

**NEVADA SYSTEM OF HIGHER EDUCATION**

**INTERNAL AUDIT DEPARTMENT**

**REPORT ON JULY 1, 2013 THROUGH DECEMBER 31, 2013 ACTIVITIES**



NSHE  
Internal Audit Department  
Report on July 1, 2013 through December 31, 2013 Activities

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NSHE INTERNAL AUDIT DEPARTMENT  
 PROGRESS OF AUDIT SCHEDULE  
 July 1, 2013 – December 31, 2013

<u>AUDIT</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>OVER/ SHORT()</u>	<u>COMMENTS</u>
1. UNLV School of Dental Medicine Student Government	200	141	(59)	
2. UNLV Parking and Transportation Services	300	273	(27)	
3. NSC Student Accounts-PeopleSoft	200	148	(52)	
4. NSC PeopleSoft Security Audit	300	224	(76)	
5. CSN Associated Student of the CSN	300	310	10	
6. CSN Special Course Fees	200	167	(33)	
7. GBC Special Course Fees	120	105	(15)	
8. DRI Facilities Department	400	382	(18)	
9. UNR Student Accounts-PeopleSoft	400	399	(1)	
10. UNR Libraries	400	533	133	Overage was due to a personnel change and an employee on FMLA. In addition, the scope of the audit was moderately expanded from the prior audit.

NSHE Internal Audit Department  
 Exception Report Analysis  
 Institutional Findings - Cumulative Unresolved Items  
 For the six months ended December 31, 2013

	7/1/2013- 12/31/2013	1/1/2013- 6/30/2013	1/1/2012- 12/31/2012	Finding Number	1/1/2011- 12/31/2011	Finding Number	Total
	Current	Prior	1 to 2 years		2 years +		
UNR	18	0	0		1	19	19
UNLV	2	0	13	22-34	0		15
NSC	6	0	0		0		6
DRI	7	0	0		0		7
TMCC	1	0	0		0		1
CSN	5	0	0		0		5
WNC	0	0	1	54	0		1
GBC	4	1	0		7	60-66	12
	<hr/> 43	1	14		8		66

NSHE Internal Audit Department  
 Exceptions Report Analysis  
 For the six months ended December 31, 2013

Prior Period  
 1/1/13 – 6/30/13

Current Period  
 7/1/13 – 12/31/13

	TOTAL UNRESOLVED ITEMS	NEW ITEMS	CLOSED ITEMS	TOTAL UNRESOLVED	CUMULATIVE UNRESOLVED ITEMS
FINANCIAL	1	5	1	4	5
A-133	26	30	26	4	30
INSTITUTIONAL	86	92	112	(20)	66
<b>TOTAL</b>	113	127	139	(12)	101

NSHE Internal Audit Department  
 Exceptions Report Analysis  
 For the six months ended June 30, 2013

Prior Period  
 7/1/12 – 12/31/12

Current Period  
 1/1/13 – 6/30/13

	TOTAL UNRESOLVED ITEMS	NEW ITEMS	CLOSED ITEMS	TOTAL UNRESOLVED	CUMULATIVE UNRESOLVED ITEMS
FINANCIAL	1	0	0	0	1
A-133	26	0	0	0	26
INSTITUTIONAL	60	215	189	26	86
<b>TOTAL</b>	87	215	189	26	113

NSHE Internal Audit Department  
 Exceptions Report Analysis  
 For the six months ended December 31, 2012

Prior Period  
 1/1/12 – 6/30/12

Current Period  
 7/1/12 – 12/31/12

	TOTAL UNRESOLVED ITEMS	NEW ITEMS	CLOSED ITEMS	TOTAL UNRESOLVED	CUMULATIVE UNRESOLVED ITEMS
FINANCIAL	5	1	5	(4)	1
A-133	36	26	36	(10)	26
INSTITUTIONAL	56	112	108	8	60
<b>TOTAL</b>	97	139	149	(6)	87

NSHE Internal Audit Department  
 Exceptions Report Analysis  
 For the six months ended June 30, 2012

	Prior Period 7/1/11 – 12/31/11	Current Period 1/1/12 – 6/30/12			
	TOTAL UNRESOLVED ITEMS	NEW ITEMS	CLOSED ITEMS	TOTAL UNRESOLVED	CUMULATIVE UNRESOLVED ITEMS
FINANCIAL	5	0	0	0	5
A-133	36	0	0	0	36
INSTITUTIONAL	70	77	91	(14)	56
<b>TOTAL</b>	111	77	91	(14)	97



NSHE Internal Audit Department  
 Exceptions Report Analysis  
 For the six months ended December 31, 2011

	Prior Period 1/1/11 – 6/30/11	Current Period 7/1/11 – 12/31/11			
	TOTAL UNRESOLVED ITEMS	NEW ITEMS	CLOSED ITEMS	TOTAL UNRESOLVED	CUMULATIVE UNRESOLVED ITEMS
FINANCIAL	15	5	15	(10)	5
A-133	26	36	26	10	36
INSTITUTIONAL	53	148	131	17	70
<b>TOTAL</b>	94	189	172	17	111

Exception & Response Analysis  
 Significant Audit Findings  
 By Campus/Topic  
 For the Six Months Ended December 31, 2013

<u>CAMPUS</u>	<u>DEPT. REPORT</u>	<u>TOPIC</u>	<u>REPORT/ RESPONSE DATE</u>	<u>ITEM #</u>	<u>EXCEPTION</u>	<u>MANAGEMENT RESPONSIBILITY</u>	<u>MANAGEMENT RESPONSE</u>	<u>EXCEPTION STATUS</u>	<u>AUDIT COMMITTEE DATE</u>
<b><u>INTERNAL AUDIT REPORTS</u></b>									
UNR	Libraries	Cash Controls	8/16/13 10/11/13	3	We recommend a policies and procedures manual be developed to establish controls and to promote consistency in these processes.	Associate Vice President, Business and Finance	The Multimedia Center procedures manual is being revised to include financial operations and accounting procedures. The revision will be completed by December 1, 2013.	OPEN	12/2/2013
UNR	Libraries	Accounts Receivable	8/16/13 10/11/13	4	We recommend accounts with material balances for which the library has not received payments for an extended period of time be turned over to a collections agency. We recommend a policy be developed regarding past due accounts and the timeframe for forwarding accounts to collections. We recommend the policy be included in the Circulations Desk Procedures Manual.	Associate Vice President, Business and Finance	The Director of Information Services and Library Services supervisor are currently developing procedures to address this issue which includes sending accounts to collection. Procedures will be developed, implemented and included in the Circulation Desk Procedures Manual by January 15, 2014.	OPEN	12/2/2013
UNR	Libraries	Accounts Receivable	8/16/13 10/11/13	5	We recommend the outstanding balance report be reviewed more frequently to help alleviate large account balances and to promote more timely collections. We also recommend a review be performed to determine whether the library's reservation system can be programmed to place a hold on customer accounts as soon as the outstanding balance reaches \$40.	Associate Vice President, Business and Finance	The Director of Information Services has investigated whether the circulation system can be programmed to place a hold on customer accounts as soon as outstanding balances reach \$40. It cannot. The Library staff will run the stop list three times a year instead of annually in order to identify large balances and place holds more quickly. The stop list will be run in January, May and September.	CLOSED	12/2/2013
UNR	Libraries	Expenditures	8/16/13 10/11/13	8	We recommend written procedures be developed to document the process that is followed by Libraries personnel when making purchases of information services and resources. We recommend the procedures include adequate internal controls, such as	Associate Vice President, Business and Finance	The Library Acquisitions department is in the process of updating and expanding the procedures manual to include latest practices and to address more specifically some of the concerns raised by the audit. They will add to the procedures that large	OPEN	12/2/2013

Exception & Response Analysis  
 Significant Audit Findings  
 By Campus/Topic  
 For the Six Months Ended December 31, 2013

<u>CAMPUS</u>	<u>DEPT. REPORT</u>	<u>TOPIC</u>	<u>REPORT/ RESPONSE DATE</u>	<u>ITEM #</u>	<u>EXCEPTION</u>	<u>MANAGEMENT RESPONSIBILITY</u>	<u>MANAGEMENT RESPONSE</u>	<u>EXCEPTION STATUS</u>	<u>AUDIT COMMITTEE DATE</u>
					requiring additional signature approvals as the amount of purchases increases.		purchases must be signed by the Assistant Dean for Collections and Knowledge Access Services or the Dean of Libraries in addition to the Library Acquisitions supervisor. The updates and revisions to the manual will be completed by January 3, 2014.		
UNR	Student Accounts- PeopleSoft	Student Account Testing	8/16/13 10/11/13	24	We recommend the cause of the error be determined so it can be resolved and not recur in the future.	Associate Vice President, Business and Finance	The initial setup in PeopleSoft was determined to be the problem and has been corrected. Modifications to the system have been developed to provide an audit table of all fee changes. This serves as a control measure to monitor and correct any unanticipated fee changes that may occur. The Associate Registrar has been assigned the duty of ensuring that these measures are implemented. As an additional measure, the Functional analyst for the Student Accounting Office reviews a quality control query daily and verifies any changes to fees with the Associate Registrar to determine if the changes are legitimate.	CLOSED	12/2/2013
UNR	Student Accounts- PeopleSoft	Student Account Testing	8/16/13 10/11/13	23	We recommend greater care be taken when fee waivers are processed to ensure the correct entries are posted to the PeopleSoft application.	Associate Vice President, Business and Finance	The error was discovered in January of 2013 and the error was fixed for Spring 2013 and all terms going forward. As a result of this discovery in January 2013, the Student Accounting Office has implemented new testing procedures performed by the Functional Analyst that ensures a more thorough testing and validation process of all waivers. The Term Rollover documentation has	CLOSED	12/2/2013

Exception & Response Analysis  
 Significant Audit Findings  
 By Campus/Topic  
 For the Six Months Ended December 31, 2013

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							been updated with the new procedures. A quality control query has been created and is monitored daily by the Functional Analyst. This query ensures that the Capital improvement waiver amounts are in sync with the amount of the tuition waiver. In addition, a review of waivers is conducted during the process of charging department accounts for Graduate Assistant tuition waivers. In this review, the Third Party/Collections Specialist manually reviews the Capital Improvement waivers to verify that they are in sync with the tuition waivers.		
UNLV	School of Dental Medicine Student Government	DSGA Constitution and By-Laws	5/8/13 7/25/13	20	We recommend the DSGA By-Laws be reviewed by the SDM and the Executive and Class Councils to determine revisions required for accurately reflecting the responsibilities to be performed.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	The DSGA By-Laws and Constitution have been revised on 5/21/13 by the 2013-14 Executive Council members to reflect elimination for standing committees (Student Activities, Community Service and Elections). Ad-hoc committees instead may be formed at the discretion of the Executive Council Chairperson. The revised documents, which are more reflective of the responsibilities and systems established within the DSGA, have been reviewed and approved. We anticipate that a vote of the current student body will take place by the end of July.	OPEN	8/30/2013
UNLV	School of Dental Medicine Student Government	DSGA Constitution and By-Laws	5/8/13 7/25/13	44	We recommend the SDM brief their recently elected Executive and Class Council officers regarding requirements for completing and retaining meeting minutes	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	The 2013-14 Executive Council members have met with SDM Assistant Dean for Admissions and Student Affairs/Advisor on 5/21/13 to discuss the importance of	CLOSED	8/30/2013

Exception & Response Analysis  
 Significant Audit Findings  
 By Campus/Topic  
 For the Six Months Ended December 31, 2013

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							recordkeeping. The Council has implemented the use of meeting minutes. On July 18, 2013, the Executive Council hosted a seminar for all Class Council members and student organization leadership items to be discussed include current policies for completing and retaining meeting minutes, the overall structure of the DSGA, and general policies regarding DSGA affairs. Copies of the DSGA By-Laws and the Constitution will be made available on the SDM SharePoint document server.		
UNLV	Parking and Transportation Services	Cash Handling	4/2/13 6/4/13	45	We recommend that both persons who participate in the count of the parking meter money sign and date the count form. We also recommend the handheld meter reader audit device be utilized on weekly collections, and be replaced or have maintenance services performed as soon as possible to minimize periods of non-use.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	We have modified our count form to include space for both individuals participating in the count to sign. Signatures are now required by both parties. The hand-held meter was repaired and is now used on each collection.	CLOSED	8/30/2013
NSC	Student Accounts- PeopleSoft	Fees and Tuition	6/5/13 7/17/13	57	We recommend NSC review the process breakdown that occurred in this instance, and seek to institute an improved control that will eliminate this from occurring again.	Senior Vice President for Finance and Administration	Prior to Summer 2013 term, setup of tuition and fees was done primarily by one individual. To ensure accuracy, the fee setup needs to be reviewed and tested by multiple individuals. NSC previously identified this error and has already implemented controls to ensure accuracy.	CLOSED	8/30/2013
NSC	Student Accounts- PeopleSoft	Course Fees	6/5/13 7/17/13	35	We recommend that NSC develop a central repository to retain approval support for each course fee.	Senior Vice President for Finance and Administration	All current special course fees, up to \$50 per course, have received presidential approval. Due to a lack of clear policies and procedures, departments have used different processes for approval and	OPEN	8/30/2013

Exception & Response Analysis  
 Significant Audit Findings  
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							documentation. Going forward, the academic departments will be required to follow a standardized process for requesting approval for special course fees, including course fees \$50 and under. The NSC Bursar's Office is developing a Special Course Fee request policy and procedure. Once implemented, the Bursars office will ensure proper approvals are affixed to any fee request prior to data entry and will be the central repository for all approved course fee documentation. All fees will be reviewed to source documentation during the setup of fees for each term.		
NSC	PeopleSoft Security Audit	Role and Permission List Usage and Design Philosophy	5/22/13 7/1/13	37	We recommend that NSC work with SCS and their fellow institutions to evaluate the design of these components and begin the process of migrating roles and permission lists toward the design philosophy noted above.	Senior Vice President for Finance and Administration	As part of the Shared Instance, NSC will coordinate with SCS and the other NSHE institutions to implement a rebuild of security components in line with a new design philosophy. <i>System Level Rebuild</i> SCS has recently developed a re-architecture of the shared instance security infrastructure and an execution plan for that re-architecture. The Senior Security Analyst for SCS, presented this plan on May 23, 2013. He has also shared his ideas for the new design philosophy with the NSHE Internal Auditor. The NSHE Internal Auditor is in agreement with the execution of a plan around this philosophy. Since the rebuilding of the shared instance security	OPEN	8/30/2013

Exception & Response Analysis  
 Significant Audit Findings  
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 For the Six Months Ended December 31, 2013

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							<p>infrastructure represents a significant commitment of resources, the plan was reviewed by the iSIA with approval given to proceed in order to comply with this audit finding.</p> <p><i>NSC Migration to the Shared Instance Design Philosophy</i></p> <p>As the new roles and permission lists are developed by SCS, NSC will assist in testing and developing narratives as described in audit item number one. This will be completed by iNtegrate co-project leads with functional leads from Admissions, Advising, Financial Aid, Student Records, and Student Financials. Migration to the shared Instance design philosophy will be accomplished as follows:</p> <ul style="list-style-type: none"> <li>• If it is found the new roles and permission lists meet its security needs, NSC will replace its current security with that developed for the shared version.</li> <li>• Where it is found the shared version does not match its needs, NSC will build new roles and permission lists that adhere to the shared instance design philosophy.</li> </ul> <p>The exact time frame for this project will depend on SCS</p>		

Exception & Response Analysis  
 Significant Audit Findings  
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							and shared instance resources but the effort is estimated to be completed by June 2014.		
NSC	PeopleSoft Security Audit	Sensitive Data Access	5/22/13 7/1/13	40	We recommend that NSC evaluate users with access to unmasked SSN data and ensure that they have a job related need for such access. Further, we suggest that NSC work with other institutions in the shared instance and consider masking birth year on the high use screens.	Senior Vice President for Finance and Administration	NSC values the trust placed in us by our students, faculty, and staff to protect Personally Identifiable Information (PII). We will honor that trust by restricting access to PII except in those cases where it is deemed necessary to serve our constituents. <i>Masking Social Security Numbers</i> Masking of SSN is done at the system level. Currently, PeopleSoft's delivered masking mechanism is used on only two pages. Further masking of additional pages can only be accomplished by a modification. A modification is a technical term to describe programming changes at the system level. These typically require work by SCS and outside consultants. The delivered masking currently masks SSN only on the Search/Match page, with the default being to mask SSN for everyone on this page. To see an unmasked SSN, a person must be specifically provided with an additional role. <i>NSC Review of Unmasked SSN Access</i> iNtegrate co-project leads will evaluate users with access to unmasked Social Security Number data and examine whether there is a job-related need to see this information. There are a limited number of users who have a job-related	OPEN	8/30/2013



Exception & Response Analysis  
 Significant Audit Findings  
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							<p>need to see unmasked SSN. These users are typically in the Financial Aid department. NSC will remove access from users it finds does not have a job-related need to have such access. All removals will be completed by December 2013. <i>Masking Year in Date of Birth</i>            The SCS Senior Security Analyst has brought the issue of using the delivered masking mechanism for birth year on high use screens to the attention of the SCS Director of Information and Application Services. Consequently, on May 30, 2013 SCS applied a mask in PeopleSoft for the year portion of date of birth (DOB) on the Search/Match page.  <i>NSC Review of Date of Birth Access</i>            iNtegrate co project leads will work with the NSC user base to determine the business effect of the new masking and will also evaluate who needs to see full DOB on the Search/Match page. NSC will restrict full DOB access from those not found to have a job-related need by December 2013.</p>		
DRI	Facilities Department	Contracts	9/10/13 10/17/13	41	We recommend this matter be reviewed by DRI Administration. If it is determined that signature authority should continue to be provided to the Facilities Department, we recommend that an updated delegation of signature authorization be completed. We also recommend the signature delegation be more specific as to the types of agreements that may be signed.	Assistant Vice President/ Controller	The Senior Vice President for Finance and Administration has tasked the Assistant Vice President/Controller to review all DRI signature delegations to ensure they are up to date and appropriate. After the Facilities Department delegation is finalized, the Facilities Department will comply with the signature delegation memorandum.	OPEN	12/2/2013

Exception & Response Analysis  
 Significant Audit Findings  
 By Campus/Topic  
 For the Six Months Ended December 31, 2013

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DRI	Facilities Department	Key Card System Administration	9/10/13 10/17/13	66	We recommend that the server administration function be performed by the DRI Information Technology Department and that the key issuance and revocation function be performed by another department.	Assistant Vice President/ Controller	Previously, the DRI IS Department provided support on an as requested basis; the server has now been reassigned to the DRI IS Department for routine support & maintenance.	CLOSED	12/2/2013
DRI	Facilities Department	Contracts	9/10/13 10/17/13	47	We recommend that DRI maintain a central location for storing agreements in accordance with the above policy. We also recommend a listing of such agreements be maintained.	Assistant Vice President/ Controller	This task has been assigned to the DRI Financial Services Office to develop and implement a central contract repository.	OPEN	12/2/2013
CSN	Associated Students of the College of Southern Nevada	Funding Requests	4/16/13 7/18/13	94	We recommend following the standards set forth in the ASCSN By-Laws and Funding Proposal Request Policies and Procedures.	Senior Vice President Finance and Administration	Processes, procedures, and controls for reviewing and processing funding proposal packets were revised during spring 2013 semester. These revisions include the ASCSN club/organization and department/division funding packet, ASCSN By-Law 17, and the process for monitoring of club/organizations and department/division funding proposals to improve accountability, compliance, and record keeping. ASCSN has since been in compliance. The Director of Student Life and Leadership Development worked with Student Government and the ASCSN Financial Advisor to secure the return of all of the unused funds referenced above.	CLOSED	8/30/2013
CSN	Associated Students of the College of Southern Nevada	Work for Your Books	4/16/13 7/18/13	53	We recommend applications/files be completed with required signatures, supporting student I.D.'s and that documentation be in place to support the required repayment of vouchers.	Senior Vice President Finance and Administration	The Director of Student Life and Leadership Development is working with Student Government and Student Financial Services (Financial Aid) to convert the ASCSN/ Cipriano Chavez Work for	OPEN	8/30/2013

Exception & Response Analysis  
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							Your Book (WFYB) Assistance Program to an ASCSN Scholarship program. Funds will be allocated to eligible students by Student Financial Services based on scholarship criteria developed by ASCSN. This transition will eliminate manual processing and storage of forms. In addition, it will allow for better tracking, processing, and improved oversight of fund disbursement and repayment. The goal is to defray the cost of attendance for students but through a process and procedure that allows for better oversight, tracking, record keeping and compliance. The conversion to a scholarship program will be implemented not later than the start of spring semester 2014.		
CSN	Special Course Fees	Expenditures	4/11/13 7/24/13	49	We recommend these accounts be passed on to the Fee Committee for their additional analysis of whether course fee adjustments are warranted.	Senior Vice President Finance and Administration	The accumulated balances resulted from a few factors including changes in program delivery, lower negotiated pricing for equipment replacement, and timing of expenditures. <ul style="list-style-type: none"> <li>• Timing of expenditures: Several of the accounts that illustrated an accumulation of fee revenue were a result of the timing of the audit review and when the expenditures were completed. For example, equipment</li> </ul>	OPEN	8/30/2013

Exception & Response Analysis  
 Significant Audit Findings  
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							<p>rotation in computerized classrooms occurs during the annual computer rotation life cycle process. Classroom and laboratory equipment is rotated during the transition between the spring and summer sessions. Of the 11 accounts noted, this situation occurred in six areas.</p> <ul style="list-style-type: none"> <li>• Lower negotiated pricing for computers resulted in savings on equipment; one such example is in the Graphic Arts program.</li> <li>• Donation: The Air Conditioning Program received a one-time donation in FY2012-13 that provided a significant amount of consumable materials which resulted in savings for the program. Replacement equipment will be purchased during the upcoming fiscal year.</li> <li>• Sciences: In area such as Biology, Chemistry, and the</li> </ul>		

