

WESTERN NEVADA COLLEGE
ASSOCIATED STUDENTS OF WESTERN NEVADA
Internal Audit Report
July 1, 2012 through September 30, 2013

GENERAL OVERVIEW

The Associated Students of Western Nevada (ASWN) is the student government organization of Western Nevada College (WNC). The ASWN consists of an elected group of students who represent the student body of WNC. The ASWN Senate is comprised of four elected officers and seven senators. The organization is governed by the ASWN Constitution and the Policies and Procedures of the Associated Students of Western Nevada College.

The ASWN is funded by a \$.50 fee for each lower division undergraduate credit hour and a \$2 fee for each upper division undergraduate credit hour. ASWN is also funded with a \$.10 per credit allotment from the General Improvement Fee. Over \$45,000 in student fees was distributed to ASWN during fiscal year 2012-13. These fees were used to fund various ASWN programs, student clubs and organizations, and other services.

SCOPE OF AUDIT

The Internal Audit Department has completed a review of the Associated Students of Western Nevada for the period of July 1, 2012 through September 30, 2013.

Our review was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* issued by the Institute of Internal auditors, and included tests of the accounting records and other auditing procedures as we considered necessary. The tests included, but were not necessarily limited to, these areas.

1. Reviewing the minutes of student government meetings for compliance with governing documents and the Nevada Open Meeting Law.

2. Reviewing the ASWN Constitution and Policies and Procedures Manual for completeness and agreement with student government operations.
3. Testing ASWN expenditures for reasonableness, supporting documentation and proper approval.
4. Examining and testing equipment inventory, student employment records and leave records.
5. Reviewing and testing controls over the receipt, recording and deposit of student government funds.
6. Reviewing contracts for compliance with Nevada System of Higher Education guidelines.
7. Reviewing the amount of fees that are distributed to ASWN for compliance with the Board of Regents fee schedule.

In our opinion, we can be reasonably assured that the ASWN is operating in a satisfactory manner. However, implementation of the following recommendations would further improve the department's operations.

ASSOCIATION MEETINGS

Board of Regents policy requires meetings of student government organizations to be held in accordance with the Nevada Open Meeting Law, as provided in Nevada Revised Statute (NRS) 241. We reviewed a sample of four ASWN meetings to determine whether the meeting records were properly maintained and in compliance with the open meeting law. The following exceptions were noted.

1. For one meeting reviewed, action was taken by the ASWN on an item that was not listed as an action item on the agenda.

We recommend that action only be taken on items that are designated for action on the agenda, as required by the Nevada Open Meeting Law.

Institution Response

WNC agrees with the audit finding and recommendation.

How compliance was achieved.

In order to achieve compliance, ASWN will ensure that in the future, action will not be taken on an item if it is not listed as an action item on the agenda. Additionally, the newly elected ASWN President has been instructed to follow the open meeting law.

What will be done to avoid the identified problems and issues in the future.

ASWN will not take action on items unless they are up for approval on the agenda. The ASWN board will recommend that the discussed item be placed on a future agenda for future action to be taken.

How compliance and future good management and practice will be measured, monitored and assured.

The ASWN President and Student Government Advisor will properly lead the meetings to monitor and assure that only action items may be approved. Additionally, they will review the agenda and minutes to ensure that it is being followed. The advisor will continue to educate the student government to avoid violating the open meeting law. Any action taken will be considered null and void if not listed on the agenda as such.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The Student Government Advisor and ASWN President have assumed responsibility for the action items and will be held accountable in the future for any issues which may arise.

When the measures will be taken and on what schedule compliance and good practice will be secured.

These measures will commence with the 2014-2015 Student Government body to ensure that this finding is addressed and that good practice will be secured.

How compliance and performance will be documented for future audit, management and performance review.

Each agenda and meeting minutes will serve as the documentation for future audit, management and performance review.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

2. AWSN meeting agendas are prepared using a template which includes a standard statement that the agendas were posted at eight different locations. As this information is routinely recorded on all of the agendas, it cannot be determined whether the agendas were posted at the locations listed. The agendas also do not include the date and time of the postings to indicate the agendas were posted three days prior to the meetings, as required by the open meeting law. It should be noted that the ASWN posts agendas in both print form and on the internet. The issues mentioned above refer to the print agendas.

