

NEVADA SYSTEM OF HIGHER EDUCATION

INTERNAL AUDIT DEPARTMENT STATUS REPORT

WORK PLAN FOR JULY 1, 2024 THROUGH DECEMBER 31, 2024

UPDATE ON JANUARY 1, 2024 THROUGH JUNE 30, 2024 ACTIVITIES



NSHE
Internal Audit Department
Work Plan and Status Report

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Nevada System of Higher Education

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August 6, 2024

MEMORANDUM

TO: Mr. Joseph C. Arrascada, Chair
Dr. Michelee Cruz-Crawford, Vice Chair
Mr. Patrick J. Boylan
Mrs. Susan Brager
Mrs. Carol Del Carlo

FROM: Lauren Tripp, Interim Chief Internal Auditor 

SUBJECT: Internal Audit Departmental Work Plan
Audit, Compliance and Title IX Committee – September 5, 2024

Historically, the NSHE Internal Audit Department has developed an annual work schedule for review and approval by the Audit, Compliance and Title IX Committee. This is now developed and submitted for approval on a six-month rolling period, in line with recent best practice developments and the increasing need for a flexible, agile internal audit workforce. The Internal Audit Department Work Schedule continues to be derived from our updated risk assessment process, which is summarized below:

Risk Assessment Process - Fiscal Year 2025 (1st half)

- Continue our updates to the comprehensive list of auditable areas (“audit universe”) in a collaborative fashion
- Review the risk factors used to ensure they provide a more complete view of risks affecting NSHE
- Apply risk factors in a weighted fashion (considering significance / likelihood) to determine and prioritize risks in order to scale to resources
- Solicit input from system-wide / institution management for current specific audit or consulting focus
- Utilize data from NSHE Compliance Hotline to identify potential areas requiring review

We continue to adapt the format of our work schedule to explicitly highlight that our department provides services beyond that of traditional assurance services. Highlights and themes of the system-wide audit plan are summarized below:

Highlights of the System-wide FY 2025 Audit Plan (1st half)

- NSHE Internal Audit will dedicate ~2,800 hours to planned, assurance-based audits, spread across all institutions and the System office
- To facilitate agility and flexibility in the work schedule, NSHE Internal Audit will dedicate ~1,200 hours to projects based on emerging risks, collaborative efforts with other assurance-providing functions around the system, and incident management
- Consistent with prior fiscal years, approximately seven percent of personnel hours are budgeted for training / administrative items. This includes continuing education for the NSHE Internal Audit team (external training to maintain certifications and competencies), as well as continued cross-training to ensure the department is well-organized and well-positioned to add value to the institutions

Themes in the System-wide FY 2025 Audit Plan (1st half)

- Responsiveness –NSHE Internal Audit looks for opportunities to reduce or eliminate gaps in controls. We continue to leverage the results of the LCB audits (and management’s detailed action plans) to inform this and future audit plans. We will focus on re-alignment of internal audit objectives and prioritize compliance with new standards
- Collaboration – A continued/growing theme of collaboration and co-sourcing with other assurance and advisory personnel ultimately leads to more effective projects and efficient use of resources. We leverage a three lines of defense model, which includes subject-matter experts around the system, especially in areas of compliance
- Hotline – Our role continues to include facilitation of cases to proper subject matter experts, and where appropriate, utilization of hotline data to inform our audit plan. With the accumulated data over the years and implementation of a new reporting system, this creates an opportunity for an analysis of making the hotline more efficient and effective
- Data Analytics – With the world always changing, it is imperative to develop a strategy to mitigate emerging risks. We will explore options on utilizing data analytics to help drive efficiencies and allow for potential continuous auditing
- Resources – NSHE Internal Audit remains practical while working around resource challenges. Balancing resources available in the most efficient way will be crucial. We will focus on staffing and building talent

The detailed list of audits can be found on page 5. Please contact me if you have any questions or need additional information.

Nevada System of Higher Education						
Internal Audit Department						
Capacity Analysis & Work Plan						
Fiscal Year 2025 (1st half)						
Personnel Hours (Total Hours x 5 FTE)				5,200		
Non-audit Hours (Holidays, vacations, illness, etc.)				-800		
Training and Administrative Hours				-400		
Utilizable Audit Hours				4,000		
Utilizable Audit Hours				4,000		
Audit Program - Planned (~70%)				2,800		
Audit Program - Advisory/Requests/Collaborations (~15%)				600		
Audit Support Activities/Hotline Management (~15%)				600		
Audit Program - Planned Hours						
UNR Disability Resource Center*				50		
UNR Differential Program and Special Course Fees				300	350	
DRI Grants and Contracts				300	300	
TMCC Host				100	100	
WNC Admissions and Records				300	300	
GBC Contract/Customized Training*				50		
GBC Change in Leadership				150		
GBC (Unannounced)				250	450	
NSHE - Human Resources				200		
NSHE - External Audit Direct Assistance*				50	250	
IT -SCS Purchasing Card				200	200	
UNLV School of Dental Medicine*				50		
UNLV Athletics				200	250	
CSN Scholarship Operations				250		
CSN Change in Leadership				150	400	
NSU Facilities Contract				200	200	
Grand total - Planned audits					2,800	

* Project currently in-progress, hours represent approximate remaining time to complete

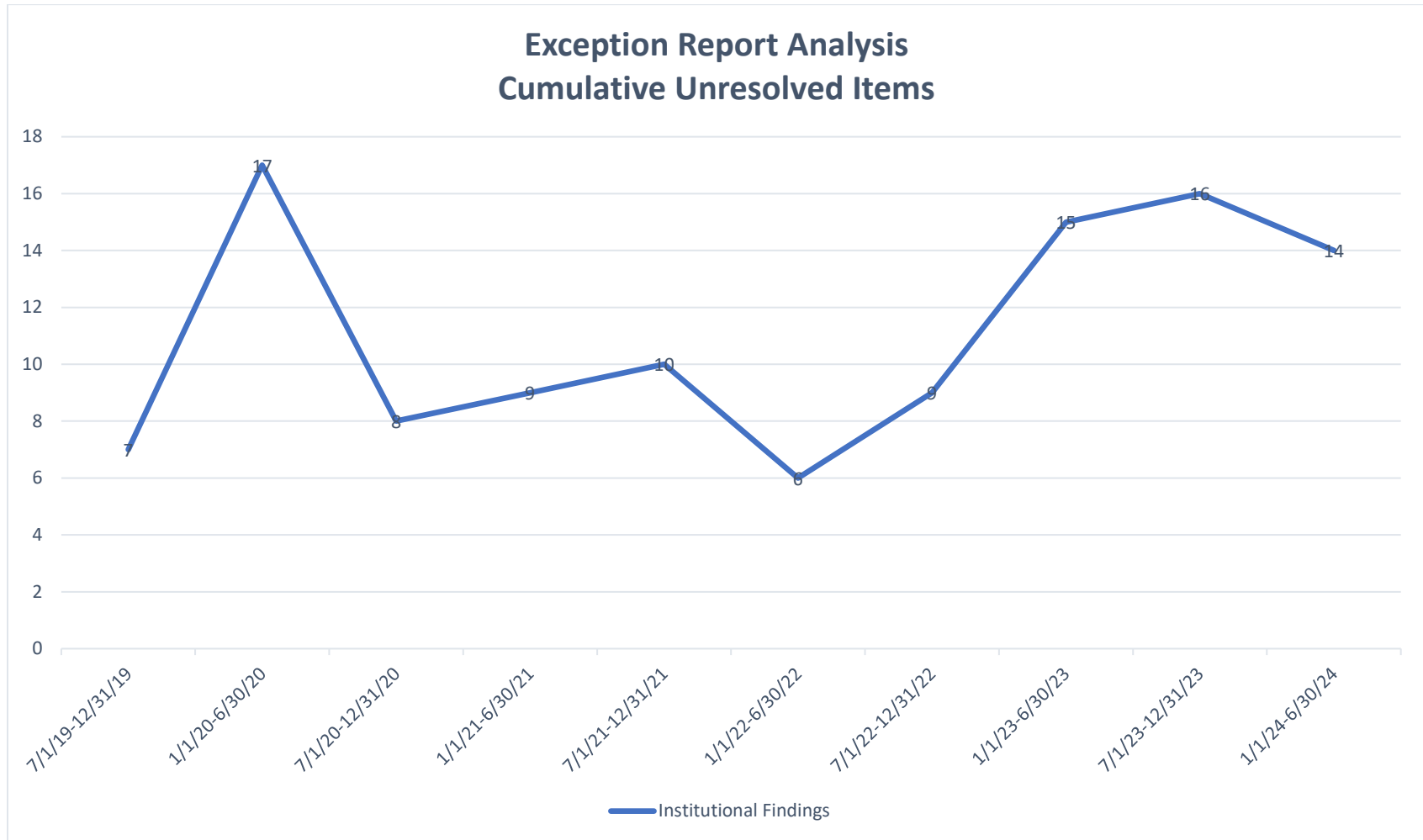
NSHE Internal Audit Department

Current Projects

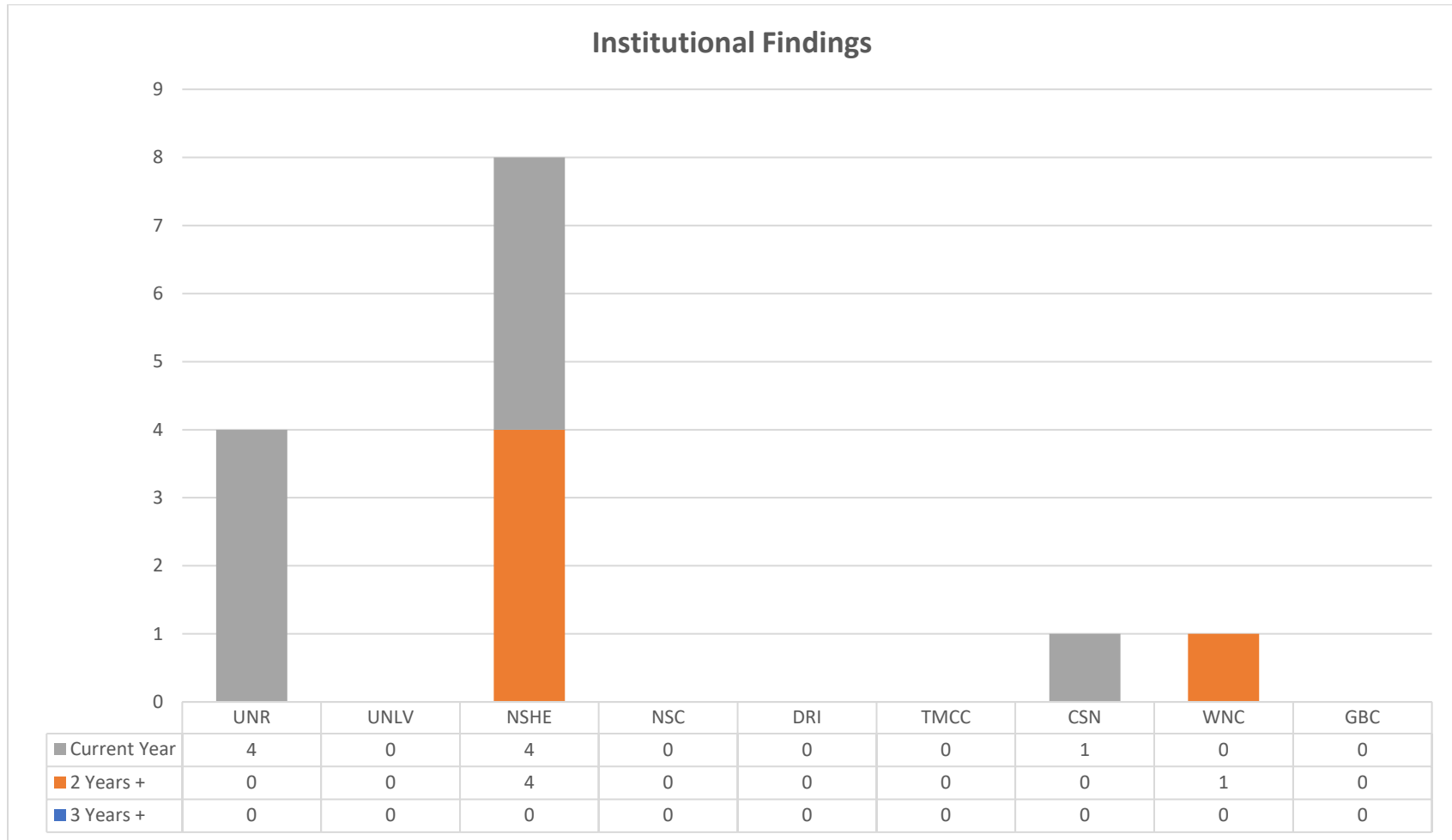
Prepared for September 2024 Audit, Compliance and Title IX Committee