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							Physical Sciences that require costly equipment, replacement occurs periodically (over years). The cost off an autoclave for example is \$44,000.		
							The Vice President for Academic Affairs and the Senior Vice President for Finance & Administration have jointly initiated an all-encompassing review of special course fee assessments and expenditures within programs and disciplines. This comprehensive review will include each and every academic special course fee assessment, and meetings are underway with the six academic deans and twenty department chairs. Due to the timing of implementing revisions through the scheduling and fee assessment modules in PeopleSoft- changes that are deemed necessary will be implemented for Fall 2014.		
CSN	Special Course Fees	Course Fee Account Management	4/11/13 7/24/13	60	We recommend CSN consider further segregation for some course topics into separate accounts to provide greater transparency of account and course activity as they relate to Special Course Fees.	Senior Vice President Finance and Administration	In consultation with the deans and Vice President for Academic Affairs, we will segregate special course fees in the area of Hospitality Management which comprises the Culinary, Food and Beverage, Gaming, Hotel, Hospitality and Tourism disciplines. In addition, special course fees for the areas of Information Systems, Graphic Information Systems,	OPEN	8/30/2013

Exception & Response Analysis  
 Significant Audit Findings  
 By Campus/Topic  
 For the Six Months Ended December 31, 2013

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							and Computer Information Technology will also be segregated based on equipment utilization. Finally, we are unable to segregate the Foreign Languages special course fees due to the common usage of equipment, software, and laboratory staff that provide support to the labs and students.		
GBC	Special Course Fees	Special Course Fee Approval	5/17/13 10/15/13	101	We recommend a Special Course Fee Request Form be created on which requests can be documented. We recommend the form include justification for assessing the fee and that it be signed by the requestor and the approving authority(s). We recommend the request forms be maintained to provide a record and support for the Special Course Fees that are assessed by the college.	Controller	We have created a Special Course Fee Request Form and it is in the final stages of the approval process. GBC's approval process for policies and procedures, which adheres to the concepts of shared governance practiced at GBC, is to include input and approvals from Faculty Senate, Classified Council, President's Council and Administration. Once final approval is received, an electronic-fillable PDF form will be accessible to faculty and staff on the GBC website. Information was provided to Internal Audit and this item was completed in October 2013.	CLOSED	12/2/2013
GBC	Special Course Fees	Special Course Fee List	5/17/13 10/15/13	55	For improved recordkeeping, we recommend a list of the college's approved Special Course Fees be created and maintained by a proper authority, such as the Office of Academic Affairs.	Controller	A master list of Special Course Fees is under construction with assistance from department chairs and support staff personnel. The Office of Business Affairs will maintain and update the list annually. Estimated completion date is December 2013.	OPEN	12/2/2013
GBC	Special Course Fees	Quantity of Special Course	5/17/13 10/15/13	58	Board of Regents policy states that the registration fee should be	Controller	A master list of departments and their associated Special	OPEN	12/2/2013

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		Fees Charged			the only fee assessed for taking a course except for extraordinary instruction costs. We recommend GBC personnel review the Special Course Fees that are charged by the campus for reasonableness and compliance with Board policy.		Course Fees is under construction with assistance from department chairs and support staff personnel. Once the list has been finalized, it will be reviewed to determine whether the fees are reasonable and if any need to be adjusted. Approximately 14% of GBC classes are for workforce development and 66% are distance education related. Due to the technology and hands-on lab experiences required for these classes, lab fees must be charged to cover related expenses. Estimated completion date is December 2013.		

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<b><u>FINANCIAL STATEMENTS – External Auditors</u></b>									
UNR	UNSOM Integrated Clinical Services, Inc. Financial Statement for FY 2013	Accounts Receivable	9/24/2013 10/24/2013	1	During our testing, it was determined that MSAS accounts receivable included invalid balances as of year- end. In one instance the insurance write off from the EOB was not recorded to the accounts receivable balance due to oversight by the personnel entering the information into the billing system, which overstated the balance at year-end. In another instance, a code that had already been paid by an insurance company was included in a re-keyed visit for services that were incorrectly excluded from the visit's original invoice. This caused a duplicate billing to be included in accounts receivable at year-end that had already been paid. Internal control policies and procedures should be implemented to ensure accuracy of posting billings and payments into MISYS, the billing system.	UNR Associate Vice President, Business and Finance and UNSOM Senior Associate Dean of Budget and Finance	Internal control policies and procedures will be implemented to ensure accuracy of posting billings and payments into MISYS, and CB, the billing System(s). The completion of implementing the internal control policies and procedures will be completed by November 30, 2013.	OPEN	12/2/2013
		Financial Statement Preparation	9/24/2013 10/24/2013	2	We noted errors in the Schedule of Expenditures of Federal Awards (SEFA), financial statement supplementary schedule, that were not prevented by the Organization's current process and internal controls. The issue resulted from inaccurate reporting of federal expenditures related to a contract that contained both federal and state funding. The Organization should strength their processes and internal controls to ensure the information included in the SEFA is accurate and properly supported.	UNR Associate Vice President, Business and Finance and UNSOM Senior Associate Dean of Budget and Finance	The Organization will strengthen their processes and internal controls to ensure the information included in the SEFA is accurate and properly supported. The training of those personnel responsible for the R&D programs in cash management requirements will be completed by November 30, 2013.	OPEN	12/2/2013
		Audit and Activity Logs	9/24/2013 10/24/2013	3	Audit and activity logs are available, however, are not regularly reviewed. Management	UNR Associate Vice President, Business and	System logs are currently collected by a central enterprise-grade SIEM system	OPEN	12/2/2013



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					should establish an effective protocol to robustly monitor activity within the network devices (Cisco, Sonic Wall), Windows and applications (i.e. a centralized syslog tool across all practice plans). Without a tool or enforced standard to detect such activity and due to the limited resources available, any security breach would not be discovered or fixed timely causing IT to shut down the network, resulting in a loss of money and compromise to patient and personnel data.	Finance and UNSOM Senior Associate Dean of Budget and Finance	and limited alerting and reporting is already in place. IT will expand the use of the automated alerting and reporting features of the SIEM and update existing procedures to include consistent documentation of the steps taken in response to alerts. Estimated completion: 2 months.		
		Passwords	9/24/2013 10/24/2013	4	We noted that the MISYS system is not configured for password complexity or password expiration. We recommend that management continually evaluate its IT application needs and upgrade to applications with complex password parameter capability when feasible.	UNR Associate Vice President, Business and Finance and UNSOM Senior Associate Dean of Budget and Finance	The School of Medicine has selected new practice management and electronic medical record systems to replace the legacy Misys system. Clinics are in the process of being migrated to the new systems, and Misys will be decommissioned soon afterward. Estimated completion:9-12 months. Therefore we will insure that proper password standards are incorporated in the new systems.	OPEN	12/2/2013
		User Access	9/24/2013 10/24/2013	5	Although the Organization change controls policy strictly prohibits users from promoting their own programming changes to the production (live) environment, we noted a single user has logical access access to make programming changes to the SoftLinks application, NFPRP's billing system, and promote those changes into the production environment. Program and configuration changes can be made to the SoftLinks production environment without supervision or authorization. Program and	UNR Associate Vice President, Business and Finance and UNSOM Senior Associate Dean of Budget and Finance	The SoftLinks developer's account privileges will be adjusted to prevent him from deploying any code changes to production or otherwise modify production data. Select IT staff will be delegated responsibility to deploy code to production. Estimated completion: 2 months.	OPEN	12/2/2013

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					<p>configuration changes made to the production environment can result in an impact to the integrity of system data. Instead of delegating the responsibility of SoftLinks program changes to a single individual, management should consider using one of the network administrators to segregate the responsibilities of program development and the migration of developed programs into the production environment. This individual could then review all changes made to SoftLinks on a periodic basis and validate whether unauthorized changes were made to the production environment.</p>				

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<b><u>A-133 SINGLE AUDIT – External auditors</u></b>									
NSHE	NSHE Financial Statement for FY 2013	Reporting	9/24/2013 10/24/2013	1	We recommend that the Institutions design and implement processes and controls to ensure FFATA reporting are communicated timely to those individuals responsible for reporting them under the FFATA requirements. Furthermore, when technological problems prevent timely reporting, we recommend these individuals document their attempts to report as well as their communications with sponsoring agencies.	DRI Assistant Vice President/ Controller	Unfortunately, the sudden death of the responsible manager near the time when the report should have been filed prevents us from knowing whether there was a timely attempt and what precluded a timely submission. In the subsequent restructuring of this function we have put controls into place to ensure FFATA reports are filed on time.	OPEN	12/2/2013
		Reporting	9/24/2013 10/24/2013	2	We recommend that the Institutions design and implement processes and controls to ensure FFATA reporting are communicated timely to those individuals responsible for reporting them under the FFATA requirements. Furthermore, when technological problems prevent timely reporting, we recommend these individuals document their attempts to report as well as their communications with sponsoring agencies.	UNR Associate Vice President, Business and Finance	We understand the importance of timely reporting and have added an additional control that will allow us to check to make sure that all reports are being filed timely. We anticipate all future reports will be timely, but if situations arise in the future that impact timely submission full documentation will be retained.	OPEN	12/2/2013
		Reporting	9/24/2013 10/24/2013	3	We recommend that the Institution design and implement processes and controls to ensure timely reporting to the Federal agency.	UNR Associate Vice President, Business and Finance	We have additional control that will allow us to check to make sure that all reports are being filed timely to the Federal agency.	OPEN	12/2/2013
		Reporting	9/24/2013 10/24/2013	4	We recommend that the Institution design and implement a process of controls to review filings to ensure accurate reporting to	UNLV Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	We understand the importance of accurate reporting, and while the data entry error did not impact the financial payment, we have	OPEN	12/2/2013

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					the Federal agency.		incorporated processes to assure all data fields are reviewed prior to signature and report submission. We anticipate this oversight will not occur again.		
		Equipment and Real Property Management	9/24/2013 10/24/2013	5	We recommend the Institution train those responsible for compliance with above mentioned requirements to eliminate instances of noncompliance.	UNLV Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	We have implemented a process to review all equipment disposition requests that involve equipment purchased from federal funds with a current fair market value of greater than \$5,000, but there was a single occurrence where there was a misunderstanding by one individual regarding what constituted the sponsor granting "title" to the university. We are implementing mandatory training to address the entire equipment process as well as the federal regulations associated with equipment. New employees will also be trained in this area as they are hired to avoid a reoccurrence.	OPEN	12/2/2013
		Special Tests and Provisions: Disbursements To or On Behalf of Students	9/24/2013 10/24/2013	6	We recommend the Institutions implement processes to ensure documentation is maintained of the Institutions' compliance with the above requirements.	UNLV Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	UNLV used the PeopleSoft delivered process to make requests through NSLDS as required on a weekly basis. However, as noted in the finding, the job, as delivered by Oracle in PeopleSoft, did not maintain the history of transactional data. The alert flag report from NSLDS was reviewed in a timely manner based upon our weekly job to prevent federal aid from disbursing prematurely; however, demonstrating with appropriate documentation	OPEN	12/2/2013

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							<p>this actually occurred within the system was problematic for the 2012-2013 school year based upon Oracle programing.  A warning flag has now been created in the system. The warning flag has a date and time stamp associated when the job runs. The transactional data history of this process in now maintained to ensure documentation of the process is available to satisfy this requirement going forward.</p>		
		Special Tests and Provisions: Disbursements To or On Behalf of Students	9/24/2013 10/24/2013	7	We recommend the Institutions implement processes to ensure documentation is maintained of the Institutions' compliance with the above requirements.	CSN Senior Vice President Finance and Administration	CSN has an internal policy in place that occurs prior to a student receiving a Pell Grant Award. The manual procedure includes a step whereby the Financial Aid staff views the National Student Loan Database (NSLDS) student information for each student recipient, including those who have transferred from another institution. This procedure was designed to eliminate the possibility of over-award by ensuring that a student's Lifetime Eligibility Limit (LEU) has not yet been reached. Although a part of CSN's established manual process, CSN was unable to provide the records to verify that this step had been completed. CSN will develop, and/or update as appropriate, policies, procedures and guidelines to add a specific reference to the current procedure directing the Financial Aid staff to review the NSLDS Database for	OPEN	12/2/2013

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							<p>students transferring to CSN from another institution. In addition, a verification mechanism will be incorporated into these procedures.</p> <p>CSN has undertaken several corrective actions to address the deficiencies noted in the 2012-13 A-133 audit process. These actions include utilizing an external consultant to perform a comprehensive external and independent review of operations and associated functionality within the Financial AID Department to ensure effectiveness and efficiency.</p> <p>The external assessment and operational review encompasses all aspects of activities required of higher education financial aid offices and departments. The scope of review includes:</p> <ul style="list-style-type: none"> <li>• Conducting a review of the people, processes and technology within the financial aid operations to assess departmental program management, administrative capability, and overall effectiveness for administering Title IV federal student aid programs:</li> <li>• Provide deliverables that</li> </ul>		

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							<p>support the review and assessment, including recommendations for enhancing processing efficiency and effectiveness within the financial aid operations at CSN.</p> <p>Once completed, the assessment process will provide recommendations that guide the strategic development of CSN financial aid operations including control and assurance processes. The assessment is anticipated to be completed by mid-November 2013, and the consultant's final report will be forthcoming within the following 60 days. The outcomes of the assessment process are envisioned to address operational deficiencies that have resulted in repeated findings identified through external/independent audit. The consultant's final report recommendations will be reviewed and implemented by the College as appropriate.</p>		
		Internal Control over Compliance	9/24/2013 10/24/2013	8	Management should logically segregate duties, and management should consider documenting the performance of monitoring controls.	UNR Associate Vice President, Business and Finance	The Financial Aid Office has defined a process for approval of change and documentation of this approval and a record of the actual changes made in the system. The director approves the change and	OPEN	12/2/2013

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		Special Tests and Provisions: Disbursements To or On Behalf of Students	9/24/2013 10/24/2013	9	We recommend the Institutions enhance controls to ensure the required notifications are sent to students receiving Direct Loans. Management should evaluate the existence of this issue of non-compliance in the remaining population and remediate as necessary.	CSN Senior Vice President Finance and Administration	keeps a record of the individual who makes the changes in the system.  CSN was identified in repeat findings for Award Years 2010-11, 2011-12, and 2012-13. In Award Year 2010-11, the daily notification transmission was a manual one and an error occurred when one daily e-mail transmission was duplicated the day after the original mailing, and the student notification that should have been sent on the second day was not sent at all. It was thought that with the implementation of PeopleSoft that a number of the problems experienced with manual processes such as the disbursement notification would be resolved. In the new system, once the loans are awarded, the MyCSN system automatically generates an email notification to the student which eliminated the previous error or a missed or duplicate notification.  In Award Year 2011-12, the external audit identified that during the implementation of PeopleSoft, the system was not set up properly to send notifications with the required information. The College worked with consulting firm Cedar Crestone to solve the technical problem associated with the 30-day loan notifications and it was verified that the system was working correctly.  The most recent audit for	OPEN	12/2/2013



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							<p>Award Year 2012-13 identified a sample of students who received disbursements in fall and subsequent semesters. While the initial notification was made, the subsequent and modified notifications were not properly noted within the setup program. With the notification of the finding, CSN reviewed the program that selects the students who are to receive a disbursement notification. A programming error was found that caused the students who received a fall disbursement notification to be excluded from future notifications when they received subsequent disbursements. CSN's internal staff are reviewing queries and conducting testing to ensure that notifications to students receiving subsequent disbursements are generated as required. Once the testing is complete, CSN will implement the updates to production and will generate all required communication letters for spring and summer 2013 semesters respectively, and will verify that the current year communications are generating correctly. The completion date for the testing is October 18,2013; students will be sent their updates no later than October 25, 2013. CSN has also undertaken several corrective actions to address the deficiencies noted in the 2012-13 A-133</p>		

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							<p>audit process. These actions include utilizing an external consultant to perform a comprehensive external and independent review of operations and associated functionality within the Financial Aid Department to ensure effectiveness and efficiency. The external assessment and operational review encompasses all aspects of activities required of higher education financial aid offices and departments. The scope of review includes:</p> <ul style="list-style-type: none"> <li>• Conducting a review of the people, processes and technology within the financial aid operations to assess departmental program management, administrative capability, and overall effectiveness for administering Title IV federal student aid programs;</li> <li>• Provide deliverables that support the review and assessment, including recommendations for enhancing processing efficiency and effectiveness within the financial aid operations at CSN.</li> </ul> <p>Once completed, the</p>		

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							assessment process will provide recommendations that guide the strategic development of CSN financial aid operations including quality control and assurance processes. The assessment is anticipated to be completed by mid-November 2013, and the consultant's final report will be forthcoming within the following 60 days. The outcomes of the assessment process are envisioned to address operational deficiencies that have resulted in repeated findings identified through the external/independent audit. The consultant's final report recommendations will be reviewed and implemented by the College as appropriate.		
		Special Tests and Provisions: Disbursements To or On Behalf of Students	9/24/2013 10/24/2013	10	We recommend the Institutions enhance controls to ensure the required notifications are sent to students receiving Direct Loans. Management should evaluate the existence of this issue of non-compliance in the remaining population and remediate as necessary.	TMCC Vice President of Finance and Administrative Services	We corrected this immediately by changing the selection criteria of the underlying query. Students were receiving notices but in the case when two disbursements happened on the same day only one amount was listed in the notification. Students continue to receive a letter every time they receive a disbursement, and the letter now shows all current disbursements for the semester and all prior disbursements.	OPEN	12/2/2013
		Eligibility	9/24/2013 10/24/2013	11	We recommend the Institutions ensure system edit checks are operating effectively and producing accurate information	CSN Senior Vice President Finance and Administration	In Award Year 2010-11, the error that caused the finding was due to an incorrect manual entry to update a	OPEN	12/2/2013

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					<p>to avoid an over award of funds. To the extent the process is manual; one employee's work should be carefully reviewed by another. Management should evaluate the existence of this issue of non-compliance in the remaining population and remediate as necessary.</p>		<p>student's cost of attendance. With the implementation of the PeopleSoft system, it was thought that design and programming would minimize the possibility of errors and data entry mistakes. In Award Year 2011-12, the errors were technical ones and queries were developed to be run on a monthly basis to capture student changes (such as change from out-of state to in-state status; living status, etc.) In addition, a process step was implemented whereby students who applied for a Direct Stafford Loan or College Work Study automatically had their Cost of Attendance reviewed (as a manual process undertaken by Financial Aid staff) to ensure that an over-award situation would not occur. In Award Year 2012-13, CSN Financial Aid set up the Cost of Attendance to be developed through the automated budgeting process, based upon full-time enrollment. As loan applications were received, staff assigned to certify and originate student loans manually adjusted budgets for applicants who were enrolled less than full-time to reflect their actual enrollment status. It was during the manual adjustment phase that the errors occurred. Although an over-award did not occur, the potential for such an occurrence existed. The department did not have a quality control measure in</p>		

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							<p>place that would sample budgets after loan certification and origination. This procedure could have identified this type of error and provided for an opportunity to resolve it. In Award Year 2013-14, CSN plans to integrate within PeopleSoft, programming to produce budgets based on actual enrollment levels per term. In addition, a weekly query is being developed that will pull the budgeted population for a separate review to ensure that it is correct. If any discrepancies are discovered, they can be researched and resolved immediately.</p> <p>CSN has also undertaken several corrective actions to address the deficiencies noted in the 2012-13 A-133 audit process. These actions include utilizing an external consultant to perform a comprehensive external and independent review of operations and associated functionality within the Financial Aid Department to ensure effectiveness and efficiency.</p> <p>The external assessment and operational review encompasses all aspects of activities required of higher education financial aid offices and departments. The scope of review includes:</p> <ul style="list-style-type: none"> <li>• Conducting a review of the people, processes and technology within the</li> </ul>		

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							<p>financial aid operations to assess departmental program management, administrative capability, and overall effectiveness for administering Title IV federal student aid programs;</p> <ul style="list-style-type: none"> <li>• Provide deliverables that support the review and assessment, including recommendation for enhancing processing efficiency and effectiveness within the financial aid operations at CSN.</li> </ul> <p>Once completed, the assessment process will provide recommendations that guide the strategic development of CSN financial aid operations including quality control and assurance processes. The assessment is anticipated to be completed by mid-November 2013, and the consultant's final report will be forthcoming within the following 60 days. The outcomes of the assessment process are envisioned to address operational deficiencies</p>		

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		Eligibility	9/24/2013 10/24/2013	12	We recommend the Institutions ensure system edit checks are operating effectively and producing accurate information to avoid an over award of funds. To the extent the process is manual, one employee's work should be carefully reviewed by another. Management should evaluate the existence of this issue of non-compliance in the remaining population and remediate as necessary.	UNLV Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	that have resulted in repeated findings identified through the external/independent audit. The consultant's final report recommendations will be reviewed and implemented by the College as appropriate.  The first issue identified (inaccurate budget information for special graduate student programs and less than half-time undergraduate students) was caused by manually calculated budgets for graduate programs that have non-standard costs of attendance. UNLV has three programs in this category- Emergency Crisis Management, Masters of Hospitality and Executive MBA. The cost of attendance was not programmed into the computer system since these programs have unique start and end dates in relation to the standard academic term. Therefore, the cost of attendance was manually being calculated. Human error calculating the cost of attendance resulted in two students being over awarded \$1,345 from the Direct Lending program and was returned back to the U.S. Department of Education. This situation did not affect the Federal Pell grant program or Campus Based Aid programs (SEOG, Work Study or Perkins Loan). As a result of this finding, the UNLV Financial Aid Office	OPEN	12/2/2013

