

Follow-Up Response 9/5/19:

Since the last report, the VPAA and the Dean of Health Sciences in concert with the DFP staff and the VPFA and other College stakeholders have participated in frequent review of ongoing business/management practices and results for the purpose of ensuring continued improvement and clearing the deficit. While the deficit has continued to grow, the DFP leadership has developed momentum in "right-sizing" the DFP staff to ensure that the practice can deliver services in the most efficient, cost-effective manner. Staffing changes include a decrease in the number of hygienists and an increase in the number of dental assistants as well as the addition of a part-time dentist, modifications that will allow the DFP to service a greater number of patients during its hours of operation. While we expect that the additional staffing will result in an initial increase to expenses and the deficit, the DFP also expects a boost in production with the additional staffing, leading to an increase in revenue. The DFP expects revenue to have a sustained increase by mid-October 2019, with a reduction to the deficit beginning mid-January 2020. Most outstanding receivables that can be recovered have been collected.
The DFP is also working on protocols to ensure that current receivables are collected in a timely manner. Once facet of this approach is engaging a vendor to provide third party billing services- we are finalizing our vendor choice and should have a contract in place by the end of August 2019. CSN leaders agreed upon a deficit cap is $600,000, as reflected in our signed DFP remediation plan. We are hopeful that with these proactive steps, the DFP will not only begin to realize an

				increase in revenue in the next few months, but will begin to steadily recoup the losses suffered during the past 16 months.	
3	Crime Statistics Assurance/ CSN Record Keeping Systems Review	We recommend that ownership and/or the existence of a purchase, lease or other use agreement for the above property as well as other non-campus locations be determined including use of parking lots and associated areas. Based on the outcome of this review, we recommend any Clery Act crimes occurring at these locations be reported.	Associate Vice President & Director of University Police Services	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:* CSN owns a portion of the property consisting of two buildings and a fenced in parking lot area. However, the exact location of the incident in question is still undetermined. Further review will be performed by the Clery Compliance Coordinator, and the statistics updated if appropriate. Report writing procedure have been reviewed with all officers to ensure proper documentation of event location. *How compliance and performance will be measured and documented for future audit, management and performance review*. The Cleary Compliance Coordinator is conducting regular reviews of reports to ensure pertinent information is documented in a timely manner. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:* The Associate Vice President & Director of University Police Services and the Clery Compliance Coordinator are responsible for compliance.	12/5/2019

Campus: WNC					
ITEM #	**DEPARTMENT / TOPIC**	**EXCEPTION**	**MANAGEMENT RESPONSIBILITY**	**MANAGEMENT RESPONSE**	**AUDIT COMMITTEE DATE**
4	Foundation / Volunteers	We recommend volunteer agreement forms be completed and maintained for all board members.	Foundation Executive Director	*How compliance was achieved:* Foundation staff have complied a list of all current volunteers and is working on obtaining updated volunteer forms. *What will be done to avoid the identified problems and issues in the future?* Foundations staff have been informed of the volunteer requirements and will perform an annual assessment to ensure that all of their volunteers have current documents on file. *How compliance and future good management and practice will be measured, monitored and assured.* An annual assessment of volunteer documentation will be reviewed and files will be updated accordingly. *Who will be responsible and may be held accountable in the future if repeat or similar problems arise.* Foundation staff is responsible for obtaining proper volunteer documentation and will be held accountable in the future if repeat or similar problems arise.	12/05/2019

Campus: WNC					

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				When the measures will be taken and on what schedule compliance and good practice will be secured. Effective immediately, the measures have been implemented. *How compliance and performance will be documented for future audit, management and performance review.* Foundations staff will maintain a file that will contain a volunteer listing. This listing will be reviewed annually to ensure that volunteer forms have been submitted and remain current.	
5	Foundation / Statement of Revenue and Expenditures	For improved accounting and financial reporting, we recommend the 84 self-supporting accounts be reclassified as gift accounts in Workday.	Controller	*How compliance was achieved:* The Controller's Office is currently working to create new gift accounts in Workday, transfer any balances and inactivate the old accounts. As this is a time consuming process, we expect this to be completed by the end of 2019. This finding is the result of data conversion during the implementation of Workday. *What will be done to avoid the identified problems and issues in the future?* All new Foundation gift accounts will be created in a manner that aligns with the gift account standards. *How compliance and future good management and practice will be measured, monitored and assured.* All Foundation accounts will be reviewed and built in a consistent manner in Workday. *Who will be responsible and may be held accountable in the future if repeat or similar problems arise.* The Controller will be responsible and may be held accountable in the future if repeat or similar problems arise. *When the measures will be taken and on what schedule compliance and good practice will be secured.* The measures are effective immediately and the clean-up work is expected to be completed by December 31, 2019. *How compliance and performance will be documented for future audit, management and performance review.* The Workday chart of accounts is the documentation that will suffice for future audit, management and performance review.	12/05/2019