AUDIT	STATUS	% COMPLETE	COMMENTS
UNR Cooperative Extension	Completed, follow-up Sept 2024	100	
DRI Hosting	Completed, follow-up Sept 2024	100	
TMCC Special Course and Differential Fees	Completed, follow-up Mar 2025	100	
IT - PCI Compliance Assistance (4.0 Implementation)	Completed	100	
IT - Peoplesoft User Access Reviews	Completed	100	
IT - External Audit Assistance	Completed	100	
IT - NSHE GLBA and NIST Cybersecurity Framework	Completed	100	
CSN Advisory	Completed	100	
NSHE External Audit Direct Assistance	In-progress	75	Cost-savings identified
UNR Disability Resource Cenber	In-progress	75	Expected to be presented December 2024
UNLV School of Dental Medicine	In-progress	70	Expected to be presented December 2024
GBC Contract/Customized Training	In-progress	60	Expected to be presented December 2024

NSHE Internal Audit Department
Exception Report Analysis



NSHE Internal Audit Department
Exception Report Analysis
Institutional Findings - Cumulative Unresolved Items
For the six months ended June 30, 2024



Campus: UNR						
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
9	Cooperative Extension/ Reserve Accounts	We recommend that UNCE administration continue to look at ways of reducing the balance through the development and expansion of programs within the county.	Southern Area Director	The Director of UNCE will continue to work with the UNCE Southern Area Director, and other stakeholders, to have a strategic plan that will address the balance of the reserve Clark County fund and how to develop new programs with available funds and that are in alignment with UNCE's mission. The plan will identify new programs or opportunities to enrich the citizens of Clark County and define what an acceptable balance in the reserve fund should be. Increases or decreases in reserve balances will be reviewed quarterly by the Southern Area Director to determine if action is needed to adjust the spending on the reserve account. The Southern Area Director will be responsible for maintaining the reserve accounts within acceptable balance levels.	Open	2/29/2024
10	Cooperative Extension/ Reserve Accounts	We recommend the agreements that have been developed with the counties be updated to include the maximum amount of funds that should be retained in the reserve accounts. In doing so, we continue to recommend the methodology for calculating the reserve balance range (maximum and minimum balance) be documented and take into consideration the economic circumstances affecting each county. We also recommend that UNCE and CABNR administration review the account balances at least annually to help ensure compliance with the agreed upon ranges.	Area Directors	Working with the counties, we will develop a minimum and maximum fund balance calculation method in each county. If a maximum fund balance is reached a will be developed, reviewed and approved by the Area Director and Director of Extension. The Area Directors will be responsible for maintaining the county fund balances as outlined by county.	Open	2/29/2024
4	Cooperative Extension/ Expenditures	We recommend that when business and personal travel is combined, greater care be taken by the employees submitting the reimbursement request as well as those reviewing and approving the request to help ensure the university does not incur additional charges. Any expenses that are above what the university would be required to pay should be the responsibility of the employee. We also recommend	Fiscal Officers and Fiscal Managers	The employee and the person who submitted the expense report were contacted to discuss the expense report in question. The airfare was an estimate and used for the spend authorization but fares increased by the time the actual flight was taken. A rental car was used because the conference was in Greenville but the flight landed in Charleston. The gasoline charge was legitimate in the fact that the employee attended pre-conference professional networking trips. All of these findings above could have been avoided if there	Closed	2/29/2024

Exception & Response Analysis
Significant Audit Findings
By Campus/Topic
For the Six Months Ended June 30, 2024

Campus: UNR						
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
		the university consider collecting the amount of the over reimbursement.		<p>was more descriptive narrative in the comment section of the expense report submitted.</p> <p>We have reached out to the individual who took the trip and the person who submitted the expense report to use more descriptive comments going forward that will explain in detail any expenses that may not clear or ambiguous. An email from the Fiscal Officer was sent on 11/15/23 and the individuals did respond back the same day that they understand and will be more thorough in the details going forward.</p> <p>This audit finding was part of the discussion with the Finance Team at their monthly Finance meeting so more care will be taken when reviewing and approving expense reports.</p> <p>The Fiscal Officer and Fiscal Managers are responsible for reviewing expense reports and will exercise more care when reviewing and approving expense reports.</p>		

Campus: DRI						
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
15	Hosting/ Hosting Expenditures Review	We recommend hosting expenditures be properly identified and charged to the Hosting Ledger Account in Workday and that host forms are properly completed and approved.	FSO Team	<p>Corrective Action Taken – Members of the DRI Administrative Council and Financial Services Office (FSO) team have been reminded of the importance of proper coding and appropriate approvals for hosting transactions.</p> <p>Compliance, Measurement and Documentation – FSO will ensure that all hosting expenses are properly coded and approved before being processed.</p> <p>Responsibility – The divisions and departments are responsible for obtaining the appropriate approval on hosting transactions. The</p>	Closed	2/29/2024

Campus: DRI						
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
				FSO Team is responsible for ensuring that transactions are appropriately coded and approved before final processing.		

Campus: CSN						
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
13	Facilities Management/ State Vehicle Use Policy	We recommend that CSN develop a compliance policy that addresses state vehicle use rules to ensure employees avoid any violations that may jeopardize the driver's future use of a Nevada State or NSHE owned vehicle.	Facilities Department	<p>We understand the importance of ensuring that employees adhere to regulations governing the use of Nevada State of Nevada or NSHE owned vehicles to avoid potential violations that could impact their future use of such vehicles. CSN is in the process of creating a State Vehicle Use compliance policy, to include comprehensive guidance for employee conduct and ensure compliance with state requirements. To address this recommendation, we will take the following actions: <i>Policy Development</i>: The Facilities Department will develop a comprehensive policy that clearly outlines the rules and regulations governing the use of Nevada State or NSHE owned vehicles. This policy will be designed to ensure that employees understand their obligations and responsibilities when operating these vehicles and are aware of the potential consequences of non-compliance.</p> <p><i>Communication and Training</i>: The Facilities Department will communicate the new policy to all relevant employees within CSN. Additionally, training sessions will be conducted to provide employees with a thorough understanding of the policy, including the requirements and guidelines for the safe and appropriate use of stateowned vehicles.</p>	Open	6/6/2024

Campus: CSN						
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
				<p><i>Monitoring and Enforcement:</i> The Facilities Department will establish procedures for monitoring compliance with the policy and enforcing its provisions as necessary. This may include conducting periodic audits or inspections of vehicle usage records, as well as implementing disciplinary measures for any violations identified.</p> <p><i>Documentation and Reporting:</i> The Facilities Department will ensure that all vehicle-related activities, including usage and any incidents or violations, are properly documented and reported in accordance with established procedures. This documentation will serve as a record of compliance efforts and facilitate accountability and transparency in vehicle management.</p> <p><i>Review and Updates:</i> The Facilities Department recognize that regulations governing vehicle use may change over time, and as such, we will establish a process for regularly reviewing and updating the compliance policy as needed to ensure alignment with current laws and best practices.</p> <p>By implementing these measures, we are committed to promoting responsible and compliant use of Nevada State or NSHE owned vehicles among CSN employees.</p>		
19	Facilities Management/ Capital Construction	We recommend the institution create a procedure to thoroughly review change order costs, including subcontractor costs, timely report to the Labor Commissioner and ensure adequate supporting documentation is maintained that aligns with the contract terms and in accordance with the NSHE Procedures and Guidelines Manual Chapter 5, Section 2, paragraph g.14.b.	Facilities Department Director of Construction	<p>Currently, all change orders must follow the institution's contract process including appropriate documentation, consistency with contract terms and signature authority to approve the change order. This measure ensures adherence to NSHE policies and procedures while mitigating potential compliance issues. Properly executed change orders will be documented for future audit, management, and performance review.</p> <p><i>Procedure Development:</i> The Facilities Department is in the process of developing a comprehensive procedure for reviewing change order and change directives, with specific focus on subcontractor costs. This procedure will outline the steps required to thoroughly assess the necessity and validity of change orders, ensuring that costs are justified and in accordance with contract terms.</p>	Closed	6/6/2024

Campus: CSN						
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
				<p><i>Timely Reporting:</i> The Facilities Department has established protocols to ensure that any relevant information regarding Labor Commissioner project completion notification.</p> <p><i>Documentation Requirements:</i> The Facilities Department will ensure adequate supporting documentation is received and maintained for all change orders, including subcontractor costs. This documentation will align with the contract terms and will adhere to the guidelines outlined in the NSHE Procedures and Guidelines Manual Chapter 5, Section 2, paragraph g.14.b.</p> <p><i>Training and Communication:</i> The Facilities Department will develop and conduct training for relevant personnel to educate them on the newly established procedure and documentation requirements. Clear communication will be maintained regarding the importance of adhering to these guidelines to ensure compliance with regulatory standards.</p> <p><i>Monitoring and Oversight:</i> The Facilities Department Director of Construction will implement monitoring mechanisms to oversee the implementation of the procedure and ensure adherence to documentation requirements. This will involve regular reviews of change order processes to identify any areas for improvement and address any non-compliance issues.</p>		
23	Facilities Management/ Overtime	We recommend that the facilities department enhance its policies and procedures around overtime to include who is authorized to approve overtime and how overtime will be tracked. In addition, CSN should identify how many overtime hours employees are allowed to work by determining a weekly, monthly, or even annual cap of overtime hours allowed per employee.	Director of Facilities	<p>CSN understands the importance of establishing clear guidelines to ensure effective oversight and control of overtime hours. To address this recommendation, we have taken the following steps:</p> <p><i>Authorization of Overtime:</i> The Facilities Department has formalized our internal procedures to clearly specify who is authorized to approve overtime within the department. This includes defining roles and responsibilities for approving overtime requests and ensuring that only designated personnel have the authority to authorize overtime. This overtime. This is in addition to the current established Workday business processes.</p> <p><i>Overtime Tracking Procedures:</i> We established comprehensive procedures for tracking overtime hours worked by employees. This involves implementing a system for recording and monitoring overtime assigned to work orders and submitted in Workday to accurately capture overtime hours.</p>	Closed	6/6/2024