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							<p>reviewed all students in these three programs for 2012-2013 and confirmed no other cases of miscalculation occurred. The budgeting program has since been updated to create a cost of attendance automatically (instead of manually) to eliminate this as a future concern.</p> <p>The second issue identified (initial cost of attendance budget not updated after ISIR received) occurred when students had changed their housing status on the FAFSA regarding on campus, off campus or with parent living arrangements. These adjustments were not originally identified by established queries to review subsequent ISIR transactions as there was no effect on the EFC.</p> <p>As a result of this finding, a query was run on all 2012-2013 students processed (47,428 ISIR transactions received) to identify any students which may have received an over-award because of the change in their FAFSA housing status. The office found 11 students (including those found in the audit sample) out of 47,428 ISIR transactions received. A total of \$26,977 in over awarded Direct Loans and this was returned to the U.S. Department of Education once the financial aid package was adjusted correctly. This situation did not affect the Federal Pell grant program or Campus</p>		



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							<p>Based Aid programs (SEOG, Work Study or Perkins loan). A query was created to specifically identify housing status changes on the FAFSA. This query is now being run once per week to eliminate this as a future concern.</p> <p>The third issue identified is a result of a process used to disburse Millennium Scholarship awards for the summer term and no over/under award resulted due to this process. This process loads 'generic' budgets to prevent the Millennium Award from rejecting as the PeopleSoft system requires a budget in order to disburse even though the award is based only on number of enrolled eligible credits. The process is utilized in mid-September, after the close of the summer session and so the risk associated with the use of the generic budget is minimized because Federal award processing is on an exception-only basis after the end of the term. The exception only processing requires high level system access which is limited to a small number of key staff charged with reviewing exception processing details to ensure accuracy.</p> <p>Nonetheless, a new process will be developed prior to the summer 2014 term which will automate loading budgets based on student specific summer term enrollment to eliminate this concern.</p>		

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		Special Tests and Provisions: Verification and Updating of Student Aid Application Information	9/24/2013 10/24/2013	13	At CSN, we are aware management is in the process of reviewing and correcting all student financial assistance award calculation subject to verification for fiscal years 2012 and 2013 as part of their correction action plan after the 2012 audit. In addition, to remediating these errors, we recommend both Institutions enhance internal controls to ensure updating of student aid application information is accurate. UNLV should evaluate the existence of these issues of non-compliance in the remaining population and remediate as necessary.	CSN Senior Vice President Finance and Administration	<u>Award year 2011-12 Verification Review</u> The College of Southern Nevada received an audit finding for Award Year 2011-12, 2012-13—Verification and Updating of Student Aid application Information as identified by our external/independent auditors. The finding noted that while information “was not properly updated per the information submitted for verification”, no questionable costs were initially identified as a result of the sample taken and errors identified. The College of Southern Nevada’s response to that finding stated: <i>“The College of Southern Nevada concurs with this recommendation. With the implementation of the PeopleSoft system, new ways to verify had to be established. An internal verification review checklist utilized with the SIS system was initially discarded. Over time it was realized that a review checklist was helpful to ensuring verification accuracy, and the “old” list was modified to work with the new PeopleSoft system. Additional queries have also been developed and staffing in the verification area has been strengthened. Finally a departmental audit function was started whereby the supervisor will pull a certain number of files to check for accuracy and to determine if there are common errors that</i>	OPEN	12/2/2013

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							<p><i>might occur that would indicate that additional targeted training might be necessary. This multi-pronged approach will ensure that accuracy and timeliness are maintained."</i></p> <p>On March 4, 2013, the NSHE Chancellor's Office received a letter from the Department of Education requesting a follow-up to the finding for Award Year 2011-12 A-133, as it related to the verification process. The Department of Education letter specifically required (pages 3-4) that CSN:</p> <p><i>...NSHE must determine the exact amount of institutional liability associated with this finding. NSHE is required to perform a full file review of the entire universe of Title IV financial aid recipients from July 1, 2011 through June 30, 2012 who were selected for verification, and determine if all the students' files contact the verification documentation and if the verification was completed correctly...</i></p> <p><i>...In lieu of performing a file review for the entire population of students who were selected for verification, NSHE has the option of providing a statistically valid sample. If the election of is made to prove a statistical sample, the Department will use the results for the sampling to project liabilities for the entire population (i.e. the average liability for the recipients in the statistical sample will be multiplied by</i></p>		

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							<p><i>the total population). This option is only intended to reduce the burden on the institution of conducting a full file review.</i></p> <p>CSN decided that to fully evaluate the verification process, a review of all files identified for Award Year 2011-12 verification would be completed. As a result of the scope of review selected, the Financial Aid/Student Affairs Office determined that 7,332 files must be reviewed. On March 25, 2013, CSN entered into a contract with ProEducation Solutions to verify the total population of 7,332 student files. ProEducation Solutions completed the file review on April 20, 2013. Their review specified if the file was verified accurately or inaccurately. Those files that were identified as "inaccurately verified" were then reviewed by CSN Financial Aid/Student Affairs. Inaccurate files may have required locating submitted documentation, identifying missing documentation, and/or verifying a change in the Expected Family Contribution (EFC) or confirming that no change in EFC was required. CSN Student Affairs/Financial Aid determined the institutional net liability for Award Year 2011-12 to be \$792,399. The amount was communicated by letter from CSN to Department of Education Audit Resolution Specialist Terri Tom on May</p>		

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							<p>29, 2013.</p> <p><u>Award Year 2012-13 Verification Review</u></p> <p>Due to the high error rate that CSN experienced for Award Year 2011-12 verification records, CSN decided that a similarly complete review would be performed on all Award Year 2012-13 records that had been selected for verification. ProEducation Solutions completed this project for 6,016 records. Since this review was being conducted while the award year was still open for processing, as inaccuracies were identified corrections were processed through the Department of Education's Common Origination and Disbursement (COD) system. As a result of the review, over awards of approximately \$866,000 were identified. The College has continued to work diligently with students to obtain documentation and to correct areas of inaccurate verification in an effort to reduce the amount of over awards.</p> <p><u>Looking Ahead to Award Year 2013-14</u></p> <p>Errors in student file verifications and in the updates to student aid application information are unacceptable to CSN. As a result of the processing inaccuracies that were identified for Award Years 2011-12 and 2012-13, CSN has outsourced the complete verification process to a third-party firm. We will handle</p>		

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							<p>verifications in this manner until further notice. CSN has also undertaken several corrective actions to address the deficiencies noted in the 2012-13 A-133 audit process. These actions include utilizing an external consultant to perform a comprehensive external and independent review of operations and associated functionality within the Financial Aid Department to ensure effectiveness and efficiency.</p> <p>The external assessment and operational review encompasses all aspects of activities required of higher education financial aid offices and departments. The scope of review includes:</p> <ul style="list-style-type: none"> <li>• Conducting a review of the people, processes and technology within the financial operations to assess departmental program management, administrative capability, and overall effectiveness for administering Title IV federal student aid programs;</li> <li>• Provide deliverables that support the review and assessment, including recommendations for enhancing processing</li> </ul>		

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							<p>efficiency and effectiveness within the financial aid operations at CSN.</p> <p>Once completed, the assessment process will provide recommendations that guide the strategic development of CSN financial aid operations including quality control and assurance processes. The assessment is anticipated to be completed by mid-November 2013, and the consultant's final report will be forthcoming within the following 60 days. The outcomes of the assessment process are envisioned to address operational deficiencies that have resulted in repeated findings identified through the external/independent audit. The consultant's final report recommendations will be reviewed and implemented by the College as appropriate.</p>		
		Special Tests and Provisions: Verification and Updating of Student Aid Application Information	9/24/2013 10/24/2013	14	At CSN, we are aware management is in the process of reviewing and correcting all student financial assistance award calculation subject to verification for fiscal years 2012 and 2013 as part of their correction action plan after the 2012 audit. In addition, to remediating these errors, we recommend both Institutions enhance internal controls to ensure updating of student aid application information is accurate. UNLV should evaluate the existence of these	UNLV Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	Human error resulted in the FAFSA for the student identified to not be updated after receiving documentation of information in the verification process. This resulted in an over-award of \$900 more in federal Pell grant than otherwise qualified and this amount has been returned to the U.S. Department of Education. The office has training programs and a review process already in place. Staffing levels allowed the	OPEN	12/2/2013

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					issues of non-compliance in the remaining population and remediate as necessary.		office to randomly review 10% of verifications previously completed within the office for accuracy during the course of the 2012-2013 school year. A total of 11,159 students were selected for verification during the 2012-2013 school year and the 10% sampling review did not find any additional errors beyond the one found in the audit sample. We believe based on this 10% sampling review that this one finding is an isolated incident in this manual verification process.		
		Special Tests and Provisions: Return of Title IV funds for withdrawn students	9/24/2013 10/24/2013	15	We recommend CSN re-compute return figures for all applicable students in the sample tested and in the broader population, and implement a more comprehensive review process of Return to Title IV calculations, including accuracy of the calendar used as the basis for the calculation.	CSN Senior Vice President Finance and Administration	CSN's Office of the Registrar creates its annual academic calendar in PeopleSoft a year in advance from the start of a designated year. The purpose of this advance set-up is to input all relevant registration related dates, including holidays, and to conduct critical preliminary testing to ensure the system's accuracy before the start of the academic year. The accuracy of the PeopleSoft calendar is crucial due to its multiple uses, one of which is the correct computation of Return to Title IV (R2T4) calculations. The referenced finding noted that, when the "holiday" calendar was created, two days were excluded from the spring break period. Because of this error, the PeopleSoft system failed to recognize that the spring break period actually lasted more than five days. This caused an error in the R2T4	OPEN	12/2/2013



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							<p>calculations, and the return of funds to the U.S. Department of Education was short in the amount of #39,125. By assigning the calendar creation responsibility to the Assistant Register alone without secondary inspection by other staff members, the Office of the Registrar failed to build redundancy into its operational procedures and sent to production an incorrect calendar. The following procedural changes have been implemented to prevent this error from reoccurring:</p> <ol style="list-style-type: none"> <li>1. Upon creating the academic calendar in PeopleSoft a year in advance, the Assistant Registrar will notify the Systems Manager in Financial Aid to verify the accuracy of dates, confirm synchronization with related functions, and alert of any corrections. Turnaround time for confirmation and corrections is seven calendar days,</li> <li>2. The Systems Manager in Financial Aid will proceed to notify all three-the Assistant Registrar and creator of the calendar, The Registrar and the Assistant Vice President of Financial Aid that the calendar's verification has been completed.</li> <li>3. The Registrar and the Assistant Vice President of Financial Aid must then confirm acceptance in writing and documentation shall be maintained of the four level review and approval process</li> </ol>		

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							(Assistant Registrar, Systems Manager in Financial Aid, the Registrar, and the Assistant Vice President for Financial Aid.) Review and approval will be performed and obtained prior to the schedule being placed into production within PeopleSoft. CSN Financial Aid performed recalculations on 1,634 students that resulted in a shortage to the U.S. Department of Education in the Amount of \$39,125. The corrections were completed once the oversight was realized during the onsite field testing; these corrections were completed in July and August 2013.		
		Special Tests and Provisions: Return of Title IV Funds for Withdrawn Students	9/24/2013 10/24/2013	16	We recommend TMCC implement policies and procedures to ensure that only eligible courses are included in the Return to Title IV calculation. Management should evaluate the existence of this issue of non-compliance in the remaining population and remediate as necessary We recommend that CSN enhance internal controls to improve the accuracy of reporting to the COD reporting system.	TMCC Vice President of Finance and Administrative Services	Return to Title IV queries were developed while TMCC was still the only institution processing aid in the shared instance; the queries were updated immediately after discovery of this exception, to exclude courses from other institutions. After review of 12-13 Return to Title IV calculations, it was determined that the issue discovered by the audit was the only instance.	OPEN	12/2/2013
		Special Tests and Provisions: Return of Title IV Funds for Withdrawn Students	9/24/2013 10/24/2013	17	We recommend TMCC implement policies and procedures to ensure that only eligible courses are included in the Return to Title IV calculation. Management should evaluate the existence of this issue of non-compliance in the remaining population and remediate as necessary	CSN Senior Vice President Finance and Administration	CSN is in the process of a complete retraining of all employees who perform R2T4 overpayments and recalculations. These employees will be given both pre-testing and post-testing to confirm that the employees demonstrate the necessary knowledge to perform these	OPEN	12/2/2013

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					We recommend that CSN enhance internal controls to improve the accuracy of reporting to the COD reporting system.		<p>calculations correctly. An additional process that is being implemented provided for one staff member to prepare the R2T4 calculation and another staff member to verify the calculations. This will ensure that the R2T4 calculations are performed correctly and provide for quality control of the process. CSN has undertaken several corrective actions to address the deficiencies noted in the 2012-13 A-133 audit process. These actions include utilizing an external consultant to perform a comprehensive external and independent review of operations and associated functionality within the Financial Aid Department to ensure effectiveness and efficiency. The external assessment and operational review encompasses all aspects of activities required of higher education financial aid offices and departments. The scope of review includes:</p> <ul style="list-style-type: none"> <li>• Conducting a review of the people, processes and technology within the financial operations to assess departmental program management, administrative capability, and overall effectiveness for administering Title IV federal student</li> </ul>		

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							<ul style="list-style-type: none"> <li>aid programs;</li> <li>Provide deliverables that support the review and assessment, including recommendations for enhancing processing efficiency and effectiveness within the financial aid operations at CSN.</li> </ul> <p>Once completed, the assessment process will provide recommendations that guide the strategic development of CSN financial aid operations including quality control and assurance processes. The assessment is anticipated to be completed by mid-November 2013, and the consultant's final report will be forthcoming within the following 60 days. The outcomes of the assessment process are envisioned to address operational deficiencies that have resulted in repeated findings identified through the external/independent audit. The consultant's final report recommendations will be reviewed and implemented by the College as appropriate.</p>		
		Reporting-Common Origination and Disbursement (COD) System	9/24/2013 10/24/2013	18	We recommend the Institutions enhance internal controls to improve the accuracy of reporting to the COD reporting system. Management should evaluate the existence of this issue of non-compliance in the	TMCC Vice President of Finance and Administrative Services	The transposition error noted resulted in a .0003 error rate for Return to Title IV processing. The staff member who made the transposition error was notified and will take greater	OPEN	12/2/2013

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					remaining population and remediate as necessary.		care in keying amounts.		
		Reporting-Common Origination and Disbursement (COD) System	9/24/2013 10/24/2013	19	We recommend the Institutions enhance internal controls to improve the accuracy of reporting to the COD reporting system. Management should evaluate the existence of this issue of non-compliance in the remaining population and remediate as necessary.	CSN Senior Vice President Finance and Administration	CSN has implemented a process that balances the amounts disbursed in PeopleSoft with the amounts reported to the Common Origination and Disbursement System (COD). This process is run on an ongoing and systematic basis, monthly. Per the recommendation, the remaining students will be evaluated, and necessary corrections as identified during the review process will be made. CSN has undertaken several corrective actions to address the deficiencies noted in the 2012-13 A-133 audit process. These actions include utilizing an external consultant to perform a comprehensive external and independent review of operations and associated functionality within the Financial Aid Department to ensure effectiveness and efficiency. The external assessment and operational review encompasses all aspects of activities required of higher education financial aid offices and departments. The scope of review includes: <ul style="list-style-type: none"> <li>• Conducting a review of the people, processes and technology within the financial operations to assess departmental program</li> </ul>	OPEN	12/2/2013

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							<p>management, administrative capability, and overall effectiveness for administering Title IV federal student aid programs;</p> <ul style="list-style-type: none"> <li>• Provide deliverables that support the review and assessment, including recommendations for enhancing processing efficiency and effectiveness within the financial aid operations at CSN.</li> </ul> <p>Once completed, the assessment process will provide recommendations that guide the strategic development of CSN financial aid operations including quality control and assurance processes. The assessment is anticipated to be completed by mid-November 2013, and the consultant's final report will be forthcoming within the following 60 days. The outcomes of the assessment process are envisioned to address operational deficiencies that have resulted in repeated findings identified through the external/independent audit. The consultant's final report recommendations will be reviewed and implemented by the College as appropriate.</p>		
		Special Tests	9/24/2013	20	We recommend the Institution	CSN Senior Vice	For the five students	OPEN	12/2/2013

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		and Provisions: Enrollment Reporting	10/24/2013		develop policies and procedures to ensure student status changes are uploaded timely to NSLDS, to correct for known errors and evaluate if there are additional errors in the broader population.	President Finance and Administration	referenced in the finding, the incorrect reporting of enrollment status changes to NSLDS was tied to errors in the upload of information to the National Student Clearinghouse. The reporting of status changes to NSLDS is a two part process. It starts with CSN uploading the sample student information to the National Student Clearinghouse. Once the National Student Clearinghouse accepts the data, they forward the records to Department of Education and NSLDS is notified of student status changes. CSN has adopted new internal procedures to assure timeliness and accuracy. These corrective measures will help the College avoid enrollment reporting deficiencies which resulted in the finding: 1. Instead of uploading the enrollment report to the National Student Clearinghouse once a month as require, the College will upload the report to the clearinghouse twice monthly to ensure both the accuracy of enrollment status changes and timely submission of the information. 2. The College will sample a larger number (20) of students and o that number; 10 students will be provided by the Financial Aid Office for added accuracy measures. 3. Before sending the to the national clearinghouse, the College will compare the		

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							<p>academic status level of the sample students reflected on the prepared national Student Clearinghouse report to that which is reflected on the College's own enrollment activity and academic status in PeopleSoft. Any discrepancies will be investigated and fixed. This step will ensure that the data is the same. Once the data is confirmed to be accurate, the full report will be uploaded to the National Student Clearinghouse.</p> <p>The Assistant Registrar will contact National Student Clearinghouse twice a month before sending each report to verify that the data coming through on the clearinghouse side matches CSN's uploaded report. Errors, if any, can be resolved immediately and timely submission ensured. Once CSN has verified that National Student Clearinghouse has received the report, CSN's Assistant Registrar will subsequently validate that the enrollment report has been provided to the Department of Education. The reviewed process will ultimately ensure NSLDS receiving the student status changes within the established timeline. Previous audit findings related to the National Clearinghouse and the reporting of the correct student standing have been addressed. With assistance from Cedar Crestone and NSHE System Computing</p>		



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							<p>Services adjustments have been made to the several setup tables. Every quarter PeopleSoft provides upgrades to the system. The Office of the Registrar will do extensive testing to assure that the enrollment verification file is pulling the correct enrollment status. CSN has also undertaken several corrective actions to address the deficiencies noted in the 2012-13 A-133 audit process. These actions include utilizing an external consultant to perform a comprehensive external and independent review of operations and associated functionality within the Financial Aid Department to ensure effectiveness and efficiency.</p> <p>The external assessment and operational review encompasses all aspects of activities required of higher education financial aid offices and departments. The scope of review includes:</p> <ul style="list-style-type: none"> <li>• Conducting a review of the people, processes and technology within the financial operations to assess departmental program management, administrative capability, and overall effectiveness for administering Title IV federal student aid programs;</li> </ul>		

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							<ul style="list-style-type: none"> <li>Provide deliverables that support the review and assessment, including recommendations for enhancing processing efficiency and effectiveness within the financial aid operations at CSN.</li> </ul> <p>Once completed, the assessment process will provide recommendations that guide the strategic development of CSN financial aid operations including quality control and assurance processes. The assessment is anticipated to be completed by mid-November 2013, and the consultant's final report will be forthcoming within the following 60 days. The outcomes of the assessment process are envisioned to address operational deficiencies that have resulted in repeated findings identified through the external/independent audit. The consultant's final report recommendations will be reviewed and implemented by the College as appropriate.</p>		
		Special Tests and Provisions: Enrollment Reporting	9/24/2013 10/24/2013	21	We recommend the Institution enhance internal controls to ensure student status changes are uploaded and reported accurately to NSLDS. Management should evaluate the existence of this issue of non-compliance in the remaining population and	UNLV Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	UNLV discovered an issue with status reporting when a student was simultaneously enrolled in a graduate and undergraduate degree program as the delivered reporting process only reported on the 'primary' enrollment status. This issue	OPEN	12/2/2013

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					remediate as necessary.		was identified prior to this audit and has already been addressed through a modification (customization) to the clearinghouse report.		
		Special Tests and Provisions- Disbursements to or on behalf of Students	9/24/2013 10/24/2013	22	We recommend the Institution implement processes to ensure outstanding check listings for Title IV funds are reviewed more frequently to ensure timely return of funds to the U.S. Department of Education.	UNR Associate Vice President, Business and Finance	The Cashier's Office and Financial Aid have implemented procedures to remind students within 60 days that they have been issued a check which has not yet been cashed. Financial Aid runs a report at 120 days to determine which outstanding checks are from federal financial aid and attempts to notify students by phone or email prior to pulling back the funds. Any checks still outstanding after attempts to notify students have been made will be issued a stop payment and funds will be returned to the U.S. Department of Education prior to the expiration of the 240 day deadline. All other outstanding student checks will be handled with the regular stale dated check procedures.	OPEN	12/2/2013
		Special Tests and Provisions- Disbursements to or on behalf of Students	9/24/2013 10/24/2013	23	We recommend the Institution enhance internal control to ensure Title IV funds are not disbursed earlier than 10 days before the first day of classes. Management should evaluate the existence of this issue of non-compliance in the remaining population and remediate as necessary.	UNLV Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	The Masters of Hospitality program has students enroll within a cohort of classes. The schedule is normally to be fixed regarding the total number of classes taken each semester and these classes have specific start and end dates that are not all aligned with the standard academic calendar. Based upon information from the academic department, the start and end dates of	OPEN	12/2/2013

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							<p>semester are programmed into the computer system for this program.</p> <p>One student within this program was allowed to drop one out of several classes and the financial aid office was not notified by the academic department of this change. When this occurred, the class the student dropped was the class with the early start date. This action materially changed the start date of the program for this student since the other classes within the cohort were not scheduled to start until a later date.</p> <p>As a result of this finding, the Financial Aid Office reviewed all 2012-2013 students in this program to ensure no other cases occurred. In order to prevent this from occurring in the future, all students within the Masters of Hospitality program no incur a financial aid disbursement hold. No federal financial aid will disburse until a financial aid staff member has verified the student has not dropped any scheduled classes they were supposed to be taking. Once class schedule has been verified, only then will federal financial aid be released to the student.</p>		
		Reporting-Common Origination and Disbursement (COD) System	9/24/2013 10/24/2013	24	We recommend the Institutions implement processes to ensure information reported to COD is accurate.	UNR Associate Vice President, Business and Finance	The Financial Aid Office contacted the Admissions and Records Office to adjust calendar settings to ensure the proper calculations of the Pell cost of attendance. This was corrected upon receipt of the finding and will be in	OPEN	12/2/2013