Campus: GBC					
ITEM #	**DEPARTMENT / TOPIC**	**EXCEPTION**	**MANAGEMENT RESPONSIBILITY**	**MANAGEMENT RESPONSE**	**AUDIT COMMITTEE DATE**
6	Grants Management/ Procedures	We recommend the above three sections of the GBC Policies and Procedures manual be reviewed and updated, as necessary, to reflect current practice.	Grants Director	The Grants Director is currently working on updating GBC's Policies and Procedures. The Grants Director will review GBC's Policies and Procedures on an annual basis. The Grants Director will be responsible and may be held accountable if policies and procedures are not kept up to date.	9/05/2019
7	Grants Management/ Procedures	We recommend GBC staff obtain close out training from System Computing Services or other NSHE institution personnel with knowledge of this function.	Vice President for Business Affairs	The Vice President for Business Affairs has obtained documentation on how to close awards in Workday and will close old awards as appropriate. The Vice President for Business Affairs will work with Grant Director to close out awards on an annual basis. The Vice President for Business Affairs will be responsible and may be held accountable if awards are not closed in a timely manner.	9/05/2019

Exception & Response Analysis
Closed Exceptions
By Campus / Topic
For the Six Months Ended December 31, 2019

Campus: UNR					
ITEM #	**DEPARTMENT / TOPIC**	**EXCEPTION**	**MANAGEMENT RESPONSIBILITY**	**MANAGEMENT RESPONSE**	**AUDIT COMMITTEE DATE**
1	Crime Statistics Assurance/ UNR ASR Verification	We recommend crimes that meet the standards of an unfounded crimes under the Clery Act be withheld from the crime statistics as required. We also recommend the figures for the statistics mentioned be updated in the upcoming reporting period.	Clery Compliance Officer	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* For item one, the unfounded crimes have been removed from the associated crime categories that they had been duplicated in. Unfounded crimes will be double checked in the future to ensure the lack of duplication. For item two, the crime has been moved to the correct geographic category for the 2018 ASR. *How compliance and performance will be measured and documented for future audit, management and performance review.* Information from the detailed computer software system that tracks reports and crime categories will support the accuracy of the reports. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* The Clery Compliance Officer, under the supervision of the Chief, will be responsible for ensuring accurate reporting.	12/5/2019
2	Crime Statistics Assurance/ UNR Crime Statistics Reporting	We recommend the figures for the statistics mentioned above be updated in the upcoming reporting period.	Clery Compliance Officer	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* These discrepancies have been corrected for the 2018 ASR and the 2018 NSHE report. *How compliance and performance will be measured and documented for future audit, management and performance review.* Monthly self-audits of internal tracking spreadsheets will be completed to ensure no records are missed or have changed status, and that they are included in the correct period. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* The Clery Compliance Officer, under the supervision of the Chief, will continue to maintain a detailed computer software system for tracking reports and crime categories to ensure accurate reporting in future reports.	12/5/2019

(AUDIT, COMPLIANCE AND TITLE IX COMMITTEE 03/05/20) Ref. A-4, Page 42 of 60

Exception & Response Analysis
Closed Exceptions
By Campus / Topic
For the Six Months Ended December 31, 2019

	Campus: UNLV				

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
3	Crime Statistics Assurance / UNLV Record Keeping Systems Review	We recommend Police Services improve its procedures for recording criminal incidents and alleged criminal incidents on the daily crime log. We also recommend the crime codes and crime descriptions be reviewed with department personnel to help ensure this information is properly recorded in the records management system.	Associate Vice President, Director and Clery Compliance Coordinator	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* University Police Services Southern Command has hired a Clery Compliance Coordinator who is responsible for overseeing compliance with the Clery Act including how the daily crime log is completed. The daily crime log is now completed independently of the records management system using a combination of information from the system and the shift briefing reports. A review of the crime codes is currently underway in order to ensure accuracy and the department is exploring the possibility of obtaining a new records management system that will alleviate some of the technological restraints currently faced by the current system. *How compliance and performance will be measured and documented for future audit, management and performance review.* An audit process to ensure daily log accuracy will be established by the Clery Compliance Coordinator. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* The Associate Vice President & Director and the Clery Compliance Coordinator are responsible for ensuring compliance in this area.	12/5/2019
4	Crime Statistics Assurance / UNLV Record Keeping Systems Review	We recommend Police Services continue these efforts and if necessary, review and report any prior Clery Act crimes occurring at this location in the upcoming reporting period.	Associate Vice President and Director of University Police Services	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* The missing burglary report was not reported in the 2017 Annual Security Report due to confusion in geography and has been included in the 2019 ASR. The Clery Compliance Coordinator will conduct a complete review of all files in the current Department of Education audit period and make any necessary changes. *How compliance and performance will be measured and documented for future audit, management and performance review.* The Clery Compliance Coordinator will ensure compliance in this area by reviewing crime reports on a regular basis to gather information in a timely manner and ensure that the information is properly classified. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* It is the responsibility of the Associate Vice President & Director of University Police Services and the Clery Compliance Coordinator to ensure compliance in this area.	12/5/2019

Exception & Response Analysis
Closed Exceptions
By Campus / Topic
For the Six Months Ended December 31, 2019