Campus: CSN						
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
				<p><i>Establishment of Overtime Limits:</i> Building upon the recommendation, we identified and established limits on the amount of overtime hours employees are allowed to work within defined time periods (e.g., weekly, monthly, or annually). By setting clear caps on overtime hours, we aim to promote a healthy work-life balance, mitigate employee burnout, and ensure compliance with labor regulations.</p> <p><i>Communication and Training:</i> The Facilities Department will communicate the updated policies and procedures regarding overtime management to all relevant stakeholders within the department. Additionally, training sessions will be provided to ensure that employees understand their responsibilities regarding overtime tracking, approval processes, and adherence to established limits.</p> <p><i>Regular Review and Adjustment:</i> The Facilities Department recognizes that workforce needs may evolve over time, and as such, we will establish a process for regularly reviewing and adjusting our overtime procedures and limits as needed. This will involve monitoring overtime usage, soliciting feedback from employees and supervisors, and making necessary revisions to ensure that our policies remain effective and aligned with organizational objectives.</p> <p>By implementing these measures, we are confident that we will enhance transparency, accountability, and compliance in our overtime management practices. We appreciate your recommendation and remain committed to fostering a supportive and productive work environment within the facilities department.</p>		

Campus: NSU						
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	STATUS	AUDIT COMMITTEE DATE
27	Hosting/ Hosting Expenditure Review	We recommend host forms be signed and approved by a higher authority other than the employee directly involved in the hosting activity.	Accounting Services	<i>Corrective Action Taken</i> –The NSU campus community and Accounting Services Staff have been reminded of the importance of obtaining the appropriate approvals for hosting transactions. <i>Compliance, Measurement, and Documentation</i> – Administrative Support Staff and Accounting Services will ensure that all hosting expenses are properly approved before being processed. <i>Responsibility</i> – The divisions and departments are responsible for obtaining the appropriate approval for hosting transactions. The Accounting Services Team is responsible for ensuring that transactions are appropriately approved before final processing.	Closed	6/6/2024
28	Hosting/ Table Purchases	We recommend host forms be properly completed with the name of the employee directly involved in the hosting activity, as well as a list of employees and/or guests attending the table event, as required. We also recommend host forms for institutional table purchases at which the President is in attendance be approved by the Chancellor.	Accounting Services	<i>Corrective Action Taken</i> – Accounting Services Staff will continue to remind end-users of the required information to properly complete the NSU Host Form, and to provide supporting documentation. <i>Compliance, Measurement and Documentation</i> – Administrative Support Staff and Accounting Services will ensure that all NSU Host Forms have the required information before being processed. <i>Responsibility</i> - The divisions and departments are responsible for providing the required information on the NSU Host Form. Accounting Services is responsible for ensuring the NSU Host Forms contain the required information before final processing.	Closed	6/6/2024

Campus: NSHE					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
1	Financial Statements 2023/ Internal Control over Completeness and Accuracy of the Schedule of Expenditures of Federal Awards	We recommend NSHE consider some refresher training for individuals involved in the preparation and review of the completeness and accuracy of the SEFA. We would be pleased to work with NSHE to develop a training course to offer to involved personnel.	Director of System Sponsored Programs	<p>Awards in the amount of \$74,229 were improperly classified and should have been classified under the SNAP Cluster.</p> <p>In addition, funding from a provider was double counted on the SEFA in the amount of \$6 million. Generally, when there is state-wide funding, such as the ARP furlough repayment, funding is sub-awarded to sponsored programs/grants offices at each institution and reported by each institution. In this instance, the award was provided to the System Office and the Controller's Offices at the institutions processed the expenditures and reimbursement funds. This led to some confusion about which institution was reporting the funding on the SEFA and one institution counted their amount on the SEFA.</p> <p><i>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;</i></p> <p>The Director of System Sponsored Programs will follow up with institutions if the Controller's Offices are involved in future funding to ensure proper reporting.</p> <p><i>How compliance and performance will be measured and documented for future audit, management and performance review.</i></p> <p>EFA cluster names will be reviewed prior to submission to ensure accuracy. The Post-Award Manager and Director of System Sponsored Programs will communicate with the sponsored programs/grants offices about any special circumstance grants if managed through the Controller's Office to ensure the correct institution reports. This will also be discussed in the Workday Grant User Group Meeting.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.</i></p> <p>The Director of System Sponsored Programs will monitor SEFA classifications before submission.</p> <p>The Director of System Sponsored Programs will ensure communication about special management of awards occurs before institutions complete their SEFA reports.</p>	11/30/23

Campus: UNR					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
2	Financial Statements 2023/ Internal Control over Completeness and Accuracy of the Schedule of Expenditures of Federal Awards	We recommend NSHE consider some refresher training for individuals involved in the preparation and review of the completeness and accuracy of the SEFA. We would be pleased to work with NSHE to develop a training course to offer to involved personnel.	Associate Vice President of Compliance and Research Administration Manager & Post Award Manager	<p>An Award for the Opioid STR program was improperly excluded from the SEFA - \$81,351. AWD-01-00003608 was miscoded under a non-federal reporting fund number and therefore did not appear in our SEFA reporting.</p> <p><i>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;</i></p> <p>UNR will continue to be vigilant in implementing its quality assurance process to ensure accurate award processing within our internal data collection and validation system. We will continue to highlight the importance of diligence and detail throughout our entire business process with particular emphasis on key entry and internal control.</p> <p><i>How compliance and performance will be measured and documented for future audit, management and performance review.</i></p> <p>UNR has strengthened its internal audit functions with a robust approval process anchored by an increase in personnel to create a more measured distribution of effort. Individuals reviewing awards entered into Workday by our contract specialists will place focus on appropriate revenue and fund codes for the given award.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted:</i></p> <p>Our Associate Vice President of Compliance and Research Administration Manager, along with our Post Award Manager are ultimately responsible for credible and uncorrupted data reporting.</p>	11/30/23

Campus: UNLV					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
3	Financial Statements 2023/ Internal Control over Completeness and Accuracy	We recommend NSHE consider some refresher training for individuals involved in the preparation and review of the completeness and accuracy of the SEFA. We would be pleased to work with NSHE to develop a training course to offer to involved personnel.	Assistant Vice President for Sponsored Programs	<p>Exclusion of required alpha designations for Assistance Listing Number 84.425 were not initially included on the SEFA and there was also an instance of an incorrect alpha designation.</p> <p>In addition, funding from a provider was double counted on the SEFA in the amount of \$6 million.</p> <p><i>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;</i></p>	11/30/23

Exception & Response Analysis
Financial Statements
By Campus/Topic
For the Six Months Ended June 30, 2024

	of the Schedule of Expenditures of Federal Awards			<p>UNLV will work with the Workday Grant User Group to populate assistance listing numbers to include alpha designation for more accurate sub program reporting. The Associate Director of Post-Award and Financial Compliance and Assistant Vice President for Sponsored Programs will communicate with the System Sponsored Programs Office when any special circumstance surrounding subgrants and or awards are received that may be managed through the Controller's Office to ensure the correct institution reporting.</p> <p><i>How compliance and performance will be measured and documented for future audit, management and performance review.</i></p> <p>Management will continue to perform a review of all awards and greater attention will be made to ensure the accuracy of the award classifications.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.</i></p> <p>The Assistant Vice President for Sponsored Programs is responsible for ensuring the Interim Schedule of Expenditures process is summarized and submitted properly.</p>	
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Campus: UNR					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
1	2023 NSHE Uniform Guidance/ Internal Control over Compliance	<p>1.Security Administration (#4) - Management should perform a formally documented periodic review of user activities.</p> <p>2.Change Management(#1-3, #5-6) - 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.</p> <p>As of 4/28/2023, management has reported to us findings #1-3, #5 were remediated as the segregation of duties ("SOD") access was revoked. However, due to the timing of remediation, management should perform a formally documented review of users activities for the period of 7/1/2022-4/7/2023.</p>	Peoplesoft Manager & Vice President of Information Technology	<p><i>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;</i></p> <p>The technical staff can only have the PeopleSoft Administrator (PSA) role in either development or production, but not both. There is an approval process in place to ensure that access is removed from either development or production when a PSA needs to be moved across to the other environment. This process became effective March 1, 2023.</p> <p>There is a quarterly security review of the PeopleSoft Administrator role in PeopleSoft. The first quarterly review was performed in FY16 Q1 and has been performed each quarter since. The reviews are documented and approved.</p> <p>There is a quarterly security review of the PeopleSoft Administrator activities in PeopleSoft. The first quarterly review was performed in FY22 Q4 and has been performed each quarter since. The reviews are documented and approved.</p> <p>There is a quarterly security review of the PeopleSoft Oracle database and user access. The first quarterly review was performed in FY20 Q2 and has been performed each quarter since. The reviews are documented and approved.</p> <p><i>How compliance and performance will be measured and documented for future audit, management and performance review.</i></p> <p>Compliance and performance can be measured by the documented quarterly reviews.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.</i></p> <p>The PeopleSoft Manager will be responsible for ensuring the corrective actions plans are implemented and followed. The Vice President of Information Technology will be accountable for the department's compliance.</p>	11/30/23

Campus: UNLV					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
2	2023 NSHE Uniform Guidance/ Internal Control over Compliance	<p>1.Security Administration (#4) - Management should perform a formally documented periodic review of user activities.</p> <p>2.Change Management(#1-3, #5-6) - 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.</p> <p>As of 4/28/2023, management has reported to us findings #1-3, #5 were remediated as the segregation of duties ("SOD") access was revoked. However, due to the timing of remediation, management should perform a formally documented review of users activities for the period of 7/1/2022-4/7/2023.</p>	Director of Business Continuity & Resiliency and Chief Information Security Officer	<p><i>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;</i></p> <p>UNLV understands the importance of adequate segregation of duties within the PeopleSoft environments and applications. The PeopleSoft Administrator (PSA) position that is the subject of the finding is responsible for the installation, configuration, upgrades, and troubleshooting of all the application environments. The PeopleSoft Administrators are not programmers/developers, and their access to the production environments is periodically required to perform the needed activities required to provide timely support of the application within the scope of their job duties.</p> <p>UNLV has implemented the following controls to mitigate the risks associated with the elevated access required for the administrators to perform their required support activities.</p> <ol style="list-style-type: none"> 1. UNLV has removed all persistent assignment of the PeopleSoft Administrator role from all PSAs in all environments. 2. The PeopleSoft Administrator role is temporarily assigned only when elevated actions are required. All assignments are of a limited duration and include a justification detailing the need and actions to be performed. All assignments trigger the follow actions: <ol style="list-style-type: none"> a. An immediate notification to the Director of Business Continuity & Resiliency and the Interim Senior Associate Vice Provost for Digital Strategy and Transformation. b. Removal is automatic but can be initiated by PSA if work is completed sooner than expected. c. All details around the assignment are captured in a tracking table. d. A review of all assignments and activities is performed monthly. 3. UNLV will continue to review access, activities, and assigned privileges monthly for the PeopleSoft Administrators. 4. UNLV will continue researching and implementing other control methods that may strengthen the segregation of duties or the monitoring capabilities that are available. <p><i>How compliance and performance will be measured and documented for future audit, management and performance review.</i></p> <p>The PeopleSoft Administrator role is no longer persistently assigned to the PSA position. It is only assigned upon request with the knowledge and approval of approving authorities.</p> <p>UNLV performs monthly reviews of the access and activities to determine if the PeopleSoft Administrators' activities align with the necessary support.</p> <p>Additionally, UNLV will continue to research other control methods that will address the segregation of duties while providing appropriate service and support.</p>	11/30/23