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							effect for this financial aid year and in the future.		
		Reporting-Common Origination and Disbursement (COD) System	9/24/2013 10/24/2013	25	We recommend the Institutions implement processes to ensure information reported to COD is accurate.	CSN Senior Vice President Finance and Administration	As described in the "Cause" section, this is a programming error that exists in PeopleSoft budget setup that causes the Cost of Attendance to double any time a single term budget is recalculated after the initial budget is created. PeopleSoft has developed a query to recalculate the Pell Cost of Attendance back to the initial budget. CSN ran the query for Award Year 2013-14, however, there is a further error that was identified in the process whereby for some students, the Cost of Attendance is reported as 0.00. CSN has identified a small population where this occurred and will take corrective action. CSN will write a query designed to pull the Pell budgeted population for further review to ensure accuracy after the PeopleSoft query has been run. CSN will run its query prior to running the Common Origination and Disbursement submission files to ensure that they are correct and will re-run budgets for any files that are identified as inaccurate. Until the technical solution is achieved by PeopleSoft to address this finding, the query will be run and reviewed by the Assistant Vice President for Financial Aid and reported to CSN administration.	OPEN	12/2/2013

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		Reporting-Common Origination and Disbursement (COD) System	9/24/2013 10/24/2013	26	We recommend the Institutions implement processes to ensure information reported to COD is accurate.	TMCC Vice President of Finance and Administrative Services	TMCC agrees with this finding and recommendations, which was a result of a training error on the part of the Cedar Creston consultant during implementation. After researching a solution using the Higher Education User Group forum for PeopleSoft, a set-up correction from 2004 was discovered and immediately corrected. The Pell COD reports for 2013-14 were corrected and retransmitted to correct this reporting error going forward.	OPEN	12/2/2013
		Reporting-Common Origination and Disbursement (COD) System	9/24/2013 10/24/2013	27	We recommend the Institutions implement processes to ensure information reported to COD is accurate.	UNLV Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	The PeopleSoft system as delivered correctly adjusts the Pell grant cost of attendance upward or downward in a batch job if no manual human intervention was involved within the construction of the cost of attendance. If the cost of attendance was manually adjusted in some capacity, the Oracle software did not accurately recalculate the cost of attendance for the Pell grant program and reporting to Common Origination and Disbursement. There was no financial liability associated with this finding. UNLV's cost of attendance is at a level where changes in student enrollment would not have changed the scheduled federal Pell grant award. A job was created by financial aid technical support staff, to recalculate the cost of attendance correctly in PeopleSoft for accurate data	OPEN	12/2/2013

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		Reporting	9/24/2013 10/24/2013	28	We recommend UNLV enhance its quality control review of data in the FISAP before it is finalized and submitted.	UNLV Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	reporting to Common Origination and Disbursement.  The query utilized to pull the data associated with Part 2, Section F (student counts by income levels) of the FISAP worked accurately. However, the data was not adjusted to prevent the duplication between reporting categories noted in the finding. There is no financial liability associated with this error. Corrections will be submitted in the December 13, 2013 final FISAP submission process. This error also does not affect any funding for federal student aid programs next year. The data submitted in informational to the U.S. Department of Education.	OPEN	12/2/2013
UNR	UNSOM Integrated Clinical Services, Inc. Financial Statement for FY 2013	Reporting	9/24/2013 10/24/2013	29	We recommend that the Organization design and implement processes and controls to ensure accurate reporting. Management should evaluate the existence of this non-compliance in the remaining population and remediate as necessary.	UNR Associate Vice President, Business and Finance and UNSOM Senior Associate Dean of Budget and Finance	The Organization has already implemented process and controls to ensure accurate reporting.	OPEN	12/2/2013
		Cash Management	9/24/2013 10/24/2013	30	We recommend the Organization train those responsible from leading the R&D programs about applicable cash management requirements.	UNR Associate Vice President, Business and Finance and UNSOM Senior Associate Dean of Budget and Finance	The Organization will train those personnel responsible for leading the R&D programs in cash management requirements.	OPEN	12/2/2013

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<b><u>UNR INTERNAL AUDIT REPORTS</u></b>									
UNR	Libraries	Cash Controls	8/16/13 10/11/13	1	For proper accountability, we recommend cash drawers be handled in compliance with the established policy. We recommend a form be developed to document the count and reconciliation of the sales receipts to the sales documentation when cashiers change. We also recommend the form be signed by two employees for verification purposes.	Associate Vice President, Business and Finance	Effective December 1, 2013, the Multimedia Center will become a cashless operation. They will continue to accept credit cards and Wolfbucks in payment for poster printing, fines, color copying and other transactions. There will be no cash in the register and no cash accepted at the service desk.	OPEN	12/2/2013
		Cash Controls	8/16/13 10/11/13	2	We recommend procedures for processing refunds be developed. The procedures should state the personnel who are authorized to perform and approve these transactions and require a brief explanation stating the reason a refund was necessary. The explanation should be recorded on the supporting documentation. We also recommend the refund procedures be included in the procedures manual.	Associate Vice President, Business and Finance	Effective August 26, 2013, only staff members are authorized to make refunds. Student assistants who are working the desk call a staff member to process the transaction. The reason for the refund is noted on the receipt and initialed by the staff member. The procedures manual will be revised to reflect this change. Final procedures manual updates will be completed by December 1, 2013.	OPEN	12/2/2013
		Cash Controls	8/16/13 10/11/13	3	We recommend a policies and procedures manual be developed to establish controls and to promote consistency in these processes.	Associate Vice President, Business and Finance	The Multimedia Center procedures manual is being revised to include financial operations and accounting procedures. The revision will be completed by December 1, 2013.	OPEN	12/2/2013
		Accounts Receivable	8/16/13 10/11/13	4	We recommend accounts with material balances for which the library has not received payments for an extended period of time be turned over to a collections agency. We recommend a policy be developed regarding past due accounts and the timeframe for forwarding accounts to collections. We recommend the	Associate Vice President, Business and Finance	The Director of Information Services and Library Services supervisor are currently developing procedures to address this issue which includes sending accounts to collection. Procedures will be developed, implemented and included in the Circulation Desk Procedures Manual by	OPEN	12/2/2013

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					policy be included in the Circulations Desk Procedures Manual.		January 15, 2014.		
		Accounts Receivable	8/16/13 10/11/13	5	We recommend the policy be updated.	Associate Vice President, Business and Finance	By January 3, 2014 the Circulation Desk Procedures Manual will be updated with new procedures recommended in the audit report as well as other necessary updates.	OPEN	12/2/2013
		Recharge	8/16/13 10/11/13	6	We recommend that Libraries administration, in conjunction with the Business and Finance Office, review this issue and determine whether purchasing cards are an acceptable method of payment at the university's recharge centers. If so, we recommend that policies and procedures be developed to accurately process and record these transactions in the financial accounting system.	Associate Vice President, Business and Finance	The Assistant Dean of Libraries will work with the Business and Finance Office to establish a procedure to identify revenue from university purchasing cards and transfer, via a journal voucher, recharge revenue to the appropriate accounting line. The new procedures will be shared with library account managers and implemented for all library recharge centers.	OPEN	12/2/2013
		Leave Records	8/16/13 10/11/13	7	We recommend that leave taken by the employee be processed as leave without pay and that the leave be restored to the employee's annual leave balance.	Associate Vice President, Business and Finance	On September 23, 2013 an email message was sent to all library staff and faculty reminding them that newly hired classified staff may not take annual leave within their first six months of employment. In the specific case found in the audit, the Assistant Dean of Libraries will work with Human Resources and the Payroll Office to determine correct action to debit the employee's paycheck and credit the ½ day of annual leave. The recommended correction will be implemented by the October (November1) payroll.	OPEN	12/2/2013
		Expenditures	8/16/13 10/11/13	8	We recommend written procedures be developed to document the process that is	Associate Vice President, Business and	The Library Acquisitions department is in the process of updating and expanding the	OPEN	12/2/2013

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					followed by Libraries personnel when making purchases of information services and resources. We recommend the procedures include adequate internal controls, such as requiring additional signature approvals as the amount of purchases increases.	Finance	procedures manual to include latest practices and to address more specifically some of the concerns raised by the audit. They will add to the procedures that large purchases must be signed by the Assistant Dean for Collections and Knowledge Access Services or the Dean of Libraries in addition to the Library Acquisitions supervisor. The updates and revisions to the manual will be completed by January 3, 2014.		
		Telephones	8/16/13 10/11/13	9	We recommend a determination be made as to whether there is a need for the telephone lines. If it is determined that some or all of the lines are not needed we recommend the Campus Computing and Telecommunications Department be contacted to have the lines and related charges removed from the Libraries' telephone billing.	Associate Vice President, Business and Finance	The Assistant Dean of Libraries has reviewed the list of land lines provided to us as a result of the audit. Six of them, which are clearly not needed, have been canceled. Several of the lines belong to vacant positions which have been, or will be, filled soon. These lines will not be removed. There are a few remaining that seem to be data lines, belong to server rooms, etc. The Assistant Dean of Libraries is working with Campus Unified Communications to determine the location and purpose of some of these lines. Unnecessary lines will be canceled as appropriate. Target completion is January 3, 2014.	OPEN	12/2/2013
		Administrative Security	8/16/13 10/11/13	10	We recommend the security profiles for these employees be reviewed and updated to eliminate the unnecessary access. We also recommend a procedure be implemented within the department to ensure access to the applications is reviewed on	Associate Vice President, Business and Finance	On September 10, 2013 the Assistant Dean of Libraries discussed the security profiles of the three employees with the Applications Security Coordinator. The coordinator supplied appropriate forms and explained the process to make	OPEN	12/2/2013

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					a regular basis.		changes. Profiles for these staff members will be revised to remove their access to update the financial accounting system. The Assistant Dean of Libraries will submit necessary documentation to make these changes by October 25, 2013.		
UNR	Student Accounts- PeopleSoft	Student Account Testing	8/16/13 10/11/13	11	We recommend procedures be developed for reviewing manual adjustments that are made to student accounts to help ensure these transactions are processed correctly.	Associate Vice President, Business and Finance	As a result of this finding we are in the process of developing and testing a report to identify manual adjustments to student accounts to ensure transactions are processed correctly.	OPEN	12/2/2013
		Administrative Drops	8/16/13 10/11/13	12	We recommend that exceptions to the administrative drop process be addressed in the procedures and that such exceptions require an appropriate level of documentation and/or approval when they occur.	Associate Vice President, Business and Finance	Written procedures which include exceptions to policy are being documented for the administrative drop process. This will be completed by December 1, 2013.	OPEN	12/2/2013
UNR	Hosting	Host Expenditure Review	3/8/13 10/24/13	13	We recommend the department that made the purchase be reminded of the policy.	Associate Vice President, Business and Finance	We have asked the next Business Officers Council meeting scheduled for December 4, 2013 to consider making a change in the Procedures and Guidelines Manual that recognizes medical residents as students for purposes of hosting expenses.	OPEN	12/2/2013
UNR	University Studies Abroad Consortium	Contracts	8/5/12 7/26/13	14	We recommend an agreement be completed with the institution to document the terms and conditions of the relationship	Associate Vice President, Business and Finance	The Director negotiates and ensures all arrangements are documented in written agreements with foreign institutions.	OPEN	8/30/2013
		Contracts	8/5/12 7/26/13	15	We recommend that consideration be given for developing a contract checklist in consultation with university legal counsel.	Associate Vice President, Business and Finance	USAC continues to work with the university administration on developing a contract checklist to be used with foreign institutions. The checklist of	OPEN	8/30/2013

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							important contract terms should be completed by December 31, 2013.		
		Employee Agreements	8/5/12 7/26/13	16	We recommend a review be performed to determine the circumstances under which resident directors are hired as university employees and as non-university employees. In doing so, we recommend the residency status of these individuals, U.S. and foreign income tax implications, and other related issues be considered. Once the review is completed, we recommend documented procedures be developed that address this area. We also recommend the employment status of USAC's current resident directors be reviewed for compliance with the established criteria.	Associate Vice President, Business and Finance	We are in the process of working with university human resources and university administration to develop written criteria to determine what is the appropriate arrangement for hiring or contracting with residential directors. The HR manager will be involved in this process directly and will review /compare the employment contracts of all current and future residential directors to the newly established criteria and make the necessary changes.	OPEN	8/30/2013
		Employee Agreements	8/5/12 7/26/13	17	We recommend the checklist include a requirement that employment agreements are signed by authorized university officials.	Associate Vice President, Business and Finance	The HR Manager will work with general counsel and university human resources to determine what should be included in the employment agreements. We anticipate the written criteria to be completed by December 31, 2013. The Director of USAC will monitor all resident director contracts for compliance once the criteria have been established.	OPEN	8/30/2013
		Foreign Bank Accounts	8/5/12 7/26/13	18	We recommend the foreign bank accounts be submitted to the Board of Regents for approval. We also recommend the three personal accounts be closed and reestablished under USAC's name.	Associate Vice President, Business and Finance	We are in the process of developing policy and procedures for establishing bank accounts for USAC in foreign countries.	OPEN	8/30/2013

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UNR	Joe Crowley Student Union	Other – Key Issuance	7/7/10 1/28/11	19	We were informed that the university's policies for issuing keys and access cards and the requirements for signing issuance forms are in the process of being revised. We recommend the revisions be completed in a timely manner and that they address the issues mentioned above. We recommend the university's key policies be updated when the revisions are completed.	Vice President for Student Services	The committee has not yet completed its review and revision of the key policies.	OPEN	3/10/2011

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<b><u>UNLV INTERNAL AUDIT REPORTS</u></b>									
UNLV	School of Dental Medicine Student Government	DSGA Constitution and By-Laws	5/8/13 7/25/13	20	We recommend the DSGA By-Laws be reviewed by the SDM and the Executive and Class Councils to determine revisions required for accurately reflecting the responsibilities to be performed.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	The DSGA By-Laws and Constitution have been revised on 5/21/13 by the 2013-14 Executive Council members to reflect elimination for standing committees (Student Activities, Community Service and Elections). Ad-hoc committees instead may be formed at the discretion of the Executive Council Chairperson. The revised documents, which are more reflective of the responsibilities and systems established within the DSGA, have been reviewed and approved. We anticipate that a vote of the current student body will take place by the end of July.	OPEN	8/30/2013
UNLV	First Year Housing Exceptions	Policies and Procedures	11/14/12 7/7/13	21	We recommend the first year on-campus housing policy be reviewed and approved by the president's cabinet to facilitate ratification into an institutional policy.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	This policy was approved by the UNLV President on July 15, 2013. It has been forwarded to the University Policy Committee and is expected to be approved at the August 6 meeting.	OPEN	8/30/2013
UNLV	Network Security	Router Testing	7/30/11 12/23/13	22	We recommend that UNLV update the router access control lists to comply with industry best practice regarding 'deny by default'. The National Security Agency (NSA) Router Security Configuration Guide is an excellent resource in this regard.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	The UNLV IT Master Plan is in its final stages of development. The initial draft has been reviewed and is being updated for a final campus review to be conducted in January 2014. We expect to have this recommendation implemented by January 31, 2014.	OPEN	5/31/2012
		Router Testing	7/30/11 12/23/13	23	We recommend that UNLV's network design employ a 'defense-in-depth' posture whereby all internal addresses are protected behind a router and firewall (see firewall recommendation #1 below).	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	Information about how to be in compliance with the Network Access policy was posted to the OIT policy website on 11/15/2013. By policy all new systems added to the network must be reviewed for	OPEN	5/31/2012

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					NSHE Procedures and Guidelines Manual (PGM) chapter 14 Section 3.3 discusses this as well.		appropriate placements. Exception processes are now in place. This portion of the recommendation has been implemented. Approximately 1,000 desktops have been moved behind the firewall. The desktop portion of this project will be completed as of 11/15/13. We will then address other systems not behind the firewalls. We expect to have this process completed by December 31, 2014.		
		Firewall Testing	7/30/11 12/23/13	24	We recommend that UNLV establish a firewall DMZ for their high risk servers that require access from the Internet and limit traffic on the protected servers to only the necessary ports and protocols. NIST SP800-44v2 discusses securing public facing servers.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	29 Legacy networks still need to be migrated into the DMZ. By 12/31/13, at least nine of the remaining Legacy networks will be moved into the DMZ. We anticipate having this process completed by June 30, 2014.	OPEN	5/31/2012
		Computer Testing	7/30/11 12/23/13	25	We recommend that UNLV create a process that ensures that critical patches, antivirus and system integrity software be installed and updated in a timely manner. Further, security software should be restricted from being disabled by the user.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	A total of 1,979 (about 85%) computers have been added to the management application. 56 buildings on campus and at satellite locations have been visited. Computers with Windows operation systems on the new system are being updated regularly. The remaining cleanup work should be completed by 5/31/14. All computers not on the managed system are being managed by exception. We expect to have this recommendation fully implemented by May 31, 2014.	OPEN	5/31/2012
		Computer Testing	7/30/11 12/23/13	26	We recommend that computers on the network should require a user to authenticate with a unique	Associate Vice President, ICA/TMC	A total of 1,979 (about 85%) computers have been added to the management application.	OPEN	5/31/2012



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					user id that identifies the individual logging into the computer/network as specified in NSHE PGM chapter 14 Section 2.1	Business Services, Auxiliary Financial Services	56 buildings on campus and at satellite locations have been visited. Computers with Windows operating systems on the new system are being updated regularly. The remaining cleanup work should be completed by 05/31/14. All computers not on the managed system are being managed by exception. We expect to have this recommendation fully implemented by May 31, 2014.		
		Computer Testing	7/30/11 12/23/13	27	We recommend that UNLV implement a method that will allow them to remotely administer and manage personal computer systems.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	A total of 1,979 (about 85%) computers have been added to the management application. 56 buildings on campus and at satellite locations have been visited. Computers with Windows operation systems on the new system are being updated regularly. The remaining cleanup work should be completed by 5/31/14. All computers not on the managed system are being managed by exception. We expect to have this recommendation fully implemented by May 31, 2014.	OPEN	5/31/2012
		Network Server Testing – Novell Netware Server	7/30/11 12/23/13	28	We recommend that UNLV plan and implement a migration path away from the unsupported Netware system. In the meantime we recommend that UNLV implement configuration changes to the server as identified by the Novell security benchmark, if possible.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	The Graduate College and Sciences migration are complete. The migration in the Office of Information Technology has begun. File services migration for faculty and staff will continue through 2014. We expect to have this recommendation fully implemented by December 31, 2014.	OPEN	5/31/2012
		Network Server Testing – Novell	7/30/11 12/23/13	29	We recommend that UNLV eliminate generic IDs and disable	Associate Vice President,	A Request for Proposal for Phase 1 of the identity	OPEN	5/31/2012

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		Netware Server			/remove user accounts for faculty and students that either terminated or are no longer actively enrolled. Further, a process needs to be developed to ensure that both student and faculty IDs are updated in a timely manner when status changes occur.	ICA/TMC Business Services, Auxiliary Financial Services	management implementation was released on 11/1/2013 and will open on 12/4/2013. The search for an Identity and Access Manger continues. We expect to have this recommendation fully implemented by 10/31/2014.		
		Wireless and VPN Access	7/30/11 12/23/13	30	We recommend that UNLV remove or shut down unauthorized wireless access points on their network.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	A new position with responsibilities for managing unauthorized wireless access points was filed in October, 2013. A Request for Proposal is being developed for the addition of 500 new wireless access points to the campus. We expect to have this recommendation fully implemented by December 31, 2014.	OPEN	5/31/2012
		Policies, Procedures and Best Practices	7/30/11 12/23/13	31	We recommend that UNLV complete and adopt a comprehensive set of information security policies that are applicable across the university in a timely manner.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	The Acceptable Use policy is under review by the campus. Final approval is expected by 1/31/2014. The Consultant Confidentiality Agreement is in General Counsel's office for review. The Security Responsibility for System Administrators and the related System Administrator Password policy remain in development. Software has been developed for management of passwords and security questions for ACE credentials used for authentication to a number of services, including Active Directory. The software forces compliance with the new policy. Additional services will be brought into compliance by the identity management system after Phase 1 of that project is completed.	OPEN	5/31/2012

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							We expect to have this recommendation fully implemented by June 30, 2014.		
		Policies, Procedures and Best Practices	7/30/11 12/23/13	32	We recommend that UNLV perform a risk assessment so that a contingency plan can be created.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	Several servers were scanned on a test basis. The scans confirmed there were no serious vulnerabilities. Work continues on a plan and procedures for wider assessment. The testing procedures are being piloted. We expect to have this recommendation fully implemented by December 31, 2014.	OPEN	5/31/2012
		Policies, Procedures and Best Practices	7/30/11 12/23/13	33	We recommend that UNLV develop and implement a security awareness training program.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	The planned October launch was delayed. The project proposal for the Security Awareness Campaign is under review by the OIT Portfolio Review Team. Approval is expected in December, 2013. The campaign should commence in January, 2014. We expect to have this recommendation fully implemented by January 31, 2014.	OPEN	5/31/2012
		Special Considerations for Non OIT Managed Resources	7/30/11 12/23/13	34	We recommend that UNLV develop system-wide policies and procedures that address the security administration and data security needs of the university. Alternately, critical computing resources could be brought under the control of the central IT function.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	The Acceptable Use policy is under review by the campus. Final approval is expected by 1/31/2014. The Consultant Confidentiality Agreement is in General Counsel's office for review. The Security Responsibility for System Administrators and the related System Administrator Password policy remain in development. We expect to have this recommendation fully implemented by December 31, 2014.	OPEN	5/31/2012