Campus: UNLV					
ITEM #	**DEPARTMENT / TOPIC**	**EXCEPTION**	**MANAGEMENT RESPONSIBILITY**	**MANAGEMENT RESPONSE**	**AUDIT COMMITTEE DATE**
5	Crime Statistics Assurance / UNLV Record Keeping Systems Review	As a best practice, we recommend the department maintain documentation in the incident report and/or a centralized file which supports emergency notification determinations.	Associate Vice President and Director of University Police Services	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* University Police Services Southern Command has hired a Clery Act Compliance Coordinator who is responsible for overseeing all aspects of compliance with the Clery Act. These duties include documenting events when an emergency notification is issued, and documenting when a notification was not issued. *How compliance and performance will be measured and documented for future audit, management and performance review.* For future occurrences when a situation arises that could potentially warrant the dissemination of an emergency notification, documentation will be maintained indicating that an alert was issued or why one was not issued. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* It is the responsibility of the Associate Vice President & Director of University Police Services and the Clery Compliance Coordinator to ensure compliance in this area.	12/5/2019
6	Crime Statistics Assurance / UNLV Record Keeping Systems Review	We recommend information regarding the above crimes be included and/or updated in the upcoming reporting period.	Associate Vice President and Director of University Police Services	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* The noted discrepancies were corrected in the 2019 ASR. Additionally, the Clery Compliance Coordinator will conduct a complete review of all files in the current Department of Education audit period and make any additional necessary changes. *How compliance and performance will be measured and documented for future audit, management and performance review.* The Clery Compliance Coordinator will be responsible for reviewing crime reports on a regular basis to ensure accurate counting and reporting of crimes. A detailed log of crimes counted and included in each ASR will be maintained which will identify included statistics by crime type, date reported, case number, location of crime and the corresponding Clery Act geographic location. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* It is the responsibility of the Associate Vice President & Director of University Police Services and the Clery Compliance Coordinator to ensure compliance in this area.	12/5/2019

Exception & Response Analysis
Closed Exceptions
By Campus / Topic
For the Six Months Ended December 31, 2019

Campus: UNLV

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
7	Crime Statistics Assurance / UNLV Crime Statistics Reporting	We recommend the figures for the statistics mentioned above be updated in the upcoming reporting period to the NSHE Board of Regents.	Associate Vice President and Director of University Police Services	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* All information has been updated to reflect accurate numbers in the report to the NSHE Board of Regents for 2019. *How compliance and performance will be measured and documented for future audit, management and performance review.* This report will be overseen by the University Police Services Clery Compliance Coordinator to ensure accurate reporting. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* The Associate Vice President & Director and the Clery Compliance Coordinator are responsible for ensuring compliance in this area.	12/5/2019

Campus: NSHE

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
8	Hosting/ Workday Host Processing	We recommend an alert be added to Workday when one of the above spend categories is used that requires users to indicate whether the transaction is a hosting or non-hosting transaction. If it is a hosting transaction, we recommend the system further require users to provide a detail code.	Chief Financial Officer	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:* This type of alert was tested before the Workday implementation, and the user community chose not to implement the alert because it would show up on all transactions using the specific spend categories, regardless of whether it was hosting or not. This can be implemented again, and the team will take the request back to the user community as a change request prompted by the audit report. *How compliance and performance will be measured and documented for future audit, management and performance review:* If implemented, it is anticipated the alert will lead to improved compliance regarding proper classification of hosting expenses. This will be measured in future audits.	02/28/2019

Campus: NSHE					
ITEM #	**DEPARTMENT / TOPIC**	**EXCEPTION**	**MANAGEMENT RESPONSIBILITY**	**MANAGEMENT RESPONSE**	**AUDIT COMMITTEE DATE**
				Who will be responsible and may be held accountable in the future if repeat or similar observations are noted: Users will be held responsible in the future if similar observations are noted. **Follow Up Response 9/5/19:** The change request, WCR-1794, Alert on Hosting Spend Categories, was initiated and will be presented to various related user groups for discussion. It will then be included for voting in the next Finance Executive Governance meeting. **Follow Up Response 12/13/19:** A Workday change request (WCR-1794) was initiated to add an Alert on Hosting Spend Categories per the auditor's recommendation. The alert was configured and tested in the Workday testing environment and submitted for demonstration and approval to the Finance Executive Governance Group meeting on 9/26/2019. The request was not approved by the governance group, and therefore we are recommending that a report be developed and run to audit the hosting spend category transactions on the back end. We have submitted this report request to our reporting team.	
9	Crime Statistics Assurance/ NSHE Other	We recommend the reporting categories used to collect and report sex offense data be updated as required. We also recommend updates to previously reported data be made in the upcoming reporting period.	NSHE Finance and Administration	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* The four categories are currently being reported appropriately. Measures are now in place that include internal NSHE communications and monitoring of the clerycenter.org website for any new and/or updates to the Clery Act. This should eliminate any future issues. *How compliance and performance will be measured and documented for future audit, management and performance review.* The sex offenses template has been updated to remove the two outdated reporting categories and replaced, to include the expanded four categories. This is then sent to the institutions to be filled in and sent back to NSHE Finance and Administration Department for further review. This should insure consistent reporting across all institutions. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* Nevada System of Higher Education Finance and Administration Department.	12/5/2019