Campus: UNLV					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				<p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.</i></p> <p>The Director of Business Continuity & Resiliency will be responsible for performing the activity reviews and access needs of the PeopleSoft Administrators. The Director will complete the reviews and is also accountable if repeat or similar observations are noted. The Chief Information Security Officer will verify that reviews are conducted on a monthly basis per audit practices.</p>	

Campus: CSN					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
3	2023 NSHE Uniform Guidance/ Special Tests and Provisions: Return of Title IV funds for withdrawn students	We recommend that CSN adhere to its established controls to ensure the timely return of funds.	Assistant Director of Financial Aid	<p><i>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;</i></p> <p>CSN has started to select additional team members to cross train with seasoned R2T4 team members on the processing of R2T4 files. This will ensure that files are processed in a timely manner and meet compliance requirements. Additionally, training opportunities will be assessed and offered to the team members who are processing R2T4 records on an ongoing basis. Additionally, CSN is currently assessing a potential 3rd party vendor to assist with the processing of R2T4s as needed on an ongoing basis.</p> <p><i>How compliance and performance will be measured and documented for future audit, management and performance review.</i></p> <p>Cross training and workshop opportunities will be provided to ensure knowledge and compliance for the R2T4 team and any staff member assisting with processing of R2T4 records. Queries will be utilized to track R2T4 files to ensure timely processing.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.</i></p> <p>The Assistant Director of Financial Aid will be responsible and may be held accountable.</p>	11/30/23

Campus: SCS					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
4	2023 NSHE Uniform Guidance/ Internal Control over Compliance	<p>1.Security Administration (#4) - Management should perform a formally documented periodic review of user activities.</p> <p>2.Change Management(#1-3, #5-6) - 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.</p> <p>As of 4/28/2023, management has reported to us findings #1-3, #5 were remediated as the segregation of duties ("SOD") access was revoked. However, due to the timing of remediation, management should perform a formally documented review of users activities for the period of 7/1/2022-4/7/2023.</p>	SCS Director of Information and Application Services & SCS Security Group	<p><i>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;</i></p> <p>In addition to the compensating controls (a) to (d), that have been operating since prior to FY23 the segregation of PeopleSoft Administrators (PSA) is enforced through a "locked account" process. Only two employees have PSA access in both the Production and Development environment. Each employee can only have access to the Production or Development environment at any one time, i.e., the PSA account in the other environment remains locked. A JIRA ticket must be opened for an account to be unlocked. The request is approved by management and the account is unlocked by a member of the IT Security Team. The controls listed below should also mitigate the segregation of duties risk and support a review of "user activities" in the absence of an appropriate user activities audit log function.</p> <p>(a) STAT for PeopleSoft – Code control and internal modification tracking provides visibility over PSA activities that are processed via this tool. These object changes are reviewed and approved by the Director of Information and Application Services.</p> <p>(b) JIRA - Change control management and project tracking software. Change requests and projects related to the PeopleSoft shared instance are tracked and approved. This would include user access modifications and system updates for example.</p> <p>(c) Security e-mail alerts – The SCS security team are alerted via automated e-mails when key events are triggered. For example, an elevated role is assigned to a user.</p> <p>(d) User Access Reviews – On an annual basis an independent user access review is performed incorporating SCS/SA privileged users and all shared instance security coordinators.</p> <p><i>How compliance and performance will be measured and documented for future audit, management and performance review.</i></p> <p>The PeopleSoft Administrators will have persistent unlocked access to either the Production or Development environments only. Their corresponding account in the other environment will remain locked.</p> <p>In the event that access is needed to the locked environment, a ticket will be created requesting access which will document the rationale and approvals. In addition, PSA activities are monitored via the change control process through STAT for PeopleSoft. Object changes within the Production environment for example, are approved along with the associated workflows.</p>	11/30/23

Exception & Response Analysis
Uniform Guidance Audit Report
By Campus/Topic
For the Six Months Ended June 30, 2024

Campus: SCS					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				<p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.</i></p> <p>The SCS Director of Information and Application Services, and SCS Security Group are responsible for locking/unlocking PSA accounts. The SCS Security Group monitor PeopleSoft e-mail alerts. The IT Audit Manager is performing annual SCS/SA privileged user access reviews.</p>	

Campus: NSHE					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
1	Social Media/ Governance and Oversight	We recommend that a detailed social media charter be created for the System Office that outlines the core values, ethics and principles that guide and govern social media use at NSHE. The charter should also establish the scope of social media activities, for example, which platforms can be utilized as well as a potential framework for guiding acceptable behavior. A crisis management framework to include how to handle negative content or hacked accounts should also be considered	Communications Officer	<p><i>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;</i></p> <p>We agree that a Social Media Charter should be drafted and distributed by the Communications Officer under leadership of the Vice Chancellor of Public Relations & Advancement. This will establish the overall scope and framework for social media activities at the NSHE System Office and where appropriate will incorporate oversight of social media across the eight NSHE Institutions to ensure consistency and adherence to current policies in the Board of Regents Handbook and Procedures & Guidance Manual.</p> <p><i>How compliance and performance will be measured and documented for future audit, management and performance review.</i></p> <p>This is contingent upon the successful hiring of a Communications Officer and lifting of the temporary hiring freeze. The job description for the Communications Officer will be reviewed to ensure that social media responsibilities are incorporated and appropriately measured.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted;</i></p> <p>The Communications Officer upon successful hiring, under leadership of the Vice Chancellor of Public Relations & Advancement.</p> <p>Follow Up Response 12/01/2022:</p> <p>It was noted as of this 6-month follow-up that the equivalent positions remain vacant. As such, Internal Audit will consider this recommendation open and monitor status through the status/exception reports provided to the Audit, Compliance and Title IX Committee at their regular March and September meetings.</p> <p>Follow Up Response 7/23/24:</p> <p>NSHE's Public Information Officer is developing a social media charter that will define a high-level framework for NSHE's use of social media. It is anticipated that a first draft will be complete by October 31, 2024, following suitable research and discussions with internal stakeholders and NSHE Institutions.</p>	6/9/2022
2	Social Media/ Policies and Procedures	We recommend that social media policies are developed for inclusion in the Board of Regents Handbook and/or NSHE Procedures and Guidelines Manual. It should define the rules and procedures for the use of official NSHE social media sites to ensure that NSHE sponsored/branded social media is both legal and in compliance with NSHE policies and state/federal laws and regulations. Consideration should be given towards working with the eight NSHE	Communications Officer	<p><i>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;</i></p> <p>We agree that a Social Media Policy and appropriate procedures should be drafted and distributed by the Communications Officer under leadership of the Vice Chancellor of Public Relations & Advancement. This should include identifying all social media accounts that are active under the purview of the NSHE System Office to include System Administration, EPSCoR, and System Computing Services. The recommendations outlined above will be considered for incorporation into an NSHE System Office Social Media Policy. The Social Media</p>	6/9/2022

Campus: NSHE					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
		Institutions to review existing and forthcoming social media policies to ensure consistency and alignment with current policies in the Board of Regents Handbook and Procedures & Guidelines Manual.		<p>Policy will need to be communicated with and approved by the cabinet before it can be officially published.</p> <p><i>How compliance and performance will be measured and documented for future audit, management, and performance review.</i></p> <p>This is contingent upon the successful hiring of a Communications Officer and lifting of the temporary hiring freeze. The job description for the Communications Officer will be reviewed to ensure that social media responsibilities are incorporated and appropriately measured.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted;</i></p> <p>The Communications Officer upon successful hiring, under leadership of the Vice Chancellor of Public Relations & Advancement.</p> <p>Follow Up Response 12/01/2022:</p> <p>It was noted as of this 6-month follow-up that the equivalent positions remain vacant. As such, Internal Audit will consider this recommendation open and monitor status through the status/exception reports provided to the Audit, Compliance and Title IX Committee at their regular March and September meetings.</p> <p>Follow Up Response 7/23/24:</p> <p>NSHE's Public Information Officer is currently working with NSHE Institutions and other stakeholders to develop a social media policy that incorporates appropriate rules and procedures for the use of social media. It is anticipated that a formal policy will be available for approval by March 31, 2025.</p>	
3	Social Media/ Policies and Procedures	<p>We recommend that a System Office Social Media Policy incorporate the following:</p> <ol style="list-style-type: none"> Guidelines for employees who maintain NSHE social media sites. Guidelines for departmental use of social media on behalf of NSHE. Guidelines for an individual NSHE employee's personal use of social media. Guidance and minimum standards for: <ol style="list-style-type: none"> Maintaining account security, for example; minimum password requirements; multifactor authentication; ensuring only nshe.nevada.edu email addresses are registered against NSHE social media accounts; restrict password sharing; recovery of social media accounts in the event they are compromised. Monitoring and maintaining the NSHE social media footprint. 	Communications Officer	<p><i>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;</i></p> <p>We agree that a Social Media Policy and appropriate procedures should be drafted and distributed by the Communications Officer under leadership of the Vice Chancellor of Public Relations & Advancement. This should include identifying all social media accounts that are active under the purview of the NSHE System Office to include System Administration, EPSCoR, and System Computing Services. The recommendations outlined above will be considered for incorporation into an NSHE System Office Social Media Policy. The Social Media Policy will need to be communicated with and approved by the cabinet before it can be officially published.</p> <p><i>How compliance and performance will be measured and documented for future audit, management, and performance review.</i></p> <p>This is contingent upon the successful hiring of a Communications Officer and lifting of the temporary hiring freeze. The job description for the Communications Officer will be reviewed to ensure that social media responsibilities are incorporated and appropriately measured.</p>	6/9/2022

Campus: NSHE					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
		c. Maintaining the confidentiality of proprietary or protected information. d. Ensuring personally identifiable information (PII) is not disclosed and relevant privacy policies are adhered to. e. Restricting offensive or inappropriate content to include comments moderation. f. Social media training to include employee acknowledgement of policies and procedures.		<p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted;</i> The Communications Officer upon successful hiring, under leadership of the Vice Chancellor of Public Relations & Advancement.</p> <p>Follow Up Response 12/01/2022: It was noted as of this 6-month follow-up that the equivalent positions remain vacant. As such, Internal Audit will consider this recommendation open and monitor status through the status/exception reports provided to the Audit, Compliance and Title IX Committee at their regular March and September meetings.</p> <p>Follow Up Response 7/23/24: NSHE's Public Information Officer is currently working with NSHE Institutions and other stakeholders to develop a social media policy that incorporates appropriate rules and procedures for the use of social media. It is anticipated that a formal policy will be available for approval by March 31, 2025.</p>	
4	Retirement Plans/ Termination Process and Approvals	We recommend review by the appropriate stakeholders (e.g. the HR governance group) of system resignation process, taking into consideration timely deactivation of access when a resignation is approved.	Workday Governance Group	<p><i>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.</i> This finding will be referred to the Human Resources Advisory Council (HRAC) and the Workday Users Governance Group for review and discussion. <i>How compliance and performance will be measured and documented for future audit, management and performance review.</i> No retirement distributions will be approved until at least 24 hours after separation. Prior to authorizing a participant's retirement distribution request, a thorough review of an employee's HR record will be conducted to ensure that the separation from service is complete. If the review of an individual's HR record shows actions that are not compatible with separation, the distribution will be held until the question has been resolved. <i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.</i> Director of Retirement Plan Administration for retirement distributions HRAC for changes to the Workday system</p> <p>Follow-Up Response 3/9/23: The issue was referred to the Workday Governance Group.</p> <p>Follow Up Response 7/2/24: The analysis of the process and the Workday configuration is ongoing.</p>	9/08/2022
5	Change In Leadership/ Equipment Inventory Policies	We recommend the policies be reviewed and updated for clarification.	NSHE Chief Financial Officer	<p><i>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.</i> The NSHE Chief Financial Officer will bring proposed revisions of the NSHE Procedures and Guidelines Manual, Chapter 1, Section 2, Subsections 8 & 9 to the Chancellor's Cabinet for consideration. The proposed revision will clarify the equipment inventory threshold of \$5,000 or more.</p>	3/9/2023