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<b>NSC INTERNAL AUDIT REPORTS</b>									
NSC	Student Accounts- Peoplesoft	Course Fees	6/5/13 7/17/13	35	We recommend that NSC develop a central repository to retain approval support for each course fee.	Senior Vice President for Finance and Administration	All current special course fees, up to \$50 per course, have received presidential approval. Due to a lack of clear policies and procedures, departments have used different processes for approval and documentation. Going forward, the academic departments will be required to follow a standardized process for requesting approval for special course fees, including course fees \$50 and under. The NSC Bursar's Office is developing a Special Course Fee request policy and procedure. Once implemented, the Bursars office will ensure proper approvals are affixed to any fee request prior to data entry and will be the central repository for all approved course fee documentation. All fees will be reviewed to source documentation during the setup of fees for each term.	OPEN	8/30/2013
NSC	Peoplesoft Security Audit	Security Administration- Roles and Permissions	5/22/13 7/1/13	36	We recommend that NSC work with System Computing Services (SCS) and their fellow institutions to develop narrative descriptions for both roles and permissions lists. The narratives should provide information on the job functions supported, the data or pages they can access and the manner in which they are designed to access the data.	Senior Vice President for Finance and Administration	The existing documentation for roles and permission lists will become more obsolete as time passes. It is critical that we have a system in place to update the roles and permissions as operations and staff change. This will be addressed first at a system level to ensure consistency with other colleges and then at the institutional level. <i>System-Level Coordinated Effort</i> As part of the Shared Instance, NSC will coordinate its	OPEN	8/30/2013

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							<p>documentation efforts to complement the work being done by System Computing Services (SCS). SCS has developed a plan and timeline for a re-architecture of the Shared Instance security infrastructure. The Senior Security Analyst for SCS&lt; presented this plan to the iNtegrate Shared Instance Advisory (iSIA) group where it was passed on may 23, 2013. This rebuild will impact how NSC will proceed with documenting roles and permission lists.</p> <p><i>NSC Documentation</i>            Narrative descriptions defining job functions for roles and permission lists, including data accessible under these constructs and level of access will be developed in the following manner.</p> <ul style="list-style-type: none"> <li>• For roles and permission lists that NSC does not expect to change as a result of the Shared Instance rebuild, NSC will begin a documentation effort. This documentation will be completed within one year from the date of this response.</li> <li>• For Roles and permission lists that will be rebuilt, NSC will create the documentation for that role/permission list within one month of its migration to production by System Computing Services.</li> <li>• iNtegrate co-project leads</li> </ul>		

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							will lead and facilitate the efforts above in coordination with the functional leads from Admissions, Advising, Financial Aid, Student Records, and Student Financials.		
		Role and Permission List Usage and Design Philosophy	5/22/13 7/1/13	37	We recommend that NSC work with SCS and their fellow institutions to evaluate the design of these components and begin the process of migrating roles and permission lists toward the design philosophy noted above.	Senior Vice President for Finance and Administration	As part of the Shared Instance, NSC will coordinate with SCS and the other NSHE institutions to implement a rebuild of security components in line with a new design philosophy. <i>System Level Rebuild</i> SCS has recently developed a re-architecture of the shared instance security infrastructure and an execution plan for that re-architecture. The Senior Security Analyst for SCS, presented this plan on May 23, 2013. He has also shared his ideas for the new design philosophy with the NSHE Internal Auditor. The NSHE Internal Auditor is in agreement with the execution of a plan around this philosophy. Since the rebuilding of the shared instance security infrastructure represents a significant commitment of resources, the plan was reviewed by the iSIA with approval given to proceed in order to comply with this audit finding. <i>NSC Migration to the Shared Instance Design Philosophy</i> As the new roles and permission lists are developed by SCS, NSC will assist in	OPEN	8/30/2013

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							<p>testing and developing narratives as described in audit item number one. This will be completed by iNtegrate co-project leads with functional leads from Admissions, Advising, Financial Aid, Student Records, and Student Financials. Migration to the shared Instance design philosophy will be accomplished as follows:</p> <ul style="list-style-type: none"> <li>• If it is found the new roles and permission lists meet its security needs, NSC will replace its current security with that developed for the shared version.</li> <li>• Where it is found the shared version does not match its needs, NSC will build new roles and permission lists that adhere to the shared instance design philosophy.</li> </ul> <p>The exact time frame for this project will depend on SCS and shared instance resources but the effort is estimated to be completed by June 2014.</p>		
		Role and Permission List Usage and Design Philosophy	5/22/13 7/1/13	38	We recommend that NSC work with SCS and their fellow institutions and evaluate unassigned roles to determine their need and eliminate any that are not necessary.	Senior Vice President for Finance and Administration	NSC has evaluated the one unassigned role as suggested by the auditor and has requested from SCS that it be removed. Review of unnecessary shared instance	OPEN	8/30/2013

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							roles will occur during the System-level re-architecture of the shared instance security infrastructure.		
		Sensitive Data Access	5/22/13 7/1/13	39	We recommend that NSC adjust these users as necessary and conduct regular reviews of user roles to ensure role assignments are appropriate.	Senior Vice President for Finance and Administration	iNtegrate co-project leads have completed adjusting security access as needed for Student Financials. Efforts have also begun with the functional leads from Financial Aid and Student Records with a plan to have this recommendation completed by December 2013. <i>Ensuring Appropriate Role Assignments</i> Within six months after the completion of the System-level security infrastructure re-architecture, iNtegrate co-project leads will work with each functional lead to develop a standardized set of security roles to apply to defined positions within the institution. If, during a security request, a role is requested that falls outside of the standardized set, approvals will be required of the respective functional area prior to that security being granted. Documentation of these exceptions will be maintained by the NSC security coordinator.		8/30/2013
		Sensitive Data Access	5/22/13 7/1/13	40	We recommend that NSC evaluate users with access to unmasked SSN data and ensure that they have a job related need for such access. Further, we suggest that NSC work with other institutions in the shared instance and consider masking birth year on the high use screens.	Senior Vice President for Finance and Administration	NSC values the trust placed in us by our students, faculty, and staff to protect Personally Identifiable Information (PII). We will honor that trust by restricting access to PII except in those cases where it is deemed necessary to serve our constituents. <i>Masking Social Security Numbers</i>	OPEN	8/30/2013



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							<p>Masking of SSN is done at the system level. Currently, PeopleSoft's delivered masking mechanism is used on only two pages. Further masking of additional pages can only be accomplished by a modification. A modification is a technical term to describe programming changes at the system level. These typically require work by SCS and outside consultants. The delivered masking currently masks SSN only on the Search/Match page, with the default being to mask SSN for everyone on this page. To see an unmasked SSN, a person must be specifically provided with an additional role.</p> <p><i>NSC Review of Unmasked SSN Access</i></p> <p>iNtegrate co-project leads will evaluate users with access to unmasked Social Security Number data and examine whether there is a job-related need to see this information. There are a limited number of users who have a job-related need to see unmasked SSN. These users are typically in the Financial Aid department. NSC will remove access from users it finds does not have a job-related need to have such access. All removals will be completed by December 2013.</p> <p><i>Masking Year in Date of Birth</i></p> <p>The SCS Senior Security Analyst has brought the issue of using the delivered masking mechanism for birth year on high use screens to the attention of the SCS Director of Information and Application Services. Consequently, on</p>		

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							<p>May 30, 2013 SCS applied a mask in PeopleSoft for the year portion of date of birth (DOB) on the Search/Match page.  <i>NSC Review of Date of Birth Access</i>            iNtegrate co project leads will work with the NSC user base to determine the business effect of the new masking and will also evaluate who needs to see full DOB on the Search/Match page. NSC will restrict full DOB access fro those not found to have a job-related need by December 2013.</p>		

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<b><u>DRI INTERNAL AUDIT REPORTS</u></b>									
DRI	Facilities Department	Contracts	9/10/13 10/17/13	41	We recommend this matter be reviewed by DRI Administration. If it is determined that signature authority should continue to be provided to the Facilities Department, we recommend that an updated delegation of signature authorization be completed. We also recommend the signature delegation be more specific as to the types of agreements that may be signed.	Assistant Vice President/ Controller	The Senior Vice President for Finance and Administration has tasked the Assistant Vice President/Controller to review all DRI signature delegations to ensure they are up to date and appropriate. After the Facilities Department delegation is finalized, the Facilities Department will comply with the signature delegation memorandum.	OPEN	12/2/2013
		Contracts	9/10/13 10/17/13	42	We recommend the Facilities Department consider keeping a list and copies of the agreements for which it is responsible for reference purposes.	Assistant Vice President/ Controller	A list will be maintained by the Facilities Department Business Office for Facilities-specific agreements (primarily maintenance contracts).	OPEN	12/2/2013
		Key Card System Administration	9/10/13 10/17/13	43	We recommend the server be properly administered so it is updated with this information as it becomes available.	Assistant Vice President/ Controller	The server referred to in this finding has automatic security patches and updates deliberately shut off. This system is obsolete and will only run on Windows XP and pushed patches cause the system to go into fault. This server and its residing program/software will be decommissioned and removed by the end of fiscal year 2014. Thereafter, a single key card system will be used for DRI Facilities.	OPEN	12/2/2013
		Key Card System Administration	9/10/13 10/17/13	44	We recommend that both servers be backed up in a manner that is consistent with best practices such as performing them on a regular schedule, storing them on different media, and maintaining them at an offsite location.	Assistant Vice President/ Controller	The server has been manually backed up, and will be decommissioned by the end of fiscal year 2014. The backup for the second server referenced is stored on the server itself, as well as on external media. DRI concurs with the finding that the external media backup should	OPEN	12/2/2013

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							be stored offsite, and has implemented a procedure for Facilities to place a copy of the backup file on a shared drive provided by the DRI IS Department that will be automatically backed up on both the Reno & Las Vegas systems.		
		Permits	9/10/13 10/17/13	45	To help ensure proper insurance coverage in the event of an accident, we recommend the Hot Work Permit be completed in its entirety. If there are steps on the Required Precautions Checklist that do not apply to a particular project, we recommend the steps be marked as not applicable.	Assistant Vice President/ Controller	The Desert Research Institute Facilities Department will conduct a training session on hot work permitting to ensure everyone follows NSHE audit report suggestions.	OPEN	12/2/2013
		Timesheets	9/10/13 10/17/13	46	We recommend greater care be taken by both employees and supervisors to ensure work hours are accurately stated.	Assistant Vice President/ Controller	DRI utilizes a simple electronic timesheet program for professional Faculty and Staff that greatly reduces the chance of human error in completing timesheets. DRI is working on and will implement a similar electronic solution to help prevent errors for hourly worker timesheets. Timesheets for this audit period that resulted in overpayment were identified and are currently being corrected through a repayment process for those individuals.	OPEN	12/2/2013
		Contracts	9/10/13 10/17/13	47	We recommend that DRI maintain a central location for storing agreements in accordance with the above policy. We also recommend a listing of such agreements be maintained.	Assistant Vice President/ Controller	This task has been assigned to the DRI Financial Services Office to develop and implement a central contract repository.	OPEN	12/2/2013

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<b><u>TMCC INTERNAL AUDIT REPORTS</u></b>									
TMCC	PeopleSoft Security Audit	Sensitive Data Access	1/25/13 10/24/13	48	We recommend that TMCC evaluate users with access to unmasked SSN data and ensure that they have a job related need for such access.	Vice President of Finance and Administrative Services	As of October 25, 2013, the removal of roles containing SSN has begun. All removals will be completed by December 2013.	OPEN	12/2/2013

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<b><u>CSN INTERNAL AUDIT REPORTS</u></b>									
CSN	Special Course Fees	Expenditures	4/11/13 7/24/13	49	We recommend these accounts be passed on to the Fee Committee for their additional analysis of whether course fee adjustments are warranted.	Senior Vice President Finance and Administration	The accumulated balances resulted from a few factors including changes in program delivery, lower negotiated pricing for equipment replacement, and timing of expenditures. <ul style="list-style-type: none"> <li>• Timing of expenditures: Several of the accounts that illustrated an accumulation of fee revenue were a result of the timing of the audit review and when the expenditures were completed. For example, equipment rotation in computerized classrooms occurs during the annual computer rotation life cycle process. Classroom and laboratory equipment is rotated during the transition between the spring and summer sessions. Of the 11 accounts noted, this situation occurred in six areas.</li> <li>• Lower negotiated pricing for computers resulted in savings on equipment; one</li> </ul>	OPEN	8/30/2013

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							<p>such example is in the Graphic Arts program.</p> <ul style="list-style-type: none"> <li>• Donation: The Air Conditioning Program received a one-time donation in FY2012-13 that provided a significant amount of consumable materials which resulted in savings for the program. Replacement equipment will be purchased during the upcoming fiscal year.</li> <li>• Sciences: In area such as Biology, Chemistry, and the Physical Sciences that require costly equipment, replacement occurs periodically (over years). The cost off an autoclave for example is \$44,000.</li> </ul> <p>The Vice President for Academic Affairs and the Senior Vice President for Finance &amp; Administration have jointly initiated an all-encompassing review of special course fee assessments and expenditures within programs and disciplines. This comprehensive review will include each and every</p>		

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		Course Fee Account Management	4/11/13 7/24/13	50	We recommend CSN consider further segregation for some course topics into separate accounts to provide greater transparency of account and course activity as they relate to Special Course Fees.	Senior Vice President Finance and Administration	academic special course fee assessment, and meetings are underway with the six academic deans and twenty department chairs. Due to the timing of implementing revisions through the scheduling and fee assessment modules in PeoplSoft- changes that are deemed necessary will be implemented for Fall 2014.  In consultation with the deans and Vice President for Academic Affairs, we will segregate special course fees in the area of Hospitality Management which comprises the Culinary, Food and Beverage, Gaming, Hotel, Hospitality and Tourism disciplines. In addition, special course fees for the areas of Information Systems, Graphic Information Systems, and Computer Information Technology will also be segregated based on equipment utilization. Finally, we are unable to segregate the Foreign Languages special course fees due to the common usage of equipment, software, and laboratory staff that provide support to the labs and students.	OPEN	8/30/2013
		Fee Review Process	4/11/13 7/24/13	51	We recommend the Course Fee written policy be updated to reflect the actual composition of the Fee Committee participants.	Senior Vice President Finance and Administration	The College's Special Course Fee Committee reviews annually special course fee levels and requests for changes as well as provides a periodic review, by school, of all fees associated with disciplines. The Committee's results are	OPEN	8/30/2013



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							presented to the administration for consideration and approval. The committee procedures will be updated to reflect its composition and the process that ensures a comprehensive annual review of activities and adjustment recommendations by financial staff. In addition procedures, including forms and information required to support fee changes will be updated and incorporated.		
CSN	Associated Students of the College of Southern Nevada	ASCSN Constitution and By-Laws	4/16/13 7/18/13	52	We recommend the required signature approvals for expenditures be identified in the ASCSN Constitution or By-Laws.	Senior Vice President Finance and Administration	The CSN Director of Student Life and Leadership Development is working with ASCSN leadership to review, modify, and update the ASCSN Bylaws to reflect the appropriate signature approvals for expenditures. The revision has been developed and the ASCSN By-Law and Constitution Committee is scheduled to meet on 7/19/13. Upon their approval, the revision must be posted 10 days prior to consideration/ratification by ASCSN Senate at their scheduled meeting on August 2, 2013. This time line will ensure that the proper By-Law language is in place effective fall semester 2013.	OPEN	8/30/2013
		Work for Your Books	4/16/13 7/18/13	53	We recommend applications/files be completed with required signatures, supporting student I.D.'s and that documentation be in place to support the required repayment of vouchers.	Senior Vice President Finance and Administration	The Director of Student Life and Leadership Development is working with Student Government and Student Financial Services (Financial Aid) to convert the ASCSN/ Cipriano Chavez Work for Your Book (WFYB) Assistance Program to an ASCSN Scholarship program. Funds will be allocated to eligible	OPEN	8/30/2013

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							students by Student Financial Services based on scholarship criteria developed by ASCSN. This transition will eliminate manual processing and storage of forms. In addition, it will allow for better tracking, processing, and improved oversight of fund disbursement and repayment. The goal is to defray the cost of attendance for students but through a process and procedure that allows for better oversight, tracking, record keeping and compliance. The conversion to a scholarship program will be implemented not later than the start of spring semester 2014.		

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<b><u>WNC INTERNAL AUDIT REPORTS</u></b>									
WNC	Network Security	Security Incident Process	4/20/10 12/31/13	54	We recommend that WNC develop an IT security incident policy and procedure.	Controller	The Security Incident Policy and Procedure draft has been presented once to College Council on November 12, 2013. Action was postponed on the agenda item and it will be re-submitted to College Council for review on January 14, 2014.	OPEN	5/31/2012

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<b><u>GBC INTERNAL AUDIT REPORTS</u></b>									
GBC	Special Course Fees	Special Course Fee List	5/17/13 10/15/13	55	For improved recordkeeping, we recommend a list of the college's approved Special Course Fees be created and maintained by a proper authority, such as the Office of Academic Affairs.	Controller	A master list of Special Course Fees is under construction with assistance from department chairs and support staff personnel. The Office of Business Affairs will maintain and update the list annually. Estimated completion date is December 2013.	OPEN	12/2/2013
		Special Course Fees Testing	5/17/13 10/15/13	56	We recommend the college submit a request to the Board of Regents seeking approval of the Special Course Fee. Until this time, we recommend assessment of the fee be discontinued. In the future, we recommend greater care be taken to ensure Special Course Fees in excess of \$50 are approved by the Board.	Controller	The Special Course Fee of \$100 referenced above was originally approved by the Board of Regents as RT116. The department requested a prefix change from RT to RAD and was granted approval. The update was never provided to the Board of Regents and we are currently having discussions with the System Office on how to properly relay prefix change information to the proper personnel so it is updated in a timely manner. Expected completion date is December 2013.	OPEN	12/2/2013
		Special Course Fees Testing	5/17/13 10/15/13	57	Fees should be charged for the amount they were approved. We recommend the fees be charged for the approved amount or that a request be submitted to the Board of Regents to assess the fees at a lower rate.	Controller	A course fee for ART 141 was approved by the Board of Regents at a rate of \$75. For the live class section taught in Fall 2012, a \$65 fee was assessed, and a separate internet section offered was assessed a \$15 fee to cover the cost of distance education charges. The class supplies used for the live class were less than the original approved amount of \$75 and therefore the fee was reduced. For the internet section, the only fee assessed is the internet fee of	OPEN	12/2/2013

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		Quantity of Special Course Fees Charged	5/17/13 10/15/13	58	Board of Regents policy states that the registration fee should be the only fee assessed for taking a course except for extraordinary instruction costs. We recommend GBC personnel review the Special Course Fees that are charged by the campus for reasonableness and compliance with Board policy.	Controller	<p>\$5/per credit.            A course fee for SUR 280 was approved by the Board of Regents at a rate of \$90. The cost for supplies since that approval has decreased and a reduced fee of \$65 was assessed for this particular class.            GBC will be working with the system office to determine if the approved fees can be listed as "up to" a certain dollar amount and then a reduced fee charged if class supply costs have decreased. This could result in a savings to students for special fee costs. Estimated completion date is December 2013.</p> <p>A master list of departments and their associated Special Course Fees is under construction with assistance from department chairs and support staff personnel. Once the list has been finalized, it will be reviewed to determine whether the fees are reasonable and if any need to be adjusted. Approximately 14% of GBC classes are for workforce development and 66% are distance education related. Due to the technology and hands-on lab experiences required for these classes, lab fees must be charged to cover related expenses. Estimated completion date is December 2013.</p>	OPEN	12/2/2013
GBC	Student Housing	Supply Inventory	6/28/12 12/23/13	59	For improved control, we recommend consideration be given for maintaining a perpetual inventory of supplies that are of significant value. This could be	Controller	Due to changes in staffing in the Building and Grounds area, the supply inventory and regular counts have not been completed. The supply	OPEN	2/28/2013

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					done by creating a log of the supplies and the corresponding quantity of each. Updates to the quantities recorded on the log would then need to be made as items are used and as additional supplies are purchased. Once implemented, we recommend the supply inventory be periodically test counted to determine whether the quantity of items on hand agrees with the quantity that is reflected on the log.		inventory has been organized and estimated initial completion is March 31, 2014 and regular inventory counts will begin in April 2014. Current focus has also been concentrated on making sure supplies are sufficient but not too large and that new supplies are not purchased until after inventory of those supplies has been checked and validated that more is needed.		
GBC	Network Security	Computer Testing	8/31/10 12/23/13	60	We recommend that GBC create a process to ensure that critical patches, antivirus software and system integrity software is installed and updated in a manner consistent with industry best practices.	Controller	Administrative computers are automatically set to update. Software bundles have been created and kept up-to-date in our desktop management system and are deployed when needed. An update system for Academic computers has been successfully tested in a classroom environment. It will be set up and tested for all academic computers on a room by room schedule. All antivirus and antimalware updates are managed and deployed automatically by a management server for their product.	OPEN	6/16/2011
		Firewall Testing	8/31/10 12/23/13	61	We recommend that GBC create written policies and procedures for the administration and configuration of the firewall.	Controller	This policy has been written and is waiting to be properly formatted and approved by GBC's President's Council.	OPEN	6/16/2011
		Network Server Testing	8/31/10 12/23/13	62	We recommend that GBC utilize an appropriate security checklist when they configure the OES server to be in compliance with best practices.	Controller	GBC Computer Services Department has determined this recommendation to be a low priority. When assessing OES server security, the disposition of users and potential of outside threats is considered, in addition to the	OPEN	6/16/2011