Campus: NSC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
10	Travel/ Travel Card Expenditures	For increased efficiency, we recommended that accounting services work with System Computing Services (SCS) to determine whether an automated process for issuing the notifications can be developed within Workday.	Director of Accounting Services	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:* An automated notification for all cardholders has been created by NSC Institutional Research and Information & Technology Services that will generate emails to affected parties informing them of required action. *How compliance and performance will be measured and documented for future audit, management and performance review:* Accounting Services reviews cardholder notifications and verifications weekly; *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:* The Director of Accounting Services is responsible for the notification process flow.	12/5/2019
11	Travel/ Expense Report Reimbursement	We recommend employees be reminded of established travel policies and the guidelines for completing and submitting expense reports. We recommend Accounting Services evaluate their current process to prevent duplicate payments in the future and the college consider requesting reimbursement from the employees mentioned.	Director of Accounting Services	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:* To eliminate duplicate payments, the NSC Travel policy has been revised to include meal timeframes that employees must adhere to in processing verifications and expense report reimbursements; NSC Procurement and Travel policies states purchases must be for business use and consistent with NSC, NSHE, and State policies and procedures; and Accounting Services now provides annual travel training to employees. *How compliance and performance will be measured and documented for future audit, management and performance review:* Accounting Services reviews all employee travel expenses to ensure compliance with NSC, NSHE and State policies and procedures before approval in Workday; *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:* The Director of Accounting is responsible for adherence to the travel policies and guidelines.	12/5/2019
12	Travel/ Travel Policy	We recommend the travel policies in the procurement card user manual be updated with the above revisions and communicated to all NSC employees.	Director of Accounting Services	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:* NSC policy has been revised to include specific guidelines and timeframes for submitting spend authorizations and expense reports, the procedure for requesting the NSC travel card, a section that addresses allowable and unallowable travel expenses, the timeframes that apply to claiming individual meals and how to segregate personal expenses from business expenses when combined travel is approved;	12/5/2019

Campus: NSC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				How compliance and performance will be measured and documented for future audit, management and performance review: Accounting Services audits all initiated travel verifications and expense reports prior to approval in Workday. Quarterly reviews are also conducted to ensure compliance; Documentation must be included I the Spend Authorization in order to clearly delineate business versus personal expenses; *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:* The Director of Accounting Services is responsible for adherence to the travel policies and guidelines.	
13	Purchasing Card Program/ Transaction Testing	We recommend that a host transaction be created for the expenditure and ensure that it is properly coded in Workday. Additionally, we recommend that cardholders be reminded to comply with established hosting policy.	Director of Accounting Services	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place:* Accounting Services met with the Cardholder to review the purchase and policy for hosting. Verification for PCV-05-00002248 was revised to reflect the appropriate host Work tag and DC038-Hosting-Small Gifts, Employee. The host form was created and is attached to the verification. To ensure compliance with the Board of Regents and NSC policies and guidelines, NSC is in the process of revising the Procurement Card policy, to include comprehensive guidance and process flow related to host expenses. The revised policy will also include annual testing to mitigate non-compliant purchases in the future. The final revision to NSC Procurement Card policy will be Q1 FY20. *How compliance and performance will be measured and documented for future audit, management and performance review:* Nevada State College will conduct quarterly reviews of card transactions in Workday by the Spend and Detail Codes. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:* Director of Accounting Services, in collaboration with the Finance and Administration staff, is responsible for adherence to the purchasing polices and guidelines. **Follow Up Response 12/05/19:** Accounting Services has corrected the transaction and communicates Hosting Policy to cardholders on a regular basis.	6/06/2019

Exception & Response Analysis
Closed Exceptions
By Campus / Topic
For the Six Months Ended December 31, 2019

Campus: TMCC					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
14	Foundation/ Expenditures	We recommend greater care be taken to ensure hosting transactions are properly identified and that host forms are completed as required.	Foundation Executive Director	*Corrective Action Taken:* For the expenditures that were not properly classified as hosting transactions, host forms were completed and submitted to the Vice President of Finance and Administration's Office. The host forms that did not list all persons in attendance were re-submitted to the Vice President of Finance and Administration's Office with the names of the attendees. *Compliance, Measurement, and Documentation:* On a monthly basis, the Foundation will reconcile all host expenses to ensure that receipts, list of attendees and host forms are included with all expenses. *Responsibility:* Foundation's AAIV position.	9/05/2019
15	Foundation/ Cash Controls	As a best practice, we recommend the mail be opened in the presence of two employees and that donations be recorded on a log that lists each check, amount, and the corresponding gift account for which the donations are intended. We recommend the log be signed by both employees and used to reconcile to the donations that are recorded in the fundraising software.	Foundation Executive Director and AAIV	*Corrective Action Taken:* On April 25, 2019, a new procedure was implemented that includes all checks being opened in front of two staff members. The checks are then logged into a newly created check receipt log that is initialed by two staff members. The log includes the name on the check, date, check number, amount, gift account name and initials for two staff members. On a monthly basis, the log is reconciled with the donor reports that are created out of the Raiser's Edge donor database. *Compliance, Measurement, and Documentation:* On a monthly basis, the check log will be reconciled with the donor database to ensure all checks are included in the log. *Responsibility:* Executive Director and AAIV.	9/05/2019
16	Foundation/ Foundation Account Review	We recommend that scholarships only be awarded to students who meet the donor criteria.	Foundation Scholarship Manager	*Corrective Action Taken:* The Foundation's Scholarship Manager contacted the donor whose scholarship was awarded incorrectly and informed them that their account will be reimbursed for the one incorrectly awarded scholarship. A scholarship with their reimbursed funds will be awarded with the correct criteria this fall. *Compliance, Measurement, and Documentation:* During the scholarship's cycle management process, which occurs at the end of each calendar year, the Scholarship Manager will check each scholarship donor's awarding criteria with their scholarship agreement to ensure accuracy. *Responsibility:* Scholarship Manager.	9/05/2019

| 17 | Foundation/ Sensitive Equipment | We recommend TMCC Foundation funds that are used to purchase equipment or other items for faculty/staff remain the property of the college or the foundation. We recommend that computer purchases be coordinated through the TMCC IT Department. We also recommend the BCN Payroll Department be contacted to determine whether the computers should be included in the employees' taxable income. | Foundation Executive Director | *Corrective Action Taken:* The College's Human Resources Office has worked with BCN to add the $379 in compensation to the 2019 payroll for the twelve employees who received a tablet/notepad.