Campus: NSHE					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				<p><i>How compliance and performance will be measured and documented for future audit, management and performance review.</i></p> <p>If revisions to the NSHE Procedures and Guidelines Manual occur, the updates will be disseminated to all the institutions. Adherence to the revised policies and procedures will be measured in future audits and follow-ups.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.</i></p> <p>Each institution is responsible for monitoring and adhering to NSHE policies and procedures.</p> <p>Follow-Up Response 9/7/23: NSHE's department of Finance and Budget is in the process of drafting revisions to the procedures and guidelines manual. It is anticipated that these revisions will be completed and in place by December 31, 2023.</p> <p>Follow Up Response 7/24/24:</p> <p>Updates have been drafted for the Procedures and Guidelines Manual. The drafts are under review by the Business Officers with anticipation that the recommendations will be presented to the Chancellor's Cabinet prior to the end of August 2024.</p>	
6	Change In Leadership/ Contracts	We recommend the NSHE PGM be updated to reflect the correct definition of long-term leases requiring Board approval.	NSHE Chief Financial Officer	<p><i>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.</i></p> <p>The NSHE Chief Financial Officer will work with the NSHE Chief General Counsel to bring proposed correction of the NSHE Procedures and Guidelines Manual, Chapter 5, page 17, Q12 to the Chancellor's Cabinet for consideration, in line with BOR Handbook (Title 4, Ch. 10, Section 1, Item 9).</p> <p><i>How compliance and performance will be measured and documented for future audit, management and performance review.</i></p> <p>If revisions to the NSHE Procedures and Guidelines Manual occur, the updates will be disseminated to all the institutions. Adherence to the revised policies and procedures will be measured in future audits and follow-ups.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.</i></p> <p>The System Office and each institution is responsible for monitoring and adhering to NSHE policies and procedures.</p> <p>Follow-Up Response 9/7/23: NSHE's department of Finance and Budget is in the process of drafting revisions to the procedures and guidelines manual. It is anticipated that these revisions will be completed and in place by December 31, 2023.</p> <p>Follow Up Response 7/24/24:</p> <p>Updates have been drafted for the Procedures and Guidelines Manual. The drafts are under review by the Business Officers with anticipation that the</p>	3/9/2023

Campus: NSHE					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				recommendations will be presented to the Chancellor's Cabinet prior to the end of August 2024.	
7	Change In Leadership/ Contracts	We recommend a documented explanation be provided when extensions of vendor contracts occur that exceed the renewal option stated in the agreement.	NSHE Chief Financial Officer	<p><i>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.</i></p> <p>The NSHE Chief Financial Officer will discuss potential updates to process and procedures with the Business Officers Council (March agenda). Once a draft procedure is developed this can be reviewed with NSHE Chief General Counsel to ensure appropriate opportunities for documentation occur timely.</p> <p><i>How compliance and performance will be measured and documented for future audit, management and performance review.</i></p> <p>If revisions to the process or routing occur, the updates will be disseminated to all the institutions. Adherence to the revised policies and procedures will be measured in future audits and follow-ups.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted.</i></p> <p>The System Office and each institution is responsible for monitoring and adhering to NSHE policies and procedures.</p> <p>Follow-Up Response 9/7/23: NSHE's department of Finance and Budget is in the process of drafting revisions to the procedures and guidelines manual. It is anticipated that these revisions will be completed and in place by December 31, 2023.</p> <p>Follow Up Response 7/24/24:</p> <p>Updates have been drafted for the Procedures and Guidelines Manual. The drafts are under review by the Business Officers with anticipation that the recommendations will be presented to the Chancellor's Cabinet prior to the end of August 2024.</p>	3/9/2023
8	Terminated Employees/ BOR Handbook Revision	We recommend that BOR Handbook Title 2, Chapter 5, Section 5.15 Resignations/ Leave policy be updated with current practices to ensure effectiveness and clarity of the policy.	The System Office and each institution	<p><i>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.</i></p> <p>The Human Resources Advisory Council (HRAC) will provide a proposed draft of the BOR Handbook Title 2, Chapter 5, Section 5.15 by October 1, 2023, to NSHE Chief General Counsel. HRAC will then work with NSHE Chief General Counsel to finalize wording.</p> <p><i>How compliance and performance will be measured and documented for future audit, management, and performance review?</i></p> <p>Once revisions to the NSHE Handbook occur, the updates will be disseminated to all the institutions. Adherence to the revised policies and procedures will be measured in future audits and follow-ups.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted?</i></p> <p>The System Office and each institution is responsible for monitoring and adhering to NSHE policies and procedures.</p>	9/7/2023

Campus: NSHE					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				<p>Follow Up Response 2/29/24: NSHE SA, in collaboration with the Human Resources Advisory Council (HRAC), has drafted Code revisions that are responsive to the audit findings. An agenda item is being submitted for inclusion on the Feb-Mar Board of Regents quarterly meeting. Upon passage, SA HR will notify system institutions of the approval and will ensure compliance with the new policy within SA/SCS.</p> <p>Follow Up Response 7/24/24: The policy revisions that were responsive to the audit findings were developed and are awaiting inclusion on a Board agenda. We anticipate bringing this to the Board in September for approval.</p>	

Campus: UNR					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
9	Cooperative Extension/ Reserve Accounts	We recommend that UNCE administration continue to look at ways of reducing the balance through the development and expansion of programs within the county.	Southern Area Director	<p>The Director of UNCE will continue to work with the UNCE Southern Area Director, and other stakeholders, to have a strategic plan that will address the balance of the reserve Clark County fund and how to develop new programs with available funds and that are in alignment with UNCE's mission.</p> <p>The plan will identify new programs or opportunities to enrich the citizens of Clark County and define what an acceptable balance in the reserve fund should be. Increases or decreases in reserve balances will be reviewed quarterly by the Southern Area Director to determine if action is needed to adjust the spending on the reserve account.</p> <p>The Southern Area Director will be responsible for maintaining the reserve accounts within acceptable balance levels.</p>	2/29/2024
10	Cooperative Extension/ Reserve Accounts	We recommend the agreements that have been developed with the counties be updated to include the maximum amount of funds that should be retained in the reserve accounts. In doing so, we continue to recommend the methodology for calculating the reserve balance range (maximum and minimum balance) be documented and take into consideration the economic circumstances affecting each county. We also recommend that UNCE and CABNR	Area Directors	<p>Working with the counties, we will develop a minimum and maximum fund balance calculation method in each county.</p> <p>If a maximum fund balance is reached a will be developed, reviewed and approved by the Area Director and Director of Extension.</p> <p>The Area Directors will be responsible for maintaining the county fund balances as outlined by county.</p>	2/29/2024

Exception & Response Analysis
Open Exceptions
By Campus/Topic
For the Six Months Ended June 30, 2024

Campus: UNR					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
		administration review the account balances at least annually to help ensure compliance with the agreed upon ranges.			
11	Cooperative Extension/ Cash Controls	We recommend the procedures be updated to clarify how local deposits are to be prepared and documented.	Extension Fiscal Officer	The existing policy will be updated to include how to deposit funds at their locality. The updated policy will be discussed with the Finance team and then sent to all Extension Employees. The Extension Fiscal Officer will be responsible for the updated policy and sending to all Extension staff.	2/29/2024
12	Cooperative Extension/ Recharge	We recommend that the recharge policies be updated to include information on what documentation should be included in establishing the rates as well as with the payment requests.	Extension Fiscal Officer	The existing Recharge Policy will be updated to include due dates and what supporting documentation is required. The updated policy will be discussed with the Finance team and the departments responsible for the recharge accounts. The Extension Fiscal Officer will be responsible for the updated policy and discussing with departments.	2/29/2024

Campus: CSN					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
13	Facilities Management/ State Vehicle Use Policy	We recommend that CSN develop a compliance policy that addresses state vehicle use rules to ensure employees avoid any violations that may jeopardize the driver's future use of a Nevada State or NSHE owned vehicle.	Facilities Department	<p>We understand the importance of ensuring that employees adhere to regulations governing the use of Nevada State of Nevada or NSHE owned vehicles to avoid potential violations that could impact their future use of such vehicles. CSN is in the process of creating a State Vehicle Use compliance policy, to include comprehensive guidance for employee conduct and ensure compliance with state requirements. To address this recommendation, we will take the following actions:</p> <p><i>Policy Development:</i> The Facilities Department will develop a comprehensive policy that clearly outlines the rules and regulations governing the use of Nevada State or NSHE owned vehicles. This policy will be designed to ensure that employees understand their obligations and responsibilities when operating these vehicles and are aware of the potential consequences of non-compliance.</p> <p><i>Communication and Training:</i> The Facilities Department will communicate the new policy to all relevant employees within CSN. Additionally, training sessions will be conducted to provide employees with a thorough understanding of the policy, including the requirements and guidelines for the safe and appropriate use of stateowned vehicles.</p> <p><i>Monitoring and Enforcement:</i> The Facilities Department will establish procedures for monitoring compliance with the policy and enforcing its provisions as necessary. This may include conducting periodic audits or inspections of vehicle usage records, as well as implementing disciplinary measures for any violations identified.</p> <p><i>Documentation and Reporting:</i> The Facilities Department will ensure that all vehicle-related activities, including usage and any incidents or violations, are properly documented and reported in accordance with established procedures. This documentation will serve as a record of compliance efforts and facilitate accountability and transparency in vehicle management.</p> <p><i>Review and Updates:</i> The Facilities Department recognize that regulations governing vehicle use may change over time, and as such, we will establish a process for regularly reviewing and updating the compliance policy as needed to ensure alignment with current laws and best practices.</p> <p>By implementing these measures, we are committed to promoting responsible and compliant use of Nevada State or NSHE owned vehicles among CSN employees.</p>	6/6/2024

Exception & Response Analysis
Open Exceptions
By Campus/Topic
For the Six Months Ended June 30, 2024

Campus: WNC					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
14	Change in Leadership/ Expenditures	We recommend a review of the policy be performed to determine whether it is still relevant. Based on this review, we recommend the policy either be followed or updated as necessary.	Chief Financial Officer	<p>The NSHE Hosting policy is currently under review at the NSHE Business Officer level and upon approval by the Board of Regents, WNC can then update the campus policy. We anticipate that more progress will be made on this in FY23. WNC will continue to monitor the status of the NSHE policy and will work to update/edit our internal campus policy.</p> <p>The Chief Financial Officer will be tasked with the campus policy update once the NSHE policy has been approved.</p> <p>Follow-Up Response 6/8/23: The NSHE Hosting policy has not been updated at the system level, however WNC will work on our campus level policy updates over the summer of 2023 and will present a new policy for approval in the fall.</p> <p>Follow-Up Response 12/31/23: Our target deadline is to have the WNC Purchasing Policy updated by the May 2024 College Council meeting. We have to take it to College Council for a first read and then to a second and possibly third meeting so that all the groups can provide their approval.</p> <p>Follow-Up Response 5/24/24: The NSHE Hosting Policy was approved at the April 19,2024 Special meeting. WNC will now work on updating the campus policy during the summer of 2024 and will get this approved in the FY25 fiscal year. The expected approval date is November 1, 2024.</p>	12/1/2022