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							<p>potential weaknesses of any services offered. Regarding the mitigation of potential weaknesses, specific guides from the software provider are referenced, including (but not limited to) the following:  <a href="https://www.suse.com/documentation/sles11/book_hardening/data/book_hardening.html">https://www.suse.com/documentation/sles11/book_hardening/data/book_hardening.html</a>  <a href="http://wiki.novell.com/index.php/SLES_10_Hardening">http://wiki.novell.com/index.php/SLES_10_Hardening</a></p> <p>The recommendations contained within these and similar documents are assessed against several criteria including, but not limited to: the needs of the users (faculty, staff, and students), and the specific conditions at the various campuses (environmental, and operational). Said recommendations are applied as is prudent for the services offered at a given location, and balanced against the needs of the users, importance of the data, and the necessity of the services provided.</p>		
		Wireless Network Security	8/31/10 12/23/13	63	We recommend that GBC require authentication to use their wireless network.	Controller	We are still planning to install a radius server for a more secure authentication.	OPEN	6/16/2011
		Policies, Procedures and Best Practice	8/31/10 12/23/13	64	We recommend that GBC update their policies and procedures to address the issues noted in items one and three, above.	Controller	Progress has been slow with regards to the policies. Another person was recently brought in to help with policies and has been working it in around his other responsibilities.	OPEN	6/16/2011
		Policies, Procedures and Best Practice	8/31/10 12/23/13	65	We recommend that GBC consider performing an IT risk assessment and developing a contingency plan.	Controller	Progress has been slow with regards to the policies. Another person was recently brought in to help with policies	OPEN	6/16/2011

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							and has been working it in around his other responsibilities. Some progress has been made in coordinating and working with the Safety/Security and Computer Services Departments on this item.		
		Security Incident Process	8/31/10 6/30/13	66	We recommend that GBC develop an IT security incident policy and procedure.	Controller	Policies are still in the process of being drafted and formatted. Beginning in September 2013 regular meetings will be held to work on this project, so that the draft policies can be moved forward for approval.	OPEN	6/16/2011

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<b><u>UNR INTERNAL AUDIT REPORTS</u></b>									
UNR	Libraries	Cash Controls	8/16/13 10/11/13	1	For improved control, we recommend the filing cabinet remain locked at all times. We recommend the key to the filing cabinet be maintained in a secure area to which only authorized employees have access.	Associate Vice President, Business and Finance	Multimedia Center staff are keeping the filing cabinet locked at all times. Only four staff members have keys to the lock box and filing cabinet: the @One Administrator, the KC Technology Specialist, the IT Tech II (night supervisor) ,and Library Tech I (Multimedia desk supervisor).	CLOSED	12/2/2013
		Cash Controls	8/16/13 10/11/13	2	We recommend another employee be trained to prepare deposits in case the individual that currently performs this task is unavailable to do so.	Associate Vice President, Business and Finance	The Multimedia desk supervisor, a Library Tech I, is responsible for handling daily cash counts and deposits. The back-up is staff at the Library Services desk. When the Multimedia desk supervisor is out of the office, the Library Services desk supervisor is notified by the @One Administrator to make sure deposits are made for both areas.	CLOSED	12/2/2013
		Cash Controls	8/16/13 10/11/13	3	We recommend deposits be made in accordance with the university policy and that revenue be posted to the correct revenue category.	Associate Vice President, Business and Finance	All employees involved in the preparation of deposits have been reminded that the university policy required deposits in excess of \$500 be deposited within one day of receipt and lesser amounts within 3 days.	CLOSED	12/2/2013
		Cash Controls	8/16/13 10/11/13	4	We recommend deposits be made in accordance with the university policy.	Associate Vice President, Business and Finance	All employees involved in the preparation of deposits were reminded at a meeting on August 23, 2013 that the university policy requires deposits in excess of \$500 be deposited within one day of receipt and lesser amounts within 3 days.	CLOSED	12/2/2013

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		Accounts Receivable	8/16/13 10/11/13	5	We recommend the outstanding balance report be reviewed more frequently to help alleviate large account balances and to promote more timely collections. We also recommend a review be performed to determine whether the library's reservation system can be programmed to place a hold on customer accounts as soon as the outstanding balance reaches \$40.	Associate Vice President, Business and Finance	The Director of Information Services has investigated whether the circulation system can be programmed to place a hold on customer accounts as soon as outstanding balances reach \$40. It cannot. The Library staff will run the stop list three times a year instead of annually in order to identify large balances and place holds more quickly. The stop list will be run in January, May and September.	CLOSED	12/2/2013
		Accounts Receivable	8/16/13 10/11/13	6	We recommend the accounts receivable be reported to the Controller's Office at the conclusion of each fiscal year.	Associate Vice President, Business and Finance	The Assistant Dean of Libraries and the Library Services supervisor will work with the Controller's Office to provide year end accounts receivables.	CLOSED	12/2/2013
		Leave Records	8/16/13 10/11/13	7	We recommend leave request forms be submitted and approved in a timely manner.	Associate Vice President, Business and Finance	On September 23, 2013 an email message was sent to all library staff and faculty reminding them that annual leave forms must be approved before annual leave is taken and sick leave forms must be submitted within two days of return. Supervisors were also reminded to follow-up on absences more expeditiously.	CLOSED	12/2/2013
		Equipment Inventory	8/16/13 10/11/13	8	We recommend the department determine the disposition of this item. If the equipment was disposed of or salvaged, we recommend greater care be taken in the future to process these transactions through the Business Center North (BCN) Purchasing Department as required. We also recommend any necessary adjustments be made to the equipment inventory report.	Associate Vice President, Business and Finance	The missing item in question was not found in the last inventory in March 2013. It has been removed from the equipment inventory via memo to the Assistant Provost. On September 23, 2013 an email was sent to all library faculty and staff reminding them of inventory control procedures and that they may not move, discard, or reassign equipment without correct documentation	CLOSED	12/2/2013

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		Equipment Inventory	8/16/13 10/11/13	9	We recommend replacement tags be obtained from BCN Purchasing Department for the above items. If it is impractical to affix the tags directly to the items, we recommend the tags be maintained in a hard copy file with a reference list that includes the asset number, description and location of each item.	Associate Vice President, Business and Finance	being completed and sent to BCN Purchasing. Also, the Libraries have taken several steps to monitor inventory control, including assigning an asset manager (an IT Tech II) who works with assigned departmental technology coordinators to make sure that each item on the fixed asset report is located and identified, fixed asset reports are filed in a timely way, surplus and transfer forms are filled out appropriately, etc. We have purchased software to facilitate tracking and implemented twice yearly inventories instead of annual.  On September 23, 2013 an email message was sent to all library staff and faculty reminding them that asset tags must be affixed to fixed asset items. The Head of Special Collections, working with the assets manager, maintains a Sharepoint database that includes the asset tag number, a detailed description of the item, and its location for sculptures, art and other artifacts to which it is not possible to attach asset tags. The database is set up and current.	CLOSED	12/2/2013
		Equipment Inventory	8/16/13 10/11/13	10	We recommend the BCN Purchasing Department be requested to update the equipment inventory report with the correct locations of these items. We recommend greater care be taken to ensure the purchasing department is notified	Associate Vice President, Business and Finance	Libraries has completed the appropriate forms and requested BCN Purchasing department update the equipment inventory report with the correct locations. On September 23, 2013 and email message was sent to all library	CLOSED	12/2/2013

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					as equipment is moved.		staff and faculty reminding them of the university's inventory control policies and specifically that they may not move equipment between units without completing appropriate transfer forms.		
		Sensitive Equipment	8/16/13 10/11/13	11	We recommend the department determine the disposition of this item. If it was disposed of or salvaged, we recommend the item be removed from the sensitive equipment list and that greater care be taken to ensure these transactions are processed through the BCN Purchasing Department, as required.	Associate Vice President, Business and Finance	The item in question has been located and the sensitive equipment list has been adjusted with the correct location. On September 23, 2013 an email was sent to all library faculty and staff reminding them of inventory control procedures for sensitive equipment and that they may not move, discard, salvage or reassign equipment without informing the asset manager. Also, the Libraries has designated an asset manager who works with assigned departmental technology coordinators to make sure that each item on the sensitive equipment report is located and identified.	CLOSED	12/2/2013
		Sensitive Equipment	8/16/13 10/11/13	12	We recommend the sensitive equipment list be updated to reflect the correct location for these items.	Associate Vice President, Business and Finance	On September 23, 2013 an email message was sent to all library staff and faculty reminding them of the university's sensitive equipment policies and specifically that they may not move equipment between units or individuals without correcting the location. The sensitive equipment list has been updated with the correct locations.	CLOSED	12/2/2013
		Expenditures	8/16/13 10/11/13	13	We recommend purchase orders be completed in advance as	Associate Vice President,	On September 23, 2013 an email message was sent to all	CLOSED	12/2/2013

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					required by NSHE purchasing guidelines.	Business and Finance	library faculty and staff reminding them of NSHE purchasing guidelines and specifically that all purchases over the purchasing card limit must be handled by library administration and that they may not initiate any purchases or services with a vendor without a purchase order in place.		
		Expenditures	8/16/13 10/11/13	14	We recommend purchase orders be completed as required.	Associate Vice President, Business and Finance	The Assistant Dean of Libraries spoke directly with the faculty member responsible for this infraction and emphasized its seriousness. It is clear to him that no future infraction will be tolerated and that his card will be canceled immediately if he fails to follow BCN Purchasing and university purchasing card guidelines. Also, on September 10, 2013 the Assistant Dean of Libraries sent an email message to all library faculty and staff who have purchasing cards to remind them of purchasing guidelines and advise them that their cards will be canceled immediately if they split a transaction. On September 23, 2013 an email message was sent to all library faculty and staff reminding them of NSHE purchasing guidelines and included guidelines from the Purchasing Card website.	CLOSED	12/2/2013
		Expenditures	8/16/13 10/11/13	15	We recommend expenditures be approved by authorized employees.	Associate Vice President, Business and Finance	On August 27, 2013 library faculty and staff who are responsible for purchase of library materials (books, journals, databases) were advised that they must not sign	CLOSED	12/2/2013

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							on purchase orders for accounts on which they do not have signature authority. The signature authority list was reviewed and, in a few cases, a name was added to accounts on which staff should have signature authority.		
		Expenditures	8/16/13 10/11/13	16	We recommend agendas be provided when only UNR employees are present at hosted events, as required by university policy.	Associate Vice President, Business and Finance	The administrative assistant who manages purchasing cards and requests for payment has been reminded that an agenda must accompany hosting forms for internal meetings and business activities.	CLOSED	12/2/2013
		Expenditures	8/16/13 10/11/13	17	We recommend a description of goods and/or services purchased be recorded on the payment documentation.	Associate Vice President, Business and Finance	The administrative assistant who manages purchasing transactions for the libraries has been advised to be sure the description information for purchased goods is recorded on payment documentation.	CLOSED	12/2/2013
		Expenditures	8/16/13 10/11/13	18	We recommend greater care be taken to ensure expenditures are charged correctly.	Associate Vice President, Business and Finance	On September 23, 2013 the Assistant Dean of Libraries met with the administrative assistant who manages purchasing for the libraries to review expense categories. The most common and useful object/sub-object codes were identified and applicability was discussed. Correct and descriptive expenses categories will be used for library purchases.	CLOSED	12/2/2013
		Independent Contractors and Guest Speakers	8/16/13 10/11/13	19	We recommend the above forms be reviewed and approved by the required parties prior to the start of the contract period.	Associate Vice President, Business and Finance	On September 23, 2013 a message was sent to all library faculty and staff reminding them that independent contractor agreements must be completed, signed and	CLOSED	12/2/2013

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		Student Workers	8/16/13 10/11/13	20	We recommend students be reminded that, in accordance with the university's student employment policies, they are not to work during class time. If this does occur, we recommend students be instructed to provide an explanation on their timesheet.	Associate Vice President, Business and Finance	approved before work begins.  On September 23, 2013 an email was sent to all library faculty and staff to remind them that students may not be allowed to work when they are supposed to be in class and that if class was canceled it must be noted on the timesheet.	CLOSED	12/2/2013
		Volunteers	8/16/13 10/11/13	21	We recommend a volunteer agreement form and a sexual harassment acknowledgement form be completed for each volunteer assignment and that the forms be submitted to the BCN Workers' Compensation Office, as required.	Associate Vice President, Business and Finance	Early in 2013 the Libraries centralized processing of volunteers in the administrative office so volunteer paperwork is no longer handled in departments. The administrative assistant who handles faculty and staff hiring documents now processes all volunteer paperwork and volunteer files are centralized in the library administrative office.	CLOSED	12/2/2013
		Contracts	8/16/13 10/11/13	22	We recommend that contracts be signed before work or services are performed.	Associate Vice President, Business and Finance	Services did not begin until the contract was signed. Both parties signed on the same date. Terms and Conditions, insurance and other contract issues were addressed between the date on the contract and the signing date.	CLOSED	12/2/2013
UNR	Student Accounts- PeopleSoft	Student Account Testing	8/16/13 10/11/13	23	We recommend greater care be taken when fee waivers are processed to ensure the correct entries are posted to the PeopleSoft application.	Associate Vice President, Business and Finance	The error was discovered in January of 2013 and the error was fixed for Spring 2013 and all terms going forward. As a result of this discovery in January 2013, the Student Accounting Office has implemented new testing procedures performed by the Functional Analyst that ensures a more thorough testing and	CLOSED	12/2/2013

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							validation process of all waivers. The Term Rollover documentation has been updated with the new procedures. A quality control query has been created and is monitored daily by the Functional Analyst. This query ensures that the Capital improvement waiver amounts are in sync with the amount of the tuition waiver. In addition, a review of waivers is conducted during the process of charging department accounts for Graduate Assistant tuition waivers. In this review, the Third Party/Collections Specialist manually reviews the Capital Improvement waivers to verify that they are in sync with the tuition waivers.		
		Student Account Testing	8/16/13 10/11/13	24	We recommend the cause of the error be determined so it can be resolved and not recur in the future.	Associate Vice President, Business and Finance	The initial setup in PeopleSoft was determined to be the problem and has been corrected. Modifications to the system have been developed to provide an audit table of all fee changes. This serves as a control measure to monitor and correct any unanticipated fee changes that may occur. The Associate Registrar has been assigned the duty of ensuring that these measures are implemented. As an additional measure, the Functional analyst for the Student Accounting Office reviews a quality control query daily and verifies any changes to fees with the Associate Registrar to determine if the changes are	CLOSED	12/2/2013



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		Student Account Testing	8/16/13 10/11/13	25	We recommend the cause of the error be determined so it can be resolved and not recur in the future.	Associate Vice President, Business and Finance	legitimate.  This error is related to the Freshman Start fees that are charged via an equation. To date this error has been isolated to one student account. Corrections were made to the student's account on May 09, 2013.	CLOSED	12/2/2013
		Student Account Testing	8/16/13 10/11/13	26	We recommend the Admissions and Records Office take greater care to ensure the refund dates published in the General Catalog are consistent with those established in the PeopleSoft application and the refund policies stated in the NSHE Procedures and Guidelines Manual.	Associate Vice President, Business and Finance	The dates in PeopleSoft were correct. The university published catalog contained conflicting dates as a result of the electronic catalog software conversion. The conflict was not discovered until after the semester had begun. No students were improperly refunded or negatively affected as a result of the conflict in the catalog dates as the PeopleSoft dates were correct. The Associate Registrars are coordinating efforts to ensure consistency in all published dates and PeopleSoft dates.	CLOSED	12/2/2013
UNR	Differential Program and Special Course Fees	Account Balances	2/4/13 10/24/13	27	We recommend the Special Course and Differential Program Fees associated with the accounts be reviewed to determine whether the fees are reasonable or need to be adjusted.	Associate Vice President, Business and Finance	Item 1 began Fiscal Year 2014 with a balance of \$10,950. The music department will purchase 4 oboes which will expend the balance. Items 2 and 3 pertain to the Differential Fees for the College of Engineering and the College of Business. We continue to review balances on a monthly basis and in addition have a staff member attending the differential committee meetings of both colleges to ensure approved proposals and plans are being executed on a timely basis and	CLOSED	12/2/2013

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							<p>accumulated balances are decreasing to acceptable levels.            The cumulate ending balance for the Engineering Differential accounts was \$179,398 at June 30, 2013. This compares to \$247,333 for Fiscal year 2012, and represents a decrease of 27% in the ending account balance. The college expects to further reduce the ending balance below the targeted 10% of annual revenue collections (approximately \$120,000) by the close of Fiscal 2014. Examples of new initiatives funded by differential fees that will enhance the program and draw down existing balances are the establishment of a college-wide Tutoring Center, additional student support for the College of Engineering Advising Center, and the development of an interactive teaching laboratory for structural analysis.</p>		
		Statement of Revenue and Expenditures	2/4/13 10/24/13	28	We recommend compliance with the policy or that the policy be revised to address the circumstances under which Special Course Fees can be transferred.	Associate Vice President, Business and Finance	Language has been added to the University's Administrative Manual Committee which revises existing policy. Transfers out would be permissible only in instances where the transfer was specifically identified in the proposal approved by the Course Fee Committee or necessary to correct a processing or allocation error.	CLOSED	12/2/2013
UNR	Associated Students of the University of	Cash Controls	1/18/13 10/24//13	29	We recommend that ASUN management review the accounting records of both	Associate Vice President, Business and	We have completed the process of converting club accounts. And ASUN	CLOSED	12/2/2013

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Nevada					financial systems to determine the reason for the variance. In the future, we recommend the balances that are recorded in the two financial systems be reconciled on a monthly basis. We recommend the reconciliation be performed by an employee that is independent of the collection and deposit process and that the reconciliations be provided to the ASUN Director for review.	Finance	leadership has adjusted their documents.		
		Cash Controls	1/18/13 10/24//13	30	We recommend revisions to the procedures manual be made, as necessary.	Associate Vice President, Business and Finance	Revisions to the procedures manual have been completed.	CLOSED	12/2/2013
		Student Officer Compensation	1/18/13 10/24//13	31	We recommend that ASUN management work with university legal counsel and the BCN Payroll Department to determine whether UNR has a legal obligation to pay the student officers. We also recommend that ASUN develop a policy that addresses exceptions to the compensation of student officers.	Associate Vice President, Business and Finance	We have resolved the issue regarding the universities legal obligation to pay these officers with legal counsel. As stated above, we have developed a policy for compensating student officers.	CLOSED	12/2/2013
		Contracts	1/18/13 10/24//13	32	If it is desirable for ASUN and the GSA to enter into a new profit sharing agreement, we recommend that the contract be completed and signed and maintained in their files. In the future, we also recommend that ASUN take greater care to ensure that copies of fully executed agreements are maintained in the association's files.	Associate Vice President, Business and Finance	The President of ASUN, advisors and the director have met and made a determination that it is not necessary to enter into a new profit sharing agreement since the store is fully operated by the Associated Students of the University of Nevada.	CLOSED	12/2/2013
		Budgeting Process	1/18/13 10/24//13	33	We recommend the budget requirements included in the SAS be reviewed by the student government to determine whether	Associate Vice President, Business and Finance	The ASUN student government determined that a simplification of the language was more appropriate than removing	CLOSED	12/2/2013

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					each of the steps are necessary. If it is determined that steps can be eliminated, we recommend the budget procedures be updated upon approval of the student government.		steps in the budget process at this time. The SAS has been updated for the changes approved by the ASUN student government.		
UNR	Business Center North- Payroll Office	Stale Dated Checks	1/29/13 10/24/13	34	We recommend unclaimed and outstanding payroll checks be reviewed and cancelled on a more frequent and consistent basis. For improved control, we also recommend that this function be performed by an employee that is not responsible for completing the bank reconciliation.	Associate Vice President, Business and Finance	The stale dated check policy is complete and responsibility has been assigned within the Controller's Office.	CLOSED	12/2/2013
UNR	Graduate School Human Resources	International Graduate Teaching Assistants	10/18/12 7/26/13	35	We recommend university policy be updated to include the testing exceptions noted above.	Associate Vice President, Business and Finance	The amendments have been published in the University Administrative Manual and the Graduate Assistantship Handbook. Policies will be reviewed annually and updated as needed.	CLOSED	8/30/2013
		International Graduate Teaching Assistants	10/18/12 7/26/13	36	We recommend the individuals be requested to retake the tests. In the future, we recommend the required test scores be achieved before international GTAs are employed.	Associate Vice President, Business and Finance	The amendments have been published in the University Administrative Manual and the Graduate Assistantship Handbook. Students that do not meet the TOEFL and Speak Test requirements are moved to other appointment types that do not involve teaching.	CLOSED	8/30/2013
UNR	University Studies Abroad Consortium	Financial Aid	8/5/12 12/18/13	37	We recommend the account be included on USAC's internal listing of scholarship accounts. We also recommend that USAC administration consider issuing the funding to students based on the requirements of the award.	Associate Vice President, Business and Finance	Two students have met the criteria for the USAC Scholarship fund and have been awarded scholarships for the Fall 2013 semester.	CLOSED	8/30/2013
		Application	8/5/12	38	We recommend the criticality of	Associate Vice	USAC has documented and	CLOSED	8/30/2013

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		Review	12/18/13		the applications be assessed by the USAC IT Department and that contingency and/or disaster recovery plans be developed accordingly.	President, Business and Finance	put in place a Disaster Recovery Plan on November 20, 2013.		
UNR	School of Medicine Reorganization Plan	Accounting and Finance	3//22/12 12/20/13	39	We recommend this issue be reviewed to determine whether separate instances of the same billing system could be implemented at each Practice Plan site that would allow the use of separate tax identification numbers.	Associate Vice President, Business and Finance	ICS implemented GE Centricity Practice Management system within our Las Vegas clinics on September 1, 2013 and the Reno clinics on December 2, 2013. The Practice Management system includes the new billing system as well as new systems within the clinics for scheduling and other office functions. Mojave Mental Health will go live with the same system July-August 2014. The primary reason Mojave was scheduled for summer 2014 is due to rolling out the Electronic Medical Record throughout the period of time from October 2013 through June 2014 on each of the clinics. Mojave will go live with both the Practice Management and Electronic Medical Records system at the same time. We are on schedule with our implementation. All billing systems will be identical.	CLOSED	2/28/2013
		Operating Policies	3//22/12 12/20/13	40	We recommend a review of the manual be performed and that a list of revisions be submitted to the ICS Board for approval. We recommend the manual be updated with the approved revisions.	Associate Vice President, Business and Finance	This will remain a work in process forever. The policies for Integrated Clinical Services (ICS) have been centralized on a SharePoint server and are available to all for review for needed updates and for compliance purposes. Over the last year there has been a continuous feed of policy revisions to and approved by	CLOSED	2/28/2013

