

BOARD OF REGENTS
BRIEFING PAPER

1. Agenda Item Title: Handbook Revision, Title 2, Chapter 9, New Section 9.2

**Meeting Date: February 28, 2014 (Audit Committee)
March 6-7, 2014 (Board)**

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

The Internal Audit Department prepares working papers of audit tests and procedures performed that support audit reports. The working papers may contain sensitive information such as student and patient records, social security numbers and other confidential personnel information. Although the working papers have always been considered confidential documents, the proposed revision is necessary to conform NSHE code to existing practice and state law. The final audit report is public and shared with interested parties.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

Add a section to Title 2, Chapter 9 of the Board of Regents Handbook that addresses the confidentiality of NSHE Internal Audit Department audit working papers. This item is presented for information only and will be brought back as an action item at the next meeting.

4. IMPETUS (WHY NOW?):

NRS 353A.100.2 stipulates that the State's Internal Audit Department working papers are confidential documents. This provision is being added to provide the same protection to NSHE Internal Audit working papers.

5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- New section of Handbook to address the confidentiality of NSHE Internal Audit Department working papers.
- The working papers may contain sensitive information such as student and patient records, social security numbers and other confidential personnel information.
- NRS 353A.100.2 provides for the State's Internal Audit Department working papers to be confidential documents. This provision is being added to provide the same protection for NSHE Internal Audit working papers.
- The final audit report is public and shared with interested parties.

6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

Working papers should not be confidential documents and should be available to all interested parties.

7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

Do not include the confidentiality section to the Handbook.

8. COMPLIANCE WITH BOARD POLICY:

- Consistent With Current Board Policy: Title #____ Chapter #____ Section #____
- Amends Current Board Policy: Title #_2_ Chapter #_9_ Section #____
- Amends Current Procedures & Guidelines Manual: Chapter #____ Section #____
- Other: _____
- Fiscal Impact: Yes____ No__X__
Explain: _____

POLICY PROPOSAL - HANDBOOK
TITLE 2, CHAPTER 9, NEW SECTION 9.2

Title 2, Chapter 9, New Section 9.2. Internal Audit Department Working Papers

Additions appear in *boldface italics*

Title 2, Chapter 9, New Section 9.2

Section 9.2 Internal Audit Department Working Papers

All working papers from an NSHE internal audit are confidential and may be destroyed by the NSHE Chief Internal Auditor five years after the report is issued.