Compliance, Measurement, and Documentation: The Foundation will alert the Controller's Office and Human Resources Department to any grant submission that could include compensation for employees to determine tax implications. HR will be notified when any of these grants are awarded in order to include compensation in the employee's taxable income.

Responsibility: Executive Director | 9/05/2019 |

Campus: CSN					
ITEM #	**DEPARTMENT / TOPIC**	**EXCEPTION**	**MANAGEMENT RESPONSIBILITY**	**MANAGEMENT RESPONSE**	**AUDIT COMMITTEE DATE**
18	Crime Statistics Assurance/ CSN ASR Verification	We recommend supporting documentation be maintained for each year's ASR that could be used to tie back to the statistics reported. We recommend this information be maintained separately from the daily crime log and used following the calendar year end to prepare the ASR. We also recommend a process be developed to help ensure information from the records management system is summarized and recorded accurately on the daily crime log by department personnel. This should include defining commonly used terms and field descriptions to be used on the daily crime log and eliminating or revising data that is not required or needed on the log. The process should also require a secondary review function to further ensure information entered on the daily crime log is complete and accurate.	Associate Vice President and Director of University Police Services Southern Command	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* As a result of the consolidation of CSNPD and UNLVPD into what is managed as University Police Services Southern Command, the process for completing the required Daily Crime Log and the preparation of statistics for inclusion in the Annual Security Report has changed in its entirety. The Daily Crime Log is completed by University Police Services Southern Command records staff through a thorough review of cases in the records management system and the shift briefing log. The Daily Crime Log consists of the following required columns: Date/Time Reported, Date/Time Occurred, Case #, Locations/Building, Violation(s) and Disposition. Entries are made on the log within two business days of receipt of the report of a crime as required under the Clery Act. Statistics included in the Annual Security Report are now documented on a separate tracking log. This log tracks the statistics for the crime types required to be disclosed under the Clery Act and each CSN campus has its own log. Crimes that are included in the ASR are listed on this log by crime type, date reported, case number, location of crime and the corresponding Clery Act geographic location. *How compliance and performance will be measured and documented for future audit, management and performance review.* The Clery Compliance Coordinator reviews case files and the shift briefing report on a daily basis to ensure statistics are captured in a timely and accurate manner. Additionally, the Clery Compliance Coordinator conducts periodic audits of the Daily Crime Log to ensure compliance with statutory requirements.	12/5/2019

Campus: CSN					

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				Who will be responsible and may be held accountable in the future if repeat or similar observations are noted. It is the responsibility of the Associate Vice President & Director of University Police Services Southern Command and the Clery Compliance Coordinator to ensure compliance in the area.	
19	Crime Statistics Assurance/ CSN ASR Verification	We recommend a record of disciplinary referrals be maintained and that follow-up of the referrals be performed with the appropriate camps administrators to determine whether disciplinary actions were taken that should be reported in the ASR.	Associate Vice President and Director of University Police Services Southern Command	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* As a result of the consolidation of services between CSNPD and UNLVPD, Cleary Act compliance is managed by the University Police Services Clery Compliance Coordinator. Referrals to student affairs for disciplinary actions are now tracked through the records management system utilized by University Police Services Southern Command. Additionally, the Clery Compliance Coordinator reaches out to the student affairs department to obtain additional statistics, if any, for inclusion in the ASR. *How compliance and performance will be measured and documented for future audit, management and performance review.* The Clery Compliance Coordinator documents compliance in this area through a combination of the automated records management system utilized by University Police Services, Southern Command, and a file maintaining written documentation of requests to the student affairs office for referral statistics. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* It is the responsibility of the Associate Vice President & Director of University Police Services Southern Command and the Clery Compliance Coordinator to ensure compliance.	12/5/2019
20	Crime Statistics Assurance/ CSN Clery Act Reporting Process and Data Sources Review	We recommend written procedures be developed. We recommend the procedures require Clery Act crimes to be identified periodically throughout the year from the records management system, local law enforcement reports and other records, as needed. We recommend the procedures address the completion and maintenance of disciplinary referral records, as previously discussed. We also recommend the procedures include a supervisory review function at	Associate Vice President and Director of University Police Services Southern Command	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* As a result of the consolidation between the former CSNPD and UNLVPD into University Police Services, Southern Command, Clery Act compliance is managed by the department's Clery Compliance Coordinator. The Clery Compliance Coordinator identifies and tracks Clery reportable crimes throughout the year. Additionally, the Clery Compliance Coordinator reaches out to local law enforcement agencies to obtain reports of crimes made to those agencies which fall within geographical locations reportable under the Clery Act. *How compliance and performance will be measured and documented for future audit, management and performance review.*	12/5/2019