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							<p>the Southern and Northern Executive Committees and then moved forward and approved by the ICS Board of Directors as Consent Agenda items. Recently, our focus has shifted to back filling and updating Safety policies. We have however, completed the transfer of all old billing and compliance policies to the SharePoint server which is an improvement from the paper copies found in the clinic binders NSHE auditors found in their audit. The operating and billing policies related to the new Practice Management System and Electronic Medical continue to be updated to reflect changes in procedures more than actual policy, not all polices will actually change. The ICS server currently holds two versions of policies the old policies which are the ones directly feed from the paper copies loaded into the "legacy policies" repository to provide easy access to clinical management and then the new or updated "approved by ICS" folder which holds those which have been newly created or have been reviewed, changed and reapproved by the ICS board.</p> <p>Due to the dynamic changes which occur in a clinical practice as well as changes in safety code policy and procedure, updates will never end however we now have a central on-line repository and ready access for all.</p>		

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<b><u>UNLV INTERNAL AUDIT REPORTS</u></b>									
UNLV	Residency Determinations	Communication	1/22/13 10/30/13	41	We recommend consideration be given to include a FAQ Page as a resource tool for students seeking guidance or clarification on residency, as well as providing links to applicable NSHE and BOR policies.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	The FAQ was put in place as noted in June.	CLOSED	12/2/2013
		Other-Residency Policies	1/22/13 10/23/13	42	We recommend System Administration provide guidance in determining whether graduates of a Nevada high schools considered aliens should be granted residency under BOR Handbook, Title 4, Chapter 15.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	A revision to Board policy was approved at the September 5-6, 2013 meeting. Policy was clarified to make it clear that Title 4, Chapter 15, Section 3 has primacy over Title 4, Chapter 15, Section 4.	CLOSED	12/2/2013
		Other-Residency Policies	1/22/13 10/23/13	43	We recommend System Administration perform a review of Subsections 8.2 and 8.4 and provide guidance to institutions to clarify whether supporting items listed under both requirements can be applied simultaneously to fulfill each of the two separate residence tests.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	A revision to Board policy was approved at the September 5-6, 2013 meeting. This revision combined the lists of documentation required to demonstrate "bona fide residence" and intent to remain in Nevada.	CLOSED	12/2/2013
UNLV	School of Dental Medicine Student Government	DSGA Constitution and By-Laws	5/8/13 7/25/13	44	We recommend the SDM brief their recently elected Executive and Class Council officers regarding requirements for completing and retaining meeting minutes	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	The 2013-14 Executive Council members have met with SDM Assistant Dean for Admissions and Student Affairs/Advisor on 5/21/13 to discuss the importance of recordkeeping. The Council has implemented the use of meeting minutes. On July 18, 2013, the Executive Council hosted a seminar for all Class Council members and student organization leadership items to be discussed include current policies for completing and retaining meeting minutes, the overall structure of the DSGA, and general policies regarding	CLOSED	8/30/2013



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							DSGA affairs. Copies of the DSGA By-Laws and the Constitution will be made available on the SDM SharePoint document server.		
UNLV	Parking and Transportation Services	Cash Handling	4/2/13 6/4/13	45	We recommend that both persons who participate in the count of the parking meter money sign and date the count form. We also recommend the handheld meter reader audit device be utilized on weekly collections, and be replaced or have maintenance services performed as soon as possible to minimize periods of non-use.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	We have modified our count form to include space for both individuals participating in the count to sign. Signatures are now required by both parties. The hand-held meter was repaired and is now used on each collection.	CLOSED	8/30/2013
		Cash Handling	4/2/13 6/4/13	46	We recommend that both persons who participate in the count of the Pay and Display parking machine money sign and date the count form, which aids to witness segregation of duty in the collection process.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	As noted by the auditor, both individuals were present, but only one was signing the form. Both individuals now sign the form.	CLOSED	8/30/2013
		Telephone	4/2/13 6/4/13	47	We recommend the department develop a process to ensure compliance with policy.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	The review had been performed on a monthly basis, but the bills were not signed by a supervisor as required by policy. The supervisor now signs each bill.	CLOSED	8/30/2013
		Leave Records	4/2/13 6/4/13	48	We recommend annual and furlough leave be approved in advance, sick leave be approved in a timely manner upon returning to work and compensatory time be exhausted before use of annual leave.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	We have sent written instructions to all department staff reminding them of the need to submit leave requests in advance whenever possible and our expectation that leave be submitted immediately following their return to work. With the exception of the individual taking annual leave when compensatory time was available, each instance is a case of our backup system working properly. Each of the	CLOSED	8/30/2013

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							<p>leave occasions was approved by email by the supervisor. The employee subsequently failed to submit the leave request through the ILeave system. The supervisor subsequently notified the employee of this failure, and the leave request was submitted. In no instance was leave taken without the consent of the supervisor and none of the documents that submitted late caused any error in payroll documents.</p> <p>In the case of annual leave taken when compensatory leave was available, the supervisor was aware of this requirement, but simply forgot that compensatory time was available and made a simple mistake in approving the leave.</p>		
UNLV	Consolidated Students of the University of Nevada, Las Vegas	Scholarship Awards	10/10/12 7/30/13	49	We recommend CSUN officials review Senate Bylaw 63 and establish a process to ensure the allocation and distribution of funds to Career Services.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	The bylaw was reviewed by the CSUN Bylaw Committee and determined that it is no longer needed. The bylaw was rescinded by the CSUN Senate in March, 2013.	CLOSED	8/30/2013
		Elections	10/10/12 7/30/13	50	We recommend a review of Senate Bylaw 33 be performed by CSUN officials to determine whether collecting the filing fee is necessary, and whether an alternative to collecting this fee can be developed and implemented to manage candidate compliance with campaign and advertising regulations.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	After a thorough review, we have determined that we will need to continue the collection of a filing fee. The collection process as described above has been approved by the UNLV Controller, and we will use this as our continuing process.	CLOSED	8/30/2013
UNLV	First Year Housing Exceptions	Communications	11/14/12 7/7/13	51	We recommend HRL communicate with the entities responsible for publishing these communications to pursue adding	Associate Vice President, ICA/TMC Business Services, Auxiliary	Our publication, "The Guide to Community Living," has been updated to include first-year housing requirements. This	CLOSED	8/30/2013

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					this additional information to the guides.	Financial Services	guide will be reviewed annually to ensure that information is complete and accurate.		
UNLV	Faculty Dental Practice	Provider Credentialing	8/3/12 12/23/13	52	We recommend further development of the database for managing professional certifications and credentialing, including FDP physicians.	Associate Vice President, TMC/ICA Business Services, Auxiliary Financial Services and Audit	We have purchased new software (SyMed) and the respective hardware. Our staff has been trained on the use of this software. Our new process is that staff members will enter their own data and ensure that it is updated on an annual basis. The administrative assistant who has been overseeing the process to date will perform periodic crosschecks to ensure that all information is entered. When discrepancies are noted, she will contact the staff member. This ensures that an additional layer of cross-check is in place for this vital function.	CLOSED	6/6/2013

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**NSHE INTERNAL AUDIT REPORTS**

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<b><u>NSC INTERNAL AUDIT REPORTS</u></b>									
NSC	Sponsored Projects Administration	Sponsored Projects Administration	1/25/13 10/29/13	53	We recommend SPA develop training materials, courses or classes to communicate expectations, availability, services, and rules and guidelines to be followed by institutional personnel when engaging in contract or grant activities. This training material or information could be delivered through a mix of live classroom courses, online courses or general information made available through website posting.	Senior Vice President for Finance and Administration	The Director and the Budgets and Grants Analyst have been meeting regularly with NSC faculty and staff to communicate expectations, availability, services, and rules and guidelines to be followed by institutional personnel when engaging in sponsored projects activities.	CLOSED	12/2/2013
		Sponsored Projects Administration	1/25/13 10/29/13	54	We also recommend when funds are available that NSC consider hiring or providing an additional staff member to support the director in administering and monitoring sponsored projects, since the director is currently tasked with dividing time and efforts between two different operational areas, Budget and Sponsored Projects. Appropriate staffing of SPA could become more of a concern as the institution grows and expands its base of awards.	Senior Vice President for Finance and Administration	While we did not meet our July 1 target date for the hiring of a Budgets and Grants Analyst, we were able to recruit an extremely qualified candidate. During May/June/July 2013, the position of Budget & Grants Analyst was established, searched and offered to a candidate. On August 13, the new hire began in the position. The position was filled by the former Financial Manager of the System Sponsored Programs Office, who has brought twelve years of NSHE experience to NSC. Long term plans include an additional Budgets and Grants Analyst position as grant activity warrants.	CLOSED	12/2/2013
		Direct Cost Expenditures	1/25/2013 10/29/2013	55	We recommend that SPA implement a procedure for performing periodic sampling of direct costs charged to awards. This proactive control activity should aid the institution in ensuring they are aware of, and in agreement with, the types of	Senior Vice President for Finance and Administration	All grant accounts are closely monitored by the new Budgets and Grants Analyst. During monthly invoicing, charges are reviewed for allowability, allocability, and reasonableness. A procedure	CLOSED	12/2/2013

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					ongoing activities and resulting costs being passed to sponsors.		has also been implemented for the Budgets and Grants Analyst to sample direct cost expenditures quarterly.		
		Reporting	1/25/13 10/29/13	56	We recommend the processes and procedures in place for providing financial reports to sponsors be reviewed to ensure timely submission of required reports.	Senior Vice President for Finance and Administration	By transitioning sponsored projects financial reporting responsibilities from the Controller's Office to the Office of Budgets Sponsored Projects, financial reports are now submitted on time. The Budgets and Grants Analyst manages post-award activities for the Office of Budgets Sponsored Projects and works closely with the Director and Pls to ensure the timely submission of required reports.	CLOSED	12/2/2013
NSC	Student Accounts- PeopleSoft	Fees and Tuition	6/5/13 7/17/13	57	We recommend NSC review the process breakdown that occurred in this instance, and seek to institute an improved control that will eliminate this from occurring again.	Senior Vice President for Finance and Administration	Prior to Summer 2013 term, setup of tuition and fees was done primarily by one individual. To ensure accuracy, the fee setup needs to be reviewed and tested by multiple individuals. NSC previously identified this error and has already implemented controls to ensure accuracy.	CLOSED	8/30/2013
NSC	PeopleSoft Security Audit	Student Administration and Contributor Relations (SACR) Security	5/22/13 7/1/13	58	We recommend that NSC work with SCS to research and implement SACR parameters and setting to prevent cross institution data changes.	Senior Vice President for Finance and Administration	iNtegrate functional project lead has worked with SCS to research and implement SACR security parameters and settings to prevent cross institutional grade and enrollment changes. This effort was completed on May 7, 2013.	CLOSED	8/30/2013

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NSC	Bookstore Operations	Merchandise Inventory	8/28/12 7/24/2013	59	We recommend a policy and procedure be established for reporting and supporting changes occurring in merchandise inventory balances. This will enable management outside the bookstore to monitor whether merchandise inventories are being properly controlled.	Senior Vice President for Finance and Administration	The formal review of inventory control management remains in effect. All inventory of the NSC Bookstore has been liquidated.  Since the February 28, 2013 meeting of the Board of Regents Audit Committee meeting, bookstore operations have been outsourced to Barnes and Noble.	CLOSED	8/30/2013
NSC	Sponsored Projects Administration	Sponsored Projects Administration	1/25/13 12/31/13	60	We recommend SPA develop a formal written policies and procedures manual to address key steps and functions in the stages of contract and grant awards from pre-award through post-award including contract closeout, program income, effort reporting, cost transfers and record retention. This could also include the need to develop supporting checklists and routing forms for key activities.	Senior Vice President for Finance and Administration	NSC's Director of Budgets and Sponsored Projects Administration has taken responsibility for this item. The Director has developed a policies and procedures guide which is available to the NSC campus through the Budgets and Sponsored Projects Administration website and the NSC campus portal.	CLOSED	12/2/2013
		Sponsored Projects Administration	1/25/13 12/31/13	61	We recommend SPA develop a website to provide and disseminate procedural guidance to NSC staff, which should help support its goal of being the central point on campus for issues related to contract and grant activities.	Senior Vice President for Finance and Administration	In coordination with NSC's webmaster NSC's Director of Budgets and Sponsored Projects Administration has established a website and portal access for the NSC campus. Forms, policies, procedures and frequently asked questions are available on-line for all NSC employees.	CLOSED	12/2/2013
		Effort Reporting	1/25/13 12/31/13	62	We recommend the institution implement as effort reporting policy and procedure to comply with federal requirements.	Senior Vice President for Finance and Administration	NSV's Director of Budgets and Sponsored Projects Administration has developed and implemented a formal effort reporting system. Required procedures and forms are available to the NSC community through the recently established website and the	CLOSED	12/2/2013



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		Equipment	1/25/13 12/31/13	63	We recommend the Controller's Office and the Facilities Department perform periodic reconciliation of equipment to ensure items purchased are identified with asset tags and on an equipment record for inventory tracking purposes. This reconciliation process was noted to be in place for information technology (IT) equipment, but not for non-IT equipment.	Senior Vice President for Finance and Administration	NSC portal. Training sessions have also been initiated with the hiring of an additional support person and this training program will be expanded over time.  NSC's Associate Vice President for Finance and Administration has worked with NSC's Director of Information Technology and NSC's Director of Facilities to expand its Information Technology asset management to include non-IT equipment in conformance with Board of Regents policy. A campus asset inventory has been completed, and NSC is confident that all appropriate assets have been tagged and included in the asset management system.	CLOSED	12/2/2013
NSC	Network Security	Server Facilities	9/30/11 12/31/13	64	We recommend that NSC develop a long-term plan for a proper server facility and, where possible, address the shortcomings of the current facilities.	Senior Vice President for Finance and Administration	The one remaining item relates to the need for back-up power to address any outages which may occur. The purchase and installation of a generator at the Dawson Building was accomplished by NSC's Director of Facilities during the summer of 2013. The generator is fully functional, and a monthly test of the generator will be conducted by The Director of Facilities and Director of Information Technology. The	CLOSED	6/6/2013

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							<p>results of the test will be documented, and any issues which are identified during the testing will be addressed immediately. The generator is fueled by natural gas through a line which also services the HVAC units and laboratories at the Dawson Building. NSC has also incorporated the generator into routine preventive maintenance program to ensure its reliability and will assume responsibility for the generator's upkeep and replacement when necessary.</p>		

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<b><u>DRI INTERNAL AUDIT REPORTS</u></b>									
DRI	Facilities Department	Contracts	9/10/13 10/17/13	65	We recommend agreements be reviewed for proper content and adherence to NSHE contract policy.	Assistant Vice President/ Controller	The contracts in question were from previous years; subsequent agreements were routed through DRI's General Counsels representative in May/June 2013 in preparation for FY2014. The exceptions noted above were captured in the new agreements by DRI Legal Counsel, and the agreements are now in compliance. In the future, all contracts will be routed through legal counsel for compliance review prior to submission for signature and purchase order.	CLOSED	12/2/2013
		Key Card System Administration	9/10/13 10/17/13	66	We recommend that the server administration function be performed by the DRI Information Technology Department and that the key issuance and revocation function be performed by another department.	Assistant Vice President/ Controller	Previously, the DRI IS Department provided support on an as requested basis; the server has now been reassigned to the DRI IS Department for routine support & maintenance.	CLOSED	12/2/2013
		Expenditures	9/10/13 10/17/13	67	We recommend greater care be taken to ensure expenditures are approved by authorized personnel.	Assistant Vice President/ Controller	The transactions were appropriately approved by the Facilities Manager for the Reno Campus; however the Facilities Manger was missing from the signature table. This has been corrected.	CLOSED	12/2/2013
		Expenditures	9/10/13 10/17/13	68	We recommend the form be completed to properly document independent contractor transactions.	Assistant Vice President/ Controller	The Facilities Department and the DRI Financial Services Office and/or Business Center North- Purchasing will ensure that the form has been properly completed.	CLOSED	12/2/2013
		Cash Controls	9/10/13 10/17/13	69	For improved control. We recommend the vendors be requested to process payments by check made payable to the	Assistant Vice President/ Controller	The referenced recycling events occur approximately two to four times per year. DRI will only accept checks, made out	CLOSED	12/2/2013

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					Board of Regents. We also recommend the department maintain a log listing the date each recycling transaction occurs. We recommend the log be used to reconcile to the deposits that are posted in the financial accounting system.		to the Board of Regents, for all future transactions. Any recycling transaction will be logged by the Facilities department.		
		Permits	9/10/13 10/17/13	70	We recommend required testing be completed and submitted in a timely manner and that a copy of the testing submission be maintained by the Facilities Department.	Assistant Vice President/ Controller	The DRI Facilities Department always endeavors to complete all testing on time; emails from TMWA to DRI indicating compliance for all testing back dating back to 2000 have been locate and are attached to this response. DRI believes that notices in the file from TMWA requesting missing documentation from DRI were generated based upon an error by TMWA. DRI understands that TMWA has hired a new backflow administrator to remedy such situations. The DRI Facilities Department will continue to track and maintain records regarding timely testing of these systems.	CLOSED	12/2/2013
		Motor Pool	9/10/13 10/17/13	71	We recommend employees be reminded to complete the usage log each time a vehicle is taken from campus.	Assistant Vice President/ Controller	DRI will endeavor to be sure each user supplies the required information. It is important to also note that current practice is for incomplete fields on the log sheets be researched at the time of monthly billing, and have been accurately completed for final billing documents.	CLOSED	12/2/2013
		Motor Pool	9/10/13 10/17/13	72	We recommend the Facilities Department establish a process for periodically reconciling the usage logs to the vehicle odometers. Any inaccuracies that are noted should be reviewed to	Assistant Vice President/ Controller	The DRI will endeavor to monitor more closely. It is also relevant to note that since each user does not wish to pay for another's usage, the system also inherently self-checks in	CLOSED	12/2/2013

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					determine whether any adjustments to project charges are necessary.		that a user who signs out a vehicle will verify that the mileage logged is correctly noted.		
		Equipment	9/10/13 10/17/13	73	We recommend replacement tags be obtained from the Business Center North (BCN) Purchasing Department and affixed to the equipment.	Assistant Vice President/ Controller	The noted two pieces of equipment now have the requisite tags affixed.	CLOSED	12/2/2013
		Leave Records	9/10/13 10/17/13	74	We recommend that timesheets be properly approved.	Assistant Vice President/ Controller	The Facilities Department shall endeavor to ensure every timesheet is properly signed, and will work with the Financial Services Office, in identifying any unsigned timesheet before final disposition.	CLOSED	12/2/2013

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<b><u>TMCC INTERNAL AUDIT REPORTS</u></b>									
TMCC	PeopleSoft Security Audit	Security Administration – Roles and Permissions	1/25/2013 10/24/2013	75	We recommend that TMCC develop narrative descriptions for both roles and permission lists that provide information on the job functions supported, the data or pages they can access and the manner in which they are designed to access the data (display through correction).	Vice President of Finance and Administrative Services	As of October 25, 2013, TMCC understands that every role and permission list in the PeopleSoft Share Instance rebuild will be changed. Documentation of roles and permission lists will be automated and are a part of the rebuild plan approved by the iSIA and carried out by System computing Service analysts. This finding is no longer in the purview of TMCC's audit response.	CLOSED	12/2/2013
		Role and Permission List Usage and Design Philosophy	1/25/13 10/24/13	76	We recommend that TMCC evaluate the design of these components and begin a process of migrating roles and permission lists toward the design philosophy noted above. Since this will have an impact across the other institutions using the shared instance, this effort will need to be coordinated amongst those institutions.	Vice President of Finance and Administrative Services	As of October 25, 2013, TMCC understands that the rebuild plan was approved by iSIA. The rebuild of roles and permission lists is an ongoing project being conducted by System Computing Services. It is no longer in the purview of TMCC's audit response.	CLOSED	12/2/2013
		Sensitive Data Access	1/25/13 10/24/13	77	We recommend that TMCC adjust these users as necessary and conduct regular reviews of user roles to ensure role assignments are correct. We also recommend that TMCC evaluate the notification process when employees change positions to ensure that the Security Coordinator is notified in a timely manner.	Vice President of Finance and Administrative Services	As of October 25, 2013 this recommendation has been implemented. As of October, 25, 2013 Chief Human Resources Officer, has been made aware of Information Security's concerns regarding the new HR software providing timely information on employee departures. Human Resources implemented an Employee Entrance Exit Notification system. Supervisor training on entrance and exit procedures is in the end stages of development and undergoing legal review for	CLOSED	12/2/2013