Campus: NSHE					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
1	Terminated Employees/ Network System Access	We recommend the manual procedures for executing employee terminations be reviewed and updated, as necessary, to ensure that all required system access and administrative requirements are addressed and removed timely.	Human Resource Officer	<p><i>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.</i></p> <p>The System Administration Human Resources Office will review and make necessary updates to the internal termination process. The review will include the employee notification, supervisory acceptance, termination transaction in Workday, and notification to SCS processes.</p> <p><i>How compliance and performance will be measured and documented for future audit, management, and performance review?</i></p> <p>Once the review is finalized an internal tracking mechanism will be created to ensure all required steps are followed accurately and timely.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted?</i></p> <p>The System Administration, Human Resources Office is responsible for adhering to NSHE policies and procedures and internal processes.</p> <p>Follow Up Response 2/29/24:</p> <p>NSHE SA has implemented the identified correction actions to include the creation of a terminating employee checklist which ensures all necessary steps and notification are made.</p>	9/7/23
2	Terminated Employees/ Termination of Benefits	We recommend that BCN Human Resources establish a policy that identifies clear delineation of roles and responsibilities for tasks that are centralized within BCN Human Resources and those that are decentralized and handled by the institutions to minimize duplication of efforts and increase efficiency across institutions.	Associate Vice President of Human Resources	<p><i>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.</i></p> <p>Business Center North (BCN) Human Resources will work with the Northern NSHE Institutions to delineate roles in the termination process and seek confirmation through the Human Resources Advisory Council. The role delineation will eliminate duplication of efforts. Measures will be in place by November 1, 2023.</p> <p><i>How compliance and performance will be measured and documented for future audit, management, and performance review?</i></p> <p>BCN Human Resources will document the approved practice through the Google Drive which all NSHE Benefit Subject Matter Experts (SME's) and Business Analysts have access to. BCN Human Resources will also create a workflow of benefit related termination steps to 1) provide guidance to Benefit SMEs and ensure all steps have been completed and 2) establish consistency throughout our Northern NSHE Institutions.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted?</i></p> <p>The Associate Vice President of Human Resources will seek to delineate roles in the termination process. Depending on the decision made by Human Resources Advisory Counsel, either BCN Human Resources or the individual Northern institutions would be held accountable.</p>	9/7/23

Exception & Response Analysis
Closed Exceptions
By Campus / Topic
For the Six Months Ended June 30, 2024

Campus: NSHE					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				Follow Up Response 2/29/24: The corrective action has been fully implemented.	

Campus: UNR					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
3	Fitness and Recreations Sports/ Fixed Assets	We recommend the department obtain replacement asset tags from the BCN Purchasing Department and affix the tags to the equipment.	Director of Fitness and Recreation Sports	Fitness and Recreation Sports has completed a review and audit of all inventory items identified on the AssetWorks fixed asset report and is in the process of obtaining replacement asset tags from Business Center North to be affixed to the equipment missing tags. AssetWorks is the system of record for all inventoried equipment. The Director will conduct a monthly review to ensure the accuracy of the AssetWorks inventory report. The Director of Fitness and Recreation Sports will be responsible for the department's compliance with ensuring University inventory policies are followed. Follow Up Response 2/29/24: The corrective action has been fully implemented.	9/7/23
4	Cooperative Extension/ Expenditures	We recommend that when business and personal travel is combined, greater care be taken by the employees submitting the reimbursement request as well as those reviewing and approving the request to help ensure the university does not incur additional charges. Any expenses that are above what the university would be required to pay should be the responsibility of the employee. We also recommend the university consider collecting the amount of the over reimbursement.	Fiscal Officers and Fiscal Managers	The employee and the person who submitted the expense report were contacted to discuss the expense report in question. The airfare was an estimate and used for the spend authorization but fares increased by the time the actual flight was taken. A rental car was used because the conference was in Greenville but the flight landed in Charleston. The gasoline charge was legitimate in the fact that the employee attended pre-conference professional networking trips. All of these findings above could have been avoided if there was more descriptive narrative in the comment section of the expense report submitted. We have reached out to the individual who took the trip and the person who submitted the expense report to use more descriptive comments going forward that will explain in detail any expenses that may not clear or ambiguous. An email from the Fiscal Officer was sent on 11/15/23 and the individuals did respond back the same day that they understand and will be more thorough in the details going forward. This audit finding was part of the discussion with the Finance Team at their monthly Finance meeting so more care will be taken when reviewing and approving expense reports.	2/29/24

Exception & Response Analysis
Closed Exceptions
By Campus / Topic
For the Six Months Ended June 30, 2024

Campus: UNR					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				The Fiscal Officer and Fiscal Managers are responsible for reviewing expense reports and will exercise more care when reviewing and approving expense reports.	
5	Cooperative Extension/ Expenditures	We recommend that when lodging rates exceed the allowable GSA rate, travelers be required to submit documentation indicating that a rate exception has occurred. This could be documented on the Spend Authorization and/or Expense Report, or as a memo attached to either of these documents. If no such documentation is provided, we recommend lodging be limited to the established rate.	Fiscal Officers and Fiscal Managers	Both of these expenses were for conference hotels but this was not noted in the comments of the expense reports and spend authorizations. We have discussed this with the individuals to include in the comments that this was for a conference hotel. An email from the Fiscal Officer was sent on 11/15/23 to the individuals and they will include going forward. This audit finding was part of the discussion with the Finance Team at their monthly Finance meeting so more care will be taken when reviewing and approving expense reports. The Fiscal Officer and Fiscal Managers are responsible for reviewing expense reports and will exercise more care when approving.	2/29/24
6	Cooperative Extension/ Expenditures	We recommend justification for rental cars be provided in accordance with policy.	Fiscal Officers and Fiscal Managers	The individual flew into Charleston but the conference was in Greenville. This was not detailed in the expense report. We have reached out to the individual who took the trip and the person who submitted the expense report to use more descriptive comments going forward that will explain in detail any expenses that may not clear or ambiguous. An email from the Fiscal Officer was sent on 11/15/23 and they did respond back the same day that they understand and will be more thorough in the details going forward. This audit finding was part of the discussion with the Finance Team at their monthly Finance meeting so more care will be taken when reviewing and approving expense reports. The Fiscal Officer and Fiscal Managers are responsible for reviewing expense reports and will exercise more care when approving.	2/29/24
7	Cooperative Extension/ Expenditures	We recommend employees be reminded to complete Spend Authorizations thoroughly to provide those reviewing and approving the travel with an accurate cost.	Fiscal Officers and Fiscal Managers	Not including all costs on the spend authorization was discussed with both the persons being reimbursed and the persons who actually submitted the spend authorizations. They are aware that all costs for the trip should be included to accurately show what the total cost will be. This audit finding was part of the discussion with the Finance Team at their monthly Finance meeting so more care will be taken when reviewing and approving spend authorizations. The Fiscal Officer and Fiscal Managers are responsible for reviewing expense reports and will exercise more care when approving.	2/29/24
8	Cooperative Extension/ Expenditures	We recommend university policy be followed.	Fiscal Officers and Fiscal Managers	We reached out to the individual for clarification. He informed me that all the field vehicles were being used and not available. He needed a four-wheel drive vehicle as he had to review range ecological conditions while he was travelling. We also included his admin support who actually submits the expense report so they are also aware. While the reason for taking his personal four-wheel drive is valid, it should have been included in the details.	2/29/24

Exception & Response Analysis
Closed Exceptions
By Campus / Topic
For the Six Months Ended June 30, 2024

Campus: UNR					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				This audit finding was part of the discussion with the Finance Team at their monthly Finance meeting so more care will be taken when reviewing and approving spend authorizations. The Fiscal Officer and Fiscal Managers are responsible for reviewing expense reports and will exercise more care when approving.	
9	Cooperative Extension/ Expenditures	We recommend employees be reminded to attach conference agendas to Expense Reports. This will enable those reviewing and approving these transactions to determine whether proper meal per diems were claimed and reimbursed.	Fiscal Officers and Fiscal Managers	The employee and his Admin were contacted so they are also aware that an agenda needs to be included in the support documentation. This audit finding was part of the discussion with the Finance Team at their monthly Finance meeting so more care will be taken when reviewing and approving spend authorizations. The Fiscal Officer and Fiscal Managers are responsible for reviewing expense reports and will exercise more care when approving.	2/29/24
10	Cooperative Extension/ Expenditures	We recommend established purchasing policies be followed.	Fiscal Officers and Fiscal Managers	Employee has been made aware that any expense over \$5,000 has to have a purchase order and not to use a supplier invoice. This was an oversight on the employee side. This was also not caught upon approval. This audit finding was part of the discussion with the Finance Team at their monthly Finance meeting so more care will be taken when reviewing and approving payments within Workday. The Fiscal Officer and Fiscal Managers are responsible for reviewing supplier invoices and will exercise more care when reviewing and approving.	2/29/24
11	Cooperative Extension/ County Reporting	We recommend that additional training be provided to the county extension offices to help ensure the standard report format is followed and posted as required. We also recommend the annual reports be reviewed by UNCE administration to determine whether the proper format was used.	Northern and Southern Area Directors	An email is sent to all the county offices typically at the end of September as a reminder that annual county reports are due to be added to the website. This email contains instructions and includes a template. Extension will continue to send the instructions annually for the county offices to follow. The county reports will be reviewed to insure consistency among the counties and that the standard format is being followed. The Northern and Southern Area Directors will be responsible for reviewing the county reports.	2/29/24

Campus: UNLV					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
12	Terminated Employees/ Network System Access	We recommend the manual procedures for executing employee terminations be reviewed and updated, as necessary, to ensure that all required system access and administrative requirements are addressed and removed timely.	Chief Information Security Officer	<p><i>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.</i></p> <p>UNLV has redesigned the process for disabling accounts. Accounts will be disabled automatically once an electronic notification has been received from Workday. This action will trigger additional notifications to downstream services to ensure a single point of consistency for account status. September 2023 is when we expect the new process to be fully implemented.</p> <p><i>How compliance and performance will be measured and documented for future audit, management, and performance review?</i></p> <p>Reports will be executed that compare active accounts to active employees. Discrepancies will be identified and brought to the attention of OIT units of Account Management and Information Security for corrective action.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted?</i></p> <p>The Chief Information Security Officer will be responsible for any future repeat or similar observations of this finding.</p> <p>Follow Up Response 2/29/24:</p> <p>UNLV has enhanced its network security by adopting an automated system that, in accordance with employee terminations recorded in Workday, disables network access. This system has been operational since August 9, 2023. Compliance and performance are manually audited through reports that compare active accounts to employee records in termination data from Workday. Any discrepancies are addressed by the Information Security team. Additionally, a fully automated dashboard and reporting system has been developed. Currently in its final testing stage, it is slated for completion by March 2024. This advancement will significantly decrease the time required for self auditing to ensure compliance.</p>	9/7/23
13	Terminated Employees/ Resignation Acceptance	We recommend proper policies and procedures be reiterated to department management at each institution to ensure compliance with policies and procedures.	UNLV Director, Benefits and HR Operations	<p><i>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.</i></p> <p>At the next NSHE HCM meeting (August 2023), we plan to bring this item forward to explore options with our Workday configuration at a System Level (NSHE) to improve the resignation acceptance process. Meanwhile, effectively immediately, we have updated our off-boarding processes outside of Workday to include reminders to the immediate supervisors to ensure they accept the resignation in writing and include the acceptance letter as an attachment when initiating the Workday Termination business process. Also, in the event that the employee did not submit their resignation through the Workday resignation process, the immediate supervisor will verify and attach the resignation notice or the Classified Employee Resignation from State Service Form, as well as the supervisor's</p>	9/7/23