Campus: CSN

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
		which time the crime statistics could be verified prior to completion and submission of the ASR.		The Clery Compliance Coordinator maintains a log of Clery applicable crimes. This log contains case numbers of corresponding crime types required to be disclosed under the Clery Act. Each CSN campus has its own log. Crimes that are included in the ASR are listed on this log by crime type, date reported, case number, location of crime and the corresponding Clery Act geographic location. The Clery Compliance Coordinator on a continuous basis throughout the year update this log. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* It is the responsibility of the Associate Vice President & Director of University Police Services Southern Command and the Clery Compliance Coordinator to ensure compliance with the Clery Act.	
21	Crime Statistics Assurance/ CSN Clery Act Reporting Process and Data Sources Review	We recommend CSNPD maintain documentation that supports each year's ASR. This includes documentation of crimes reported by outside law enforcement agencies and the rationale used for reporting crimes in the ASR.	Associate Vice President and Director of University Police Services Southern Command	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* As a result of the consolidation of CSNPD and UNLVPD into University Police Services, Southern Command, Clery Act compliance is managed by the Clery Compliance Coordinator. The Clery Compliance Coordinator maintains files and logs detailing statistics received by outside law enforcement agencies. This information is tracked and logged along with campus statistics for inclusion in the Annual Security Report. *How compliance and performance will be measured and documented for future audit, management and performance review.* Files and logs containing copies of the letters sent requesting statistics from the other agencies, responses received, if any, and any applicable statistics will be logged for retrieval. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* It is the responsibility of the Associate Vice President & Director of Police Services and the Clery Compliance Coordinator to maintain compliance in this area.	12/5/2019
22	Crime Statistics Assurance/ CSN Clery Act Reporting Process and	We recommend Clery Act training be provided to these employees.	Associate Vice President and Director of University Police	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* As a result of the consolidation between CSNPD and UNLVPD into University Police Services, Southern Command Clery Act compliance is now managed by the Clery Compliance Coordinator. The department's Clery Compliance	12/5/2019

Exception & Response Analysis
Closed Exceptions
By Campus / Topic
For the Six Months Ended December 31, 2019

Campus: CSN					

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
	Data Sources Review		Services Southern Command	Coordinator and Associate Vice President and Director have attended multiple, in depth trainings regarding Clery compliance at least annually. *How compliance and performance will be measured and documented for future audit, management and performance review.* The Clery Compliance Coordinator for University Police Services, Southern Command continue to attend trainings in order to maintain proficiency in the discipline. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* It is the responsibility of the Associate Vice President & Director of University Police Services to maintain compliance in this area.	
23	Crime Statistics Assurance/ CSN Record Keeping Systems Review	We recommend the development of formal procedures for collecting, classifying and reporting the institution's annual crime statistics. We recommend the procedures include a description of the college's public property boundaries as it relates to Clery Act reporting and the importance of providing a detailed description of crime locations. We also recommend the figures for the statistics mentioned above be reviewed and updated as necessary.	Associate Vice President and Director of University Police Services Southern Command	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.* As a result of the consolidation of CSN PD and UNLVPD into University Police Services, Southern Command, Clery compliance is now managed by the Clery Compliance Coordinator. Collecting, classifying, and reporting the institution's annual crime statistics are now the sole responsibility of the Clery Compliance Coordinator, who is a subject matter expert on Clery compliance. Additionally, the consolidated department now uses one, unified report system of which all officers have received training, ensuring the detailed location of crimes will be recorded. *How compliance and performance will be measured and documented for future audit, management and performance review.* The Clery Coordinator is developing a detailed file containing all properties owned or operated by CSN and identifying applicable Clery Act geographic locations. Additionally, the Clery Compliance Coordinator is conducting a review of former CSNPD case files subject to the current Department of Education audit period, and any necessary data corrections will be made upon completion of the review. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* The Associate Vice President & Director of University Police Services and the Clery Compliance Coordinator are responsible for overseeing compliance in this area.	12/5/2019
24	Crime Statistics Assurance/	We recommend compliance with established guidance for reporting Clery Act crimes. We also recommend	Associate Vice President and	*Detailed corrective action taken, including what will be done to avoid the identified issues in the future, and when these measures will be in place.*	12/5/2019

Campus: CSN

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
	CSN Record Keeping Systems Review	that this area be addressed in the written procedures mentioned earlier, including a method for determining how multiple offenses involving illegal weapons possession, drug and liquor law violations will be counted when reporting the college's annual crime statistics in the ASR. As noted above, written justification should be maintained to support each determination that is made.	Director of University Police Services Southern Command	As a result of the consolidation between CSNPD and UNLVPD, Clery Act compliance is now managed by the Clery Compliance Coordinator for University Police Services, Southern Command who is responsible for collecting and classifying crimes. The Clery Compliance Coordinator has instituted procedures to ensure that crimes are accurately counted and classified in order to avoid under or over reporting in future annual security reports. *How compliance and performance will be measured and documented for future audit, management and performance review.* When multiple offenses occur during a single event, the report document will take into account the hierarchy rule and any applicable rules for counting and classifying crimes. An internal department hierarchy rule has been established. *Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.* The Associate Vice President & Director of Police Services and the Clery Compliance Coordinator are responsible for overseeing compliance in this area.	