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		Sensitive Data Access	1/25/13 10/24/13	78	We suggest that TMCC work with suggest that TMCC work with other institutions in the shared instance and consider masking birth year on the high use screens.	Vice President of Finance and Administrative Services	presentation on the regularly scheduled supervisor trainings.  As of October 25, 2013, this recommendation has been implemented.	CLOSED	12/2/2013
TMCC	Special Course Fees	Special Course Fees	3/22/13 10/24/13	79	We recommend the discrepancies noted by reviewed by college personnel and that adjustments be made to the college list and/or the student information system, as necessary. In the future, we recommend greater care by taken to ensure Special Course Fees approved by the college are accurately recorded and assessed within the student information system.	Vice President of Finance and Administrative Services	As of June 30, 2013 this recommendation has been implemented.	CLOSED	12/2/2013
		Special Course Fees	3/22/13 4/26/13	80	We recommend Special Course Fees be included in the class schedule so students are made aware of the fees that are due.	Vice President of Finance and Administrative Services	TMCC created one institutional Master list and has put in place a rigorous process to update it annually. TMCC also worked closely with iSIA or the PeopleSoft Shared Instance Governance committee to prioritize the implementation and testing of the Course display fee modification. As of August 30, 2013, this modification has been implemented in time for Spring 2014 registration.	CLOSED	12/2/2013
		Expenditures	3/22/13 4/26/13	81	We recommend the required travel documents be completed when field trips occur.	Vice President of Finance and Administrative Services	As of September 30, 2013, this recommendation has been implemented.	CLOSED	12/2/2013
TMCC	Controller's Office	Travel	9/17/12 7/25/13	82	We recommend employees be reimbursed for room taxes as long as the base lodging rate does not exceed the maximum allowed by	Vice President of Finance and Administrative Services	Travel Accounts Payable staff has been reminded that lodging reimbursements include room taxes as long as the pre-tax	CLOSED	8/30/2013

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					the General Services Administration (GSA).		base lodging rate is within GSA allowances. TMCC new travel procedures now state: All lodging rates exclude taxes and special fees assessed by the location, thus the combined lodging reimbursable amount includes the room rate plus local taxes and special fees assessed all customers regardless of the room rate (example: utility surcharges). Lodging taxes and fees are limited to the taxes/fees on reimbursable lodging costs. The new Travel Expense Claim form includes a checklist that states: Attach receipt for lodging, including taxes, indicating full payment made. In addition the new Travel Request form includes a checklist that states: The lodging per diem is on a pre-tax basis. Include estimated taxes in your trip expense information. The Travel Accounting Assistant will use the checklist to verify that lodging includes taxes per the receipt. TMCC staff was informed of the new procedures in a 3/22/13 email that specifically mentioned: Lodging per diem rates do not include related taxes but travelers will be reimbursed for lodging taxes and fees up to the amount applicable to the per diem rate.		
		Travel	9/17/12 7/25/13	83	We recommend compliance with the established travel policy.	Vice President of Finance and Administrative Services	We agree with the recommendation; however, we would like to evaluate situations where toll charges exceed the incidental	CLOSED	8/30/2013



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							<p>allowance of \$5 per day as part of our current travel procedures update. Clear definition of incidental allowances will be included in TMCC's travel procedures update, currently in process.</p> <p>TMCC new travel procedures now state: Incidental Per Diem covers tips, luggage carts, metered parking, subway/bus use, toll charges; receipts are not required. If these charges exceed the incidental rate, you may expense that amount if receipts are attached.</p> <p>The new Travel Expense Claim form includes a checklist that states: No receipt required for meals and incidentals.</p> <p>Incidentals cover tips, luggage carts, metered parking, subway/bus use, toll charges. However, if these charges exceed the incidental rate that day, you may expense that amount as long as you attach receipt.</p> <p>The Travel Accounting Assistant will use the checklist to verify that incidentals are included in the incidental per diem unless they meet the exception: exceed the incidental rate per day and receipt attached. TMCC staff was informed of the new procedures in a 3/22/13 email.</p>		
		Travel	9/17/12 7/25/13	84	We recommend the employee reimburse the institution for the Business Select charges that were incurred in fiscal year 2011-12.	Vice President of Finance and Administrative Services	Traveler reimbursed college for Business Select Upgrades on 6/23/11. The college now ensures that reimbursement is secured for Business Select Upgrade charges and communicates that Business Select travel status is not	CLOSED	8/30/2013

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		Travel	9/17/12 7/25/13	85	We recommend the Controller's Office review travel claims with greater care to ensure expenses are valid. If errors are noted on the forms, they should be returned to the traveler for the necessary corrections.	Vice President of Finance and Administrative Services	<p>allowed.            TMCC new travel procedures now state: When flying, the additional fees to upgrade services (e.g. early boarding pass, Business Select) will not be reimbursed to the traveler unless there is an exception such as there are not other seats available and no alternative flight. Fees for up to two checked bags will be reimbursed, with receipts attached.            The Travel Accounting Assistant will verify that the receipt attached to the Travel Expense Claim form documenting airfare includes no upgrade charges. TMCC staff were informed of the new procedures in a 3/22/13 email that specifically mentioned: Airline upgrade charges will not be reimbursed; fees for up to two checked bags will be reimbursed.</p> <p>The new Travel Request form asks the traveler to identify method of travel. The new travel procedures outline the various methods in the "Method of Travel" section. The Travel Accounting Assistant will verify that the transportation expenses claimed on the Travel Expense Claim form are valid for the method of travel stated on the Travel Request form. If not, a written explanation will be requested if the new method of travel exceeded the cost of the original method which was approved on the Travel Request. The Travel Expense</p>	CLOSED	8/30/2013

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		Travel	9/17/12 7/25/13	86	We recommend employees provide itemized hotel receipts. If an itemized receipt is not included with the travel claim, the Controller's Office should request one from the traveler.	Vice President of Finance and Administrative Services	<p>Claim form states: if the "Total of this Claim" amount on this form exceeds the originally approved "Total Cost" on the Travel Request form, the original approver (at the Dean/Director level or above) must also approve this claim.</p> <p>We agree that itemized receipts should be included with travel expense claim. In this situation, the reservation was made and pre-paid through hotels.com and included an itemized receipt from hotels.com showing the dates of stay, the tax recovery charge, the total amount and the fact that reservation was paid in full; the Travel Request included documentation that hotels.com price was lower than the booking price offered by the hotel directly. Since no payment was made to hotel, the hotel would not have provided the receipt. Although the Travel Expense Claim included an itemized receipt from hotels.com, the traveler has been reminded to <u>try</u> to get another receipt from the hotel directly.</p>	CLOSED	8/30/2013
		Travel	9/17/12 7/25/13	87	We recommend foreign travel expenses converted to United States dollars.	Vice President of Finance and Administrative Services	<p>Updated travel procedures will address the process for converting foreign travel expenses to U.S. dollars on the Travel Expense Claim. TMCC new travel procedures now state: Reimbursable expenses need to be converted to U.S. dollars on the Travel Expense Claim form. The new Travel Expense Claim form includes a checklist that</p>	CLOSED	8/30/2013

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		Travel	9/17/12 7/25/13	88	We recommend that approval be obtained, as required, when room rates exceed the maximum allowance.	Vice President of Finance and Administrative Services	<p>states: If traveling in a foreign country, convert to U.S. dollars for reimbursement by: (1) using amount charged on credit card (credit card statement showing actual charge must be attached) or (2) use exchange rate form <a href="http://www.oanda.com">www.oanda.com</a> (choose "Currency Converter", enter foreign currency used, enter dollar amount, enter date of payment, site calculates U.S. equivalent for your claim; print screen for amounts you use). The Travel Accounting Assistant will use the checklist to verify that foreign travel includes the required documentation of expenses converted to U.S. dollars. TMCC staff were informed of the new procedures in a 3/22/13 email.</p> <p>Travel procedures update currently in process will include update of the electronic request form to include a section for obtaining approval of lodging that exceeds the GSA rate as described above. TMCC's new travel procedures have an expanded section to explain the exceptions to the federal lodging rates that must be approved in advance. The new Travel Request form includes a section that calculates the maximum allowable lodging rate based on traveler's indication of location of travel; this section will be updated as federal per diem lodging rates change, with an annual update at a minimum when the federal mileage rate updates.</p>	CLOSED	8/30/2013

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		Travel	9/17/12 7/25/13	89	We recommend a lodging section be incorporated into the travel request form. The lodging section should include an area for requesting approval of lodging at 300% or 175% of the GSA rate.	Vice President of Finance and Administrative Services	<p>The new Travel Expense Claim form includes a checklist. The Travel Accounting Assistant will use the checklist to verify that lodging rates are at the approved per diem rate. TMCC staff were informed of the new procedures in a 3/22/13 email.</p> <p>Travel procedures update currently in process will include update of the electronic request form to include a section for obtaining approval of lodging that exceeds the GSA rate as described above. TMCC new travel procedures has an expanded section to explain the exceptions to the federal lodging rates that must be approved in advance. The new Travel Request form includes a section that calculates the maximum allowable lodging rate based on traveler's indication of location of travel; this section will be updated as federal per diem lodging rates change, with an annual update at a minimum when the federal mileage rate updates. The new Travel Expense Claim form includes a checklist. The Travel Accounting Assistant will use the checklist to verify that lodging rates are at the approved per diem rate. TMCC staff were informed of the new procedures in a 3/22/13 email.</p>	CLOSED	8/30/2013
		Travel	9/17/12 7/25/13	90	We recommend travel claims be reviewed with greater care and if incorrect, that the necessary	Vice President of Finance and Administrative	When the electronic Travel Expense Claim form is updated for changes in mileage	CLOSED	8/30/2013

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					corrections be made so employees are reimbursed the correct amount.	Services	reimbursement rates, the revision date on the form will also be updated. Travel Accounts Payable staff will verify that claim dates are consistent with the form's revision date.		
		Accounts Receivable	9/17/12 7/25/13	91	We recommend the TMCC Controller's Office work with System Computing Services in developing an accounts receivable report.	Vice President of Finance and Administrative Services	The Accounting Services department developed an aged accounts receivables report that is used by the Program Director of Accounting Services to monitor the status of accounts receivable.	CLOSED	8/30/2013

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<b><u>CSN INTERNAL AUDIT REPORTS</u></b>									
CSN	Associated Students of the College of Southern Nevada	ASCSN Constitution and By-Laws	4/16/13 7/18/13	92	We recommend revising the current By-Laws to accurately reflect the distribution of stipend payments.	Senior Vice President Finance and Administration	ASCSN By-Law 16.06 was reviewed, modified, and updated spring 2013 to accurately reflect the distribution of stipend payments. The language of the By-Laws has been clarified and clearly identifies a per-semester stipend amount as well as an hourly rate/wage.	CLOSED	8/30/2013
		Club and Organizational Files	4/16/13 7/18/13	93	We recommend that greater care be taken to ensure the requirements in accordance with the ASCSN By-Laws for Clubs/ Organizations are followed.	Senior Vice President Finance and Administration	Processes, procedures, and controls for reviewing and processing club/organization packets were revised during the spring 2013 semester. The ASCSN club/organization packet, ASCSN By-Law 19, and the process for monitoring of club/organization to improve accountability, compliance, and record keeping were included in these revisions. The revisions clearly outline the criteria for recognition that must be met including documentation, signatures, date and time stamps that must be in place for accountability purposes, etc. Attendance at the orientation for the club/organization advisor and membership is mandatory; failure to attend will result in ASCSN's denial of recognition. The club packet, relevant By-Laws, expectations and consequences for submitting incomplete packets are all topics covered during the orientation session. The club/organization packet has been revised to require clubs to submit a complete	CLOSED	8/30/2013

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		Funding Requests	4/16/13 7/18/13	94	We recommend following the standards set forth in the ASCSN By-Laws and Funding Proposal Request Policies and Procedures.	Senior Vice President Finance and Administration	tentative meeting schedule. This allows the club more flexibility if the need arises for a change to their scheduled dates. Clubs may notify ASCSN of meeting date changes via e-mail.  Processes, procedures, and controls for reviewing and processing funding proposal packets were revised during spring 2013 semester. These revisions include the ASCSN club/organization and department/division funding packet, ASCSN By-Law 17, and the process for monitoring of club/organizations and department/division funding proposals to improve accountability, compliance, and record keeping. ASCSN has since been in compliance. The Director of Student Life and Leadership Development worked with Student Government and the ASCSN Financial Advisor to secure the return of all of the unused funds referenced above.	CLOSED	8/30/2013
		Meeting Minutes	4/16/13 7/18/13	95	We recommend ensuring better care in approving and maintain meeting minutes in accordance with the Nevada Open Meeting Law.	Senior Vice President Finance and Administration	At the start of FY2013, the Director of Student Life and Leadership Development worked with ASCSN to implement protocols to ensure that Senate and Committee meeting minutes are approved and maintained in accordance with Nevada Open Meeting Law. Since their implementation, the approval and maintenance of meeting minutes is compliant with the Nevada Open Meeting Law.	CLOSED	8/30/2013



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		Equipment	4/16/13 7/18/13	96	We recommend the department maintain current and accurate equipment inventory records.	Senior Vice President Finance and Administration	Paperwork for the \$4,235 item noted in the recommendation was located indicating that the item had been traded in. A corresponding entry to the inventory record was made to reflect this transaction. The Director for Student Life and Leadership Development has conducted an internal review of all ASCSN physical inventories. Physical inventory records accurately reflect the equipment that is currently in place at each ASCSN office.	CLOSED	8/30/2013
CSN	Facilities Management	Policies and Procedures	7/20/12 7/19/13	97	We recommend that FM continue with its plan to develop written maintenance procedures that are at the same level of detail as existing for custodial and grounds, and to develop written procedures for conducting and reporting bench stock inventories.	Senior Vice President Finance and Administration	The maintenance procedures have been completed. The procedures consist of both the technical instruction and administrative functions for the maintenance department: <ol style="list-style-type: none"> <li>The technical instruction has been entered into the TMA system. There are 204 preventative maintenance orders entered to ensure that the maintenance group remains up to date on their maintenance schedules. The work orders are automatically generated at the appropriate time and the instructions for the job are included in the order. This provides the employee with the</li> </ol>	CLOSED	8/30/2013

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							<p>necessary instructions to complete the job.</p> <p>2. The maintenance administrative portion is contained in the maintenance standard operating procedure manual and provides for dissemination of procedures such as start and end of shift directives, bench stock procedures, required meetings, document filing, etc. These procedures are located in the department's "bulletin Board" file that can be accessed by employees. The repeatable administrative procedures are entered into the TMA system so that the appropriate steps can be followed. For example, the policy requires the Lock Shop to follow procedure to check bench stock inventory monthly and to generate a report. The TMA system will automatically create a work order for the</p>		

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supervisor's follow up to ensure that this requirement is completed.

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<b><u>WNC INTERNAL AUDIT REPORTS</u></b>									
WNC	Hosting	Host Expenditure Review	3/29/13 10/24/13	98	We recommend that established host policies be followed.	Controller	WNC policy has been amended to address this issue. As of September 30, 2013 this recommendation has been implemented.	CLOSED	12/2/2013
		Host Expenditure Review	3/29/13 10/24/13	99	We recommend the account be included on the authorized host account list.	Controller	The transactions were charged to authorized host accounts; however the policy had not been updated to reflect the new host accounts. WNC policy has been amended to address this issue and has eliminated the actual listing of accounts in the policy.	CLOSED	12/2/2013
WNC	Network Security	Policies, Procedures and Best Practices	4/20/10 9/30/13	100	We also recommend that WNC consider performing an IT risk assessment and developing a contingency plan.	Controller	The Basic IT Risk Assessment and Contingency Plan has been completed.	CLOSED	5/31/12

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<b><u>GBC INTERNAL AUDIT REPORTS</u></b>									
GBC	Special Course Fees	Special Course Fee Approval	5/17/13 10/15/13	101	We recommend a Special Course Fee Request Form be created on which requests can be documented. We recommend the form include justification for assessing the fee and that it be signed by the requestor and the approving authority(s). We recommend the request forms be maintained to provide a record and support for the Special Course Fees that are assessed by the college.	Controller	We have created a Special Course Fee Request Form and it is in the final stages of the approval process. GBC's approval process for policies and procedures, which adheres to the concepts of shared governance practiced at GBC, is to include input and approvals from Faculty Senate, Classified Council, President's Council and Administration. Once final approval is received, an electronic-fillable PDF form will be accessible to faculty and staff on the GBC website. Information was provided to Internal Audit and this item was completed in October 2013.	CLOSED	12/2/2013
		Special Course Fee Policy	5/17/13 10/15/13	102	We recommend the college's Special Course Fee policies be updated to clarify the approval requirements. We also recommend the policies be included in the GBC Policies and Procedures Manual so they are readily available for employees to review.	Controller	We have created a Student and Special Course Fee Policy and Procedures and it is in the final stages of the approval process. GBC's approval process for policies and procedures, which adheres to the concepts of shared governance practiced at GBC, is to include input and approvals from Faculty Senate, Classified Council, President's Council and Administration. Once final approval has been received, the policy will be included on the GBC Policies and Procedures webpage so it is readily available for employees to review. Information provided to Internal Audit, item completed in October 2013.	CLOSED	12/2/2013
		Special Course Fee Testing	5/17/13 10/15/13	103	We recommend greater care be taken to ensure courses and the	Controller	ART 107: Three (3) sections in PeopleSoft. Section 1003 was	CLOSED	12/2/2013

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					associated Special Course Fees are included in the class Schedule so students are made aware of the fees that are due.		<p>listed in the class schedule; however sections 1001 and 1002 were not published because they were offered to CTE students only.</p> <p>EDSC 483: Three (3) sections in PeopleSoft. Section 1003 was canceled; sections 1001 and 1004 were active and offered as Internships. Typically Internships are not published in the class schedule.</p> <p>EMS 198: Section 1001 listed in PeopleSoft was offered as a contracted class for the Elko Juvenile Detention Center. Contract training classes are not published in the class schedule.</p> <p>EPD 480: Six (6) sections in PeopleSoft. All sections were Internships and are typically not published in the class schedule. Section 1005 (Ely) had the "Schedule Print" button checked which resulted in the class being published.</p> <p>MGT 496: One (1) section listed in PeopleSoft was an Internship and is typically not published in the class schedule.</p> <p>Staff have been reminded of proper data entry into the class schedule in PeopleSoft.</p>		
		Special Course Fee Testing	5/17/13 10/15/13	104	We recommend the discrepancy noted be reviewed by college personnel to determine the correct fee amount and that the appropriate correction be made to the class schedule and/or the student information system.	Controller	The correct fee for EDEL 311 is \$10 which is divided between the distance ed fee and the department fee. Five (5) sections of EDEL 311 were listed in PeopleSoft and published in the schedule with a \$10 lab fee. A \$15 lab fee was incorrectly charged to section 1002. The correct	CLOSED	12/2/2013



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							amount was posted and re-calc was done which generated refunds to the students enrolled in section 1002. GBC will ensure greater care is taken to avoid overcharging students for special course fees.		
		Account Balances	5/17/13 10/15/13	105	We recommend the Special Course Fees associated with these accounts be reviewed to determine whether the fees are reasonable or need to be adjusted.	Controller	The Special Course Fee balances in these three accounts (Distance Ed, Interactive Video and COT) typically accumulate and are used to make major purchases including licensing and maintenance agreements, equipment upgrades and new purchases for "smart" classrooms. The balances will continue to be monitored on an annual basis and fees will be adjusted accordingly if balances are excessive. The first review was completed in July of 2013.	CLOSED	12/2/2013
		Account Balances	5/17/13 10/15/13	106	We recommend a review be performed to determine whether the transactions posted to the account were correct. We also recommend an adjusting entry be made in the financial accounting system to correct the deficit.	Controller	A review of the expenditures was performed and verified for accuracy. Finally, an adjusting entry was made to correct the deficit balance. In the future, course fee amounts will be reviewed for accuracy and compared to expenses, and adjustments will be made accordingly. This first review was completed in July of 2013 and will continue to be reviewed annually.	CLOSED	12/2/2013
		Inactive Accounts	5/17/13 10/15/13	107	We recommend the Special Course Fees associated with these accounts be reviewed to determine whether the fees are still necessary and whether the accounts should be deactivated.	Controller	The revenues and expenditures for FY2012 were reviewed and the four accounts noted were deactivated and the balances were transferred back to the General Lab account. One other account was	CLOSED	12/2/2013

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							deactivated and the balance absorbed by a similar account with a similar purpose. The two other accounts noted will be closely monitored for future revenues and expenditures. Special Course Fee accounts will be reviewed on an annual basis for activity and necessity. The first review was completed in July of 2013.		
		Self-Supporting Budgets	5/17/13 10/15/13	108	We recommend self-supporting budgets be reported in accordance with Board policy.	Controller	GBC was unaware that Special Course Fee accounts were to be included in the self-supporting budget process as they have never been included in past years. The VPBA added six (6) Special Course Fee accounts to the database for inclusion in the FY2014 self-supporting budget process that met the \$25,000 threshold. This was completed in July of 2013 and future budget preparations will include an annual review of all Special Course Fee accounts.	CLOSED	12/2/2013
		Expenditures	5/17/13 10/15/13	109	We recommend that purchase orders be completed in advance as required by NSHE purchasing guidelines.	Controller	GBC requires employees who have made purchases "after-the -fact" to provide an explanation before payment is made to the vendor. The Vice President of the area in which the purchase was made provides their signature on the memo as an additional review and acknowledgement that a purchasing violation has occurred. Any continuing abuse of policies and procedures could lead to removal of purchasing privileges and loss of signature approval. Staff is periodically reminded of policies and	CLOSED	12/2/2013

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		Statement of Revenue and Expenditures	5/17/13 10/15/13	110	We recommend that only Special Course Fees revenue be posted to the accounts so the activity and associated balances within the accounts can be effectively monitored by the college.	Controller	procedures during routine staff meetings. This reminder was completed in July of 2013 and will continue annually at a minimum with faculty and staff.  A review of all Special Course Fee accounts was conducted. Two accounts that should have been set up as Sales and Service accounts were inactivated and set up correctly. All future revenue transactions and transfers will require review by the VPBA. These changes were completed in July of 2013. All future requests for new accounts now require completion of a form that includes justification for the account and will be helpful in determining the appropriate account type set-up.	CLOSED	12/2/2013
GBC	Student Housing	Telephone	6/28/12 12/23/13	111	We recommend the telephone review procedure be included in the college's policies and procedures and that GBC personnel be made aware of the correct process.	Controller	Great Basin College telephone procedures have been updated as of May, 2013.	CLOSED	2/28/2013
		Sensitive Equipment	6/28/12 12/23/13	112	We recommend these items be included on the sensitive equipment inventory report.	Controller	Equipment used by the maintenance staff at housing has been inventoried and tagged and included in the sensitive inventory report.	CLOSED	2/28/2013

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