Campus: UNLV					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				<p>acceptance letter when initiating the Workday termination business process on their behalf.</p> <p><i>How compliance and performance will be measured and documented for future audit, management, and performance review?</i></p> <p>Immediate supervisors will include proper documentation within the system of record.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted?</i></p> <p>UNLV Director, Benefits and HR Operations will ensure offboarding processes are updated to prevent repeat or similar observations.</p> <p>Follow Up Response 2/29/24:</p> <p>UNLV took prompt action to update and clarify our resignation and off-boarding processes to campus, including instances where a resignation may be submitted outside of our standard Workday system. Those efforts included an update to UNLV's Offboarding website (https://www.unlv.edu/hr/offboarding/sep-from-unlv), and additional clarification and training was provided at UNLV's August 2023 Campus Operations Meeting.</p> <p>Additionally, to better align NSHE policy language with NSHE's Workday HRIS system processes, UNLV has partnered with the other institutions of the NSHE Human Resources Advisory Council (HRAC) to propose adjustments to NSHE policy language. We anticipate this updated language will be presented to the NSHE Board of Regents for approval at their next quarterly meeting.</p>	

Campus: DRI					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
14	Terminated Employees/	We recommend the DRI IT Department establish a process for documenting and maintaining management requests and approval.	Team Responsible	<p><i>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. DRI IT agrees with the findings.</i></p> <p>We are developing a digital form and approval process to document and track extended access. We anticipate going live with the new digital process before the</p>	9/7/23

Campus: DRI					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
	System Access Extension			<p>end of the calendar year. Extended access requests made outside this process will not be permitted.</p> <p><i>How compliance and performance will be measured and documented for future audit, management, and performance review?</i></p> <p>DRI will be developing a digital form and approval process to document and track extended access. We anticipate going live with the new digital process before the end of the calendar year. Extended access requests made outside this process will not be permitted.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted?</i></p> <p>The individual or team responsible for overseeing the relevant process or area would be held accountable if repeat or similar observations are noted in the future.</p> <p>Follow Up Response 2/29/24:</p> <p>The implementation of the original response has been reviewed, is in place, and meets the control objective of preventing unauthorized access and misuse of NSHE systems.</p>	
15	Hosting/ Hosting Expenditures Review	We recommend hosting expenditures be properly identified and charged to the Hosting Ledger Account in Workday and that host forms are properly completed and approved.	FSO Team	<p>Corrective Action Taken – Members of the DRI Administrative Council and Financial Services Office (FSO) team have been reminded of the importance of proper coding and appropriate approvals for hosting transactions.</p> <p>Compliance, Measurement and Documentation – FSO will ensure that all hosting expenses are properly coded and approved before being processed.</p> <p>Responsibility – The divisions and departments are responsible for obtaining the appropriate approval on hosting transactions. The FSO Team is responsible for ensuring that transactions are appropriately coded and approved before final processing.</p>	2/29/24
16	Hosting/ Hosting Expenditures Review	We recommend that purchase requisitions and quotations be completed and submitted to the BCN Purchasing Department in advance of purchases and the execution of contracts, as required.	FSO Team	<p>Corrective Action Taken – Members of the DRI Administrative Council and the division and department purchasing card admin teams have been reminded of the Board of Regents' Policies and the importance of compliance. In addition, before new purchasing cards are distributed, cardholders must complete a training course as well as certify that they have read the DRI Purchasing Card Manual.</p> <p>Compliance, Measurement and Documentation – FSO will ensure that documentation of all policy infractions is included in the support for transactions. In this instance, DRI's controls were working as intended, as the FSO team had included documentation of communication with the cardholder and division admin personnel for the policy infractions.</p> <p>Responsibility – All purchasing cardholders are responsible for compliance with policies. The FSO Team is responsible for ensuring that transactions are</p>	2/29/24

Campus: DRI					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				appropriately coded, approved, and that any policy infractions are documented before final processing.	
17	Hosting/ Hosting Expenditures Review	We recommend greater care be taken to ensure a business purpose is provided on the host form. If a business purpose is not initially included or provided in sufficient detail in the supporting documentation, we recommend the responsible party be requested to provide one when the transaction is reviewed and processed.	FSO Team	Corrective Action Taken – Members of the DRI Administrative Council and FSO team have been reminded of the importance of proper documentation of the business purpose for hosting transactions. Compliance, Measurement and Documentation – FSO will ensure that all hosting expenses are properly documented before being processed. Responsibility – The divisions and departments are responsible for the proper documentation of hosting transactions. The FSO Team is responsible for ensuring that transactions are appropriately documented before final processing.	2/29/24
18	Hosting/ Hosting Expenditures Review	We recommend host forms be approved by the designated signature authority, as required.	FSO Team	Corrective Action Taken – Members of the DRI Administrative Council and FSO team have been reminded of the importance of obtaining appropriate approvals for hosting transactions. Compliance, Measurement and Documentation – FSO will ensure that all hosting expenses are properly approved before being processed. Responsibility – The divisions and departments are responsible for obtaining the appropriate approval on hosting transactions. The FSO Team is responsible for ensuring that transactions are appropriately approved before final processing.	2/29/24

Campus: CSN					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
19	Facilities Management/ Capital Construction	We recommend the institution create a procedure to thoroughly review change order costs, including subcontractor costs, timely report to the Labor Commissioner and ensure adequate supporting documentation is maintained that aligns with the contract terms and in accordance with the NSHE Procedures and Guidelines Manual Chapter 5, Section 2, paragraph g.14.b.	Facilities Department Director of Construction	<p>Currently, all change orders must follow the institution's contract process including appropriate documentation, consistency with contract terms and signature authority to approve the change order. This measure ensures adherence to NSHE policies and procedures while mitigating potential compliance issues. Properly executed change orders will be documented for future audit, management, and performance review.</p> <p><i>Procedure Development:</i> The Facilities Department is in the process of developing a comprehensive procedure for reviewing change order and change directives, with specific focus on subcontractor costs. This procedure will outline the steps required to thoroughly assess the necessity and validity of change orders, ensuring that costs are justified and in accordance with contract terms.</p> <p><i>Timely Reporting:</i> The Facilities Department has established protocols to ensure that any relevant information regarding Labor Commissioner project completion notification.</p> <p><i>Documentation Requirements:</i> The Facilities Department will ensure adequate supporting documentation is received and maintained for all change orders, including subcontractor costs. This documentation will align with the contract terms and will adhere to the guidelines outlined in the NSHE Procedures and Guidelines Manual Chapter 5, Section 2, paragraph g.14.b.</p> <p><i>Training and Communication:</i> The Facilities Department will develop and conduct training for relevant personnel to educate them on the newly established procedure and documentation requirements. Clear communication will be maintained regarding the importance of adhering to these guidelines to ensure compliance with regulatory standards.</p> <p><i>Monitoring and Oversight:</i> The Facilities Department Director of Construction will implement monitoring mechanisms to oversee the implementation of the procedure and ensure adherence to documentation requirements. This will involve regular reviews of change order processes to identify any areas for improvement and address any non-compliance issues.</p>	6/6/2024
20	Facilities Management/ Facilities Tools	We recommend as best practice the department create a record of tools and develop guidelines for tracking purchased and disposed of tools above a designated value set by the department, including information such as the date of purchase, cost of tool, description of tool and location where the tool is stored. In addition, the tool record should be maintained by an employee who	Facilities Directors	<p>The Facilities Department acknowledges the importance of creating a comprehensive record of tools and establishing clear guidelines for tracking tools above a designated value threshold. To address this, we are implementing the following actions:</p> <p><i>Establishment of Tool Record:</i> The Facilities Department created centralized tool records that include essential information such as the date of purchase, cost of the tool, description, and the location where the tool is stored. This record provides a clear overview of our tool inventory and facilitates effective management.</p>	6/6/2024

Campus: CSN					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
		does not have access to tools or authority for disposal or purchases.		<p><i>Development of Tracking Guidelines:</i> The Facilities Department developed detailed guidelines outlining the procedures for tracking tools above the designated value threshold. These guidelines will specify the responsibilities of personnel involved in the tracking process, the frequency of updates to the tool record, and any additional requirements for documentation.</p> <p><i>Segregation of Duties:</i> To ensure accountability and prevent conflicts of interest, the tool record will be maintained by an employee who does not have access to tools or authority for disposal or purchases. This segregation of duties will enhance the integrity of the tracking process and mitigate the risk of errors or misuse.</p> <p><i>Annual Inventory Reconciliation:</i> Each Facilities Director will perform an annual inventory of their department's tracked tools. The accuracy of the inventory reconciliation shall be documented by a signed certification.</p> <p>By implementing these measures, we aim to enhance transparency, accountability, and efficiency in our tool management practices.</p>	
21	Facilities Management/ Expenditures	We recommend the department create a proper tracking mechanism for who is responsible for purchasing PPE (uniforms, boots etc.) for specific employees and how often they are allowed to be repurchased. We recommend that p-card supporting documentation include adequate detail for whom the purchase was made for proper tracking.	Facilities Directors	<p>To address this recommendation effectively, the Facilities Department implemented the following measures:</p> <p><i>Enhanced P-Card Documentation:</i> The Facilities Department revised the department's P-Card supporting documentation requirements to include adequate detail for tracking purposes. Specifically, the documentation includes specifying the intended recipient of the PPE purchase, providing clarity on which employee the item is assigned to. This facilitates accurate record-keeping and accountability for PPE allocations.</p> <p><i>Tracking Integration with Existing Systems:</i> The Facilities Department is leveraging the existing computerized maintenance management system to streamline the process and ensure consistency in data management. This integration enables seamless tracking of PPE purchases and associated documentation, reducing the likelihood of errors and oversight.</p> <p><i>Training and Communication:</i> The Facilities Department will conduct ongoing training sessions to ensure that all relevant personnel are aware of the updated tracking procedures and documentation requirements. Clear communication will be maintained regarding the importance of accurately recording PPE purchases and the role each individual plays in this process.</p> <p><i>Annual Inventory Reconciliation:</i> Each Facilities Director will perform an annual inventory of their department's PPE. The accuracy of the inventory reconciliation shall be documented by a signed certification.</p> <p>By implementing these measures, we aim to enhance transparency, accountability, and compliance with PPE procurement processes. We are</p>	6/6/2024