Campus: WNC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
25	Foundation/ Expenditures	To help ensure hosting expenditures are documented in accordance with Internal Revenue Services guidelines, as stated in the NSHE Procedures and Guidelines Manual, we recommend hosting forms be completed as required.	Foundation Executive Director	*How compliance was achieved.* WNC discussed the findings with the Foundation staff and they are aware that all documentation is required for each hosting transaction. Additionally, there is discussion at the Business Officer level to currently revise the NSHE hosting policies and procedures. We are hoping that these upcoming changes will make it easier for employees to satisfy the hosting requirements and documentation. We expect that changes will be made to the policy in the near future. *What will be done to avoid the identified problems and issues in the future?* Proper documentation will be obtained before processing any host transactions. Additionally, Workday security has been edited so that all hosting transactions	12/5/2019

Campus: WNC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				route to an individual in the Controller's Office for review. WNC reminded the employee that all hosting transactions require the proper detail code. *How compliance and future good management and practice will be measured, monitored and assured.* Foundation staff will review their host expenditures and ensure that proper documentation is submitted with each transaction. Additionally, all transactions will be routed to the Controller's Office for review within Workday. *Who will be responsible and may be held accountable in the future if repeat or similar problems arise.* Foundation staff is responsible for proper documentation and coding and will be held accountable in the future if repeat or similar problems arise. *When the measures will be taken and on what schedule compliance and good practice will be secured.* Effective immediately, the measures have been implemented. *How compliance and performance will be documented for future audit, management and performance review.* Properly coded and complete transactions will serve as documentation for future audit, management and performance review.	
26	Foundation/ Cash Control	As a best practice, we recommend the mail be opened in the presence of two employees and that donations be recorded on a log that lists each check, amount, and the corresponding gift account for which the donations are intended. We recommend the log be signed by both employees and used to reconcile to the donations that are recorded in the fundraising software and bank statements. We also recommend the monthly bank reconciliation and supporting documentation be periodically reviewed by another employee.	Foundation Executive Director	*How compliance was achieved.* Foundation staff has developed new processes to ensure that two employees are present when the mail is opened. The staff then log the cash or checks received on a tracker. This tracker is then signed by both employees as verification. On a monthly basis, the tracker will be reviewed to ensure that it reconciles to the data in Donor Perfect and to the bank statement. Additionally, the bank reconciliation is now reviewed and approved on a monthly basis by the Foundation Director. *What will be done to avoid the identified problems and issues in the future?* Adhering to the new processes and safeguards will ensure that the identified problems and issues do not re-occur. *How compliance and future good management and practice will be measured, monitored and assured.* Properly completed trackers/ logs and bank	12/5/2019

Campus: WNC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				reconciliations will be maintained to ensure that compliance and future good management is monitored. *Who will be responsible and may be held accountable in the future if repeat or similar problems arise.* Foundation staff is responsible and may be held accountable in the future if repeat or similar problems arise. *When the measures will be taken and on what schedule compliance and good practice will be secured.* Effective immediately, the measures have been implemented. *How compliance and performance will be documented for future audit, management and performance review.* The completed and verified trackers will serve as documentation for future audit, management and performance review.	
27	Foundation/ Student Employees	We recommend foundation staff take greater care to help ensure the college's student employment policies are being followed. We also recommend student employees be reminded of the policies and that they be instructed to provide an explanation in the comments section of the Workday time entry page if they work during class time.	Foundation Executive Director	*How compliance was achieved.* Foundation staff have been made aware of the policies regarding student employment and have been provided the training materials. During our internal audit, it was discovered that the normal, routine training was not provided this past year due to the Workday implementation. The training that was more was more procedural in regards to Workday input (old way vs new way) instead of the general work study guidelines that are normally discussed. Additionally, the Student Employment Coordinator will ensure that all new supervisors of work study students will attend a training. *What will be done to avoid the identified problems and issues in the future?* Foundation staff have been trained on the policies and will ensure that all of their student employees will abide by the guidelines. *How compliance and future good management and practice will be measured, monitored and assured.* Foundation staff will provide a report of monthly hours worked by student employees to the Foundation Director to ensure that the students are in compliance with the work study guidelines. Additionally, all Foundation staff will have print outs of the student's schedule to ensure that they are not working during class time. This will help ensure compliance and good management and practice.	12/5/2019

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
Campus: WNC					
				Who will be responsible and may be held accountable in the future if repeat or similar problems arise. Foundation staff is responsible and may be held accountable in the future if repeat or similar problems arise. *When the measures will be taken and on what schedule compliance and good practice will be secured.* Effective immediately, the measures have been implemented. *How compliance and performance will be documented for future audit, management and performance review.* Foundation staff will maintain accurate records and files for all student workers. This will help to provide documentation for future audit, management and performance review.	
28	Foundation/ Contracts	We recommend contracts be reviewed for proper form and completion to help ensure hold harmless and indemnity clauses are mutual for both parties, contracts have been properly signed and dated, and that any other issues are properly addressed.	Foundation Executive Director	*How compliance was achieved.* Foundation staff has contracted the vendor and is working to include the hold harmless clause into the current contract that is set to expire on December 31, 2021. All future contracts with this vendor will also include the hold harmless language. For the incomplete contracts, Foundation staff have obtained the appropriate signatures and dates for their files. *What will be done to avoid the identified problems and issues in the future?* All contracts will be routed through the contract review and approval process to ensure that the appropriate hold harmless statements are included. Additionally, Foundation staff will ensure that fully executed contracts are on file. *How compliance and future good management and practice will be measured, monitored and assured.* All contracts will be routed through the contract review process and logged on the contract tracker that is maintained by the assistant to the Vice President. The Vice President will review all contracts for the proper hold harmless language and require that edits by made inf necessary. *Who will be responsible and may be held accountable in the future if repeat or similar problems arise.* Foundation staff will be held responsible and may be held accountable in the future if repeat or similar problems arise. *When the measures will be taken and on what schedule compliance and good practice will be secured.* Effective immediately, the measures have been implemented.	12/5/2019

Exception & Response Analysis
Closed Exceptions
By Campus / Topic
For the Six Months Ended December 31, 2019

Campus: WNC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				How compliance and performance will be documented for future audit, management and performance review. Properly executed contracts will be documented for future audit, management and performance review.	

Campus: GBC

ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
29	Grants Management/ Effort Reporting	We recommend employees be reminded of the importance of completing effort reports and for completing the reports in a timely manner. We recommend a review of the employees' work histories be performed and that effort reports be completed as necessary. We also recommend the college consider reviewing the college's other active awards to determine whether personnel expenditures have been charged that have not been documented on an effort report.	Principal Investigator	The Vice President for Business Affairs has sent out a memo to all employees reminding them of the need to complete and have their supervisor approve effort reporting on a timely basis. The Grants Director will closely monitor personnel activity reports turned into their office to insure a timely reporting process. The Principal Investigator will be responsible and may be held accountable if the effort reporting on their grants are not completed by personnel and approved in a timely manner.	9/05/2019
30	Grants Management/ Expenditures	We recommend that purchase requisitions be completed and submitted to the Business Center North (BCN) Purchasing Department with required quotations in advance of purchases, as required.	Principal Investigator	The Vice President for Business Affairs has sent out a memo to all employees reminding them of the need to complete requisitions and other documents prior to receiving goods and services. The Grants Director and Grant Accountant will closely monitor transactions in Workday for violation of purchasing policies and procedures. The Principal Investigator will be responsible and may be held accountable if purchasing policies and procedures are not adhered to.	9/05/2019

Exception & Response Analysis
Closed Exceptions
By Campus / Topic
For the Six Months Ended December 31, 2019

Campus: GBC					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
31	Grants Management/ Expenditures	We recommend independent contractor agreement forms be completed.	Principal Investigator	The Vice President for Business Affairs has sent out a memo to all employees reminding them to provide all backup documentation for transactions. The Grant Director and Grant Accountant will closely monitor transactions in Workday for adequate backup documentation. The Principal Investigator will be responsible and may be held accountable if required backup documentation is not completed.	9/05/2019
32	Grants Management/ Expenditures	We recommend that greater care be taken to ensure expenditures charged to sponsored projects are reasonable, as stipulated in the Uniform Guidance cost principles. We also recommend the grant be reimbursed for the cost of the hotel charge.	Principal Investigator	The Vice President for Business Affairs has sent out a memo to all employees reminding them to adhere to travel policies and procedures. The Principal Investigator, Grants Director, and Grant Accountant will closely monitor travel requests and transactions in Workday for adherence to policy. The Principal Investigator will be responsible and may be held accountable if policies and procedures are not followed.	9/05/2019
33	Grant Management/ Expenditures	We recommend the budget for the award be corrected.	Principal Investigator	The Grant Director and Vice President for Business Affairs will review budget award setup for appropriate ledger accounts. The Grant Director will notify the Principal Investigator of the award budget ledger accounts used. The Grant Director, Grant Accountant, and Senior Accountant will closely monitor transactions in Workday for appropriate award ledger worktags. The Principal Investigator will be responsible and may be held accountable if proper spend categories and ledger accounts are not utilized.	9/05/2019
34	Grant Management/ Award File Review	We recommend greater care be taken to ensure award documentation is collected and maintained.	Vice President for Business Affairs	The Grant Director and Senior Accountant will maintain all appropriate documents for new awards. The Grant Director and Senior Accountant will work together to maintain appropriate award files. The Vice President for Business Affairs will be responsible and may be held accountable if proper files and documentation are not maintained.	9/05/2019
35	Grant Management/	We recommend the budget for the award be correct so that the financial information contained in Workday is accurate.	Vice President for Business Affairs	The Grant Director and Vice President for Business Affairs will maintain accurate budgets and backup documentation for new awards.	9/05/2019

Exception & Response Analysis
Closed Exceptions
By Campus / Topic
For the Six Months Ended December 31, 2019

Campus: GBC					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
	Award File Review			The Grant Director, Vice President for Business Affairs, and Senior Accountant will work together to maintain appropriate award budgets. The Vice President for Business Affairs will be responsible and may be held accountable if proper files and documentation are not maintained.	
36	Grant Management/ Cash Management	To help ensure costs are recovered in a timely manner and as a best practice, we recommend invoices be submitted consistently and in accordance with the grantor's and/or the college's requirements.	Vice President for Business Affairs	The Senior Accountant will maintain a billing calendar for all awards noting grantor requirements for submission of cash reimbursement. The Vice President for Business Affairs and Senior Accountant will work together to adhere to the billing schedules in light of limited staffing, competing priorities, cash flow demands and timely review of billing/expenditures by the Principal Investigator. The Vice President for Business Affairs will be responsible and may be held accountable if billings are not completed in a timely manner. In addition, the Principal Investigator may be held accountable if billings are not submitted in a timely manner due to their untimely response for review.	9/05/2019
37	Purchasing Card Program/ Purchasing Card Procedures Manual	We recommend the manual be updated to address the procedures for transaction verification and approval in Workday.	Vice President for Business Affairs	The Pcard Administrator is in process of updating the Purchasing Card Program User Manual for the processes that now occur with the implementation of the Workday system. The Pcard Administrator will review the manual on an annual basis and make any updates as needed. The Pcard Administrator will be responsible and may be held accountable if the annual review and update of the manual is not completed. **Follow Up Response 12/5/19:** The Purchasing Card Program User Manual has been updated as of August 23, 2019 and has been made available to all users.	6/06/2019