Campus: CSN					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				committed to ensuring that our practices align with best practices and regulatory requirements.	
22	Facilities Management/ Work Orders	We recommend the department evaluate the current work order review process and implement improvements to ensure that management is consistently reviewing aged work orders and document those reviews. The process should ensure employees are timely updating the details on the work order so a reviewer can identify status and details.	Facilities Department Directors	<p>CSN recognizes the importance of consistently reviewing aged work orders and documenting these reviews to ensure operational efficiency and accountability. To address this recommendation, we undertook the following actions:</p> <p><i>Evaluation of Current Process and Identification of Improvement Opportunities:</i> The Facilities Department conducted a comprehensive evaluation of our current work order review process and identified existing gaps or inefficiencies. This evaluation involved gathering feedback from relevant stakeholders and analyzing the workflow. Based on the evaluation findings, we identified specific areas for improvement in our work order review process. This includes enhancing the clarity and completeness of work order details, streamlining communication channels for status updates, and establishing clear timelines for review and resolution.</p> <p><i>Implementation of Process Enhancements:</i> The Facilities Department implemented targeted improvements to our work order review process to address identified areas of concern. This involves updating procedures, providing additional training to employees on work order management, and implementing technological solutions to facilitate timely updates and tracking.</p> <p><i>Documentation of Reviews:</i> The Facilities Department established protocols to ensure management consistently reviews aged work orders and documents these reviews accordingly. This documentation will serve as a record of accountability and provide insights into the effectiveness of our review process over time.</p> <p><i>Timely Updating of Work Order Details:</i> The Facilities Department emphasizes the importance of timely updating of work order details by employees to facilitate effective review by management. Clear guidelines and reminders will be provided to ensure that status updates and relevant details are promptly recorded in the work order system.</p> <p><i>Continuous Monitoring and Adjustment:</i> The Facilities Department Directors adopted a proactive approach to monitoring the effectiveness of our enhanced work order review process. Regular assessments will be conducted to identify any further opportunities for improvement and to ensure ongoing alignment with organizational goals and objectives.</p> <p>By implementing these measures, we are confident that we will enhance the efficiency, transparency, and accountability of our work order review process.</p> <p>Note: The total open work orders during this period were 4% of the work orders created during this audit period.</p>	6/6/2024

Campus: CSN					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
23	Facilities Management/ Overtime	We recommend that the facilities department enhance its policies and procedures around overtime to include who is authorized to approve overtime and how overtime will be tracked. In addition, CSN should identify how many overtime hours employees are allowed to work by determining a weekly, monthly, or even annual cap of overtime hours allowed per employee.	Director of Facilities	<p>CSN understands the importance of establishing clear guidelines to ensure effective oversight and control of overtime hours. To address this recommendation, we have taken the following steps:</p> <p><i>Authorization of Overtime:</i> The Facilities Department has formalized our internal procedures to clearly specify who is authorized to approve overtime within the department. This includes defining roles and responsibilities for approving overtime requests and ensuring that only designated personnel have the authority to authorize overtime. This overtime. This is in addition to the current established Workday business processes.</p> <p><i>Overtime Tracking Procedures:</i> We established comprehensive procedures for tracking overtime hours worked by employees. This involves implementing a system for recording and monitoring overtime assigned to work orders and submitted in Workday to accurately capture overtime hours.</p> <p><i>Establishment of Overtime Limits:</i> Building upon the recommendation, we identified and established limits on the amount of overtime hours employees are allowed to work within defined time periods (e.g., weekly, monthly, or annually). By setting clear caps on overtime hours, we aim to promote a healthy work-life balance, mitigate employee burnout, and ensure compliance with labor regulations.</p> <p><i>Communication and Training:</i> The Facilities Department will communicate the updated policies and procedures regarding overtime management to all relevant stakeholders within the department. Additionally, training sessions will be provided to ensure that employees understand their responsibilities regarding overtime tracking, approval processes, and adherence to established limits.</p> <p><i>Regular Review and Adjustment:</i> The Facilities Department recognizes that workforce needs may evolve over time, and as such, we will establish a process for regularly reviewing and adjusting our overtime procedures and limits as needed. This will involve monitoring overtime usage, soliciting feedback from employees and supervisors, and making necessary revisions to ensure that our policies remain effective and aligned with organizational objectives.</p> <p>By implementing these measures, we are confident that we will enhance transparency, accountability, and compliance in our overtime management practices. We appreciate your recommendation and remain committed to fostering a supportive and productive work environment within the facilities department.</p>	6/6/2024

Campus: NSU					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
24	Hosting/ Hosting Expenditure Review	We recommend hosting expenditures be properly identified and charged to the Hosting Ledger in Workday and that host forms are properly completed and approved. We also recommend that designated host accounts be reviewed on at least an annual basis to ensure that transactions charged to these accounts are coded correctly.	Accounting Services	<i>Corrective Action Taken</i> –NSU campus community will continue to be reminded of the requirements for hosting expenditures. Accounting Services will continue to be reminded of the importance of a thorough review of charges to be appropriately posted to correct host ledger within host eligible programs/gifts. <i>Compliance, Measurement and Documentation</i> – Administrative Support Staff and Accounting Services will ensure that all hosting expenses are properly coded and are accompanied by the required and properly completed host forms, etc. <i>Responsibility</i> – The divisions and departments are responsible for obtaining the appropriate approval on hosting transactions including the appropriate worktags for the expenditure to post to hosting. Accounting Services, as final reviewer, will ensure all transactions in host eligible programs/gifts have the appropriate worktags and documentation including spend categories and detail codes in Workday.	6/6/2024
25	Hosting/ Hosting Expenditure Review	We recommend that purchasing card holders be reminded to provide the sales tax exemption letter to vendors at the time of purchase or if necessary, request a credit of the tax from the vendor after-the-fact and provide an explanation on the supporting documentation. We also recommend adherence to Board of Regents policy for transactions involving gratuity.	Accounting Services	<i>Corrective Action Taken</i> - We will continue to remind all purchasing cardholders and their assistants of the university's tax-exempt status and to provide vendors with the university's sales tax exemption proof. Additionally, will continue to provide internal stakeholders with the proper steps to recoup Nevada State sales tax when charged on in-state transactions. • <i>Compliance, Measurement and Documentation</i> – Administrative Support Staff and Accounting Services will ensure that the proper steps are taken to recover paid Nevada State sales tax when charged. Accounting Services will continue to review transactions to ensure compliance with the gratuity policy. <i>Responsibility</i> – All purchasing cardholders are responsible for providing vendors with the university's tax-exemption certificate and taking steps to recover sales tax when charged; and adhering to the gratuity policy. Accounting Services is responsible for ensuring proper efforts are made to recoup/recover any sales tax paid to vendors. Additionally, Accounting Services will ensure the gratuity policy is adhered to.	6/6/2024
26	Hosting/ Hosting Expenditure Review	We recommend greater care be taken to ensure a host form is completed and approved for hosting transactions. If a host form is not initially included in the supporting documentation, we recommend the responsible party be requested to provide one when the transaction is reviewed and processed.	Accounting Services	<i>Corrective Action Taken</i> – The NSU campus community and Accounting Services Staff will continue to be reminded of the importance of proper documentation for hosting transactions. <i>Compliance, Measurement, and Documentation</i> – Administrative Support Staff and Accounting Services will continue to ensure all hosting expenses are properly documented before being processed.	6/6/2024

Campus: NSU					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				<i>Responsibility</i> – The divisions and departments are responsible for the proper documentation of hosting transactions. The Accounting Services Team is responsible for ensuring that transactions are appropriately documented before final processing.	
27	Hosting/ Hosting Expenditure Review	We recommend host forms be signed and approved by a higher authority other than the employee directly involved in the hosting activity.	Accounting Services	<i>Corrective Action Taken</i> –The NSU campus community and Accounting Services Staff have been reminded of the importance of obtaining the appropriate approvals for hosting transactions. <i>Compliance, Measurement, and Documentation</i> – Administrative Support Staff and Accounting Services will ensure that all hosting expenses are properly approved before being processed. <i>Responsibility</i> – The divisions and departments are responsible for obtaining the appropriate approval for hosting transactions. The Accounting Services Team is responsible for ensuring that transactions are appropriately approved before final processing.	6/6/2024
28	Hosting/ Table Purchases	We recommend host forms be properly completed with the name of the employee directly involved in the hosting activity, as well as a list of employees and/or guests attending the table event, as required. We also recommend host forms for institutional table purchases at which the President is in attendance be approved by the Chancellor.	Accounting Services	<i>Corrective Action Taken</i> – Accounting Services Staff will continue to remind end-users of the required information to properly complete the NSU Host Form, and to provide supporting documentation. <i>Compliance, Measurement and Documentation</i> – Administrative Support Staff and Accounting Services will ensure that all NSU Host Forms have the required information before being processed. <i>Responsibility</i> - The divisions and departments are responsible for providing the required information on the NSU Host Form. Accounting Services is responsible for ensuring the NSU Host Forms contain the required information before final processing.	6/6/2024

Campus: WNC					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
29	Terminated Employees/ Resignation Acceptance	We recommend proper policies and procedures be reiterated to department management at each institution to ensure compliance with policies and procedures.	Individual Managers and Supervisors	<p><i>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.</i></p> <p>WNC will reiterate acceptance of resignation procedures and policies to managers and supervisors no later than the start of the fall 2023 semester. WNC plans to begin using the Resign process in Workday no later than the start of the fall 2023 semester. Resigning employees will be provided with instructions on where to submit a resignation in Workday. Supervisors and managers will be provided with instructions on how to accept resignations in Workday and directed to do so no later than the end of the following business day.</p> <p>Employees with multiple jobs will not be able to use the Resign process in Workday, and others may choose not to. Whether these employees provide verbal or written resignations, managers and supervisors will be instructed to provide a written acceptance to the employee by email, with a CC to Human Resources, no later than the end of the following business day.</p> <p>Should an employee voluntarily separate from WNC without submitting a resignation, Human Resources will continue the current practice of assisting the manager or supervisor with appropriately documenting the circumstances. WNC will review any recommendations from HRAC discussions for implementation at the institution. WNC will implement any NSHE policy changes which may result from HRAC discussions and recommendations.</p> <p><i>How compliance and performance will be measured and documented for future audit, management, and performance review?</i></p> <p>For resignations submitted in Workday, the written acceptance will be automatically captured in the Workday process. Human Resources staff will review Workday resignation processes to determine if resignations are being accepted no later than the end of the following business day.</p> <p>For resignations submitted outside of Workday, the written resignation (if submitted) and emailed written acceptance will be uploaded and retained in the employee's Workday documents. Human Resources staff will review these terminations to ensure a written acceptance was provided, and that it was provided no later than the end of the following business day. Human Resources will also ensure the written resignation (if submitted) and emailed written acceptance are uploaded to the employee's Workday documents.</p> <p>For voluntary separations without resignations, Human Resources will ensure appropriate documentation of the circumstances is uploaded for retention in the employee's Workday documents.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar observations are noted?</i></p>	9/7/23

Campus: WNC					
ITEM #	DEPARTMENT / TOPIC	EXCEPTION	MANAGEMENT RESPONSIBILITY	MANAGEMENT RESPONSE	AUDIT COMMITTEE DATE
				<p>Individual managers and supervisors will be held accountable for accepting resignations submitted in Workday, no later than the end of the following business day. Individual managers and supervisors will be held accountable for emailing resignation acceptances no later than the end of the business day following submission of a resignation outside of Workday.</p> <p>Should repeat exceptions occur or similar observations be noted, Human Resources will work with the supervisor or manager's leadership chain to ensure the exceptions are addressed as appropriate.</p> <p>Follow Up Response 2/29/24:</p> <p>Since the audit, WNC has had zero exceptions to the updated processes to date. Should exceptions occur, HR will work with the supervisor or manager's leadership chain to ensure the exceptions are addressed as appropriate.</p> <p>WNC still intends to implement any NSHE policy changes which may result from HRAC discussions and recommendations.</p>	