We recommend the ASWN follow NRS 241.020, section 6.03, which recommends that the person posting the agendas complete a signed certificate stating the time and locations each agenda is posted. We recommend the certificate be retained with the meeting records as evidence the posting requirements were satisfied.

Institution Response

WNC agrees with the audit finding and recommendation.

How compliance was achieved.

In order to achieve compliance, the Advisor has developed a new procedure that will require members to send an email to the advisor and the ASWN executives that will confirm when and where the agenda was posted.

What will be done to avoid the identified problems and issues in the future.

The members will now be required to send an email that will confirm that all locations have been properly posted within the timeframe specified. If the Advisor cannot be assured that all of the postings have been made properly, then meetings will be cancelled.

How compliance and future good management and practice will be measured, monitored and assured.

The Advisor will maintain the electronic documentation so that the future good management and practice can be measured, monitored and assured.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The Student Government Advisor and ASWN President have assumed responsibility for the action items and will be held accountable in the future for any issues which may arise.

When the measures will be taken and on what schedule compliance and good practice will be secured.

These measures will commence with the 2014-2015 Student Government body to ensure that this finding is addressed and that good practice will be secured.

How compliance and performance will be documented for future audit, management and performance review.

These emails will be saved electronically as documentation that the agendas were properly posted for future audit, management and performance review.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

ASWN CONSTITUTION AND POLICIES AND PROCEDURES MANUAL

The ASWN Constitution and the Policies and Procedures of the ASWN were reviewed for completeness and accuracy. During this review, the following exceptions were noted.

1. The constitution states that elected representation consists of four executive officers and seven senators, which is the current structure of the ASWN. The policies and procedures document includes an organizational chart that lists five executive officers and thirteen senators.

We recommend the organizational chart in the Policies and Procedures of the ASWN be updated to reflect the correct number of officers and senators.

Institution Response

WNC agrees with the finding and recommendation.

How compliance was achieved.

Compliance was achieved for this finding by updating the Policies and Procedures to address this (see attached organizational chart).

What will be done to avoid the identified problems and issues in the future.

In the event that the structure of ASWN is changed, the Advisor will ensure that the organizational chart is also changed to reflect the new structure.

How compliance and future good management and practice will be measured, monitored and assured.

The Advisor will review the organizational chart on an annual basis to measure, monitor and assure that the document properly reflects the current structure.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The Student Government Advisor has assumed responsibility for the maintenance of the organizational chart and will be held accountable in the future for any issues which may arise.

When the measures will be taken and on what schedule compliance and good practice will be secured.

All corrections have been made to ensure that the document has been updated. However, on an annual basis the document will be reviewed for accuracy.

How compliance and performance will be documented for future audit, management and performance review.

Any changes to the organizational chart or structure of the ASWN officers and senators will be documented by either college council minutes or ASWN minutes. This documentation will serve as the rationale and provide support for future audit, management and performance reviews.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

2. The constitution states that policies to ensure adequate representation of all WNC campuses within the student government are included in the Policies and Procedures of the ASWN. No information is provided in this document; however, that addresses this subject.

We recommend a policy be included in the Policies and Procedures of the ASWN that addresses adequate representation of WNC campuses, as stated in the constitution.

Institution Response

WNC agrees with this finding and recommendation.

How compliance was achieved.

Compliance was achieved for this finding by updating the Policies and Procedures manual to address this. A statement was added to address adequate representation at the Carson, Fallon and Douglas campuses (see attached policies & procedures).

What will be done to avoid the identified problems and issues in the future.

The Policies and Procedures document will be reviewed on an annual basis to ensure that the ASWN officers and senators, and the program in general, are working in accordance with stated policies.

How compliance and future good management and practice will be measured, monitored and assured.

The Advisor will review the manual on an annual basis to measure, monitor and assure that the document properly reflects the current procedures and will request revisions if needed. Additionally, ASWN will monitor activities and event to ensure that there is adequate representation at all campuses, including continuing recruiting efforts at the rural campuses and ensuring that any events held at the Carson campus will also be held at the Fallon Campus when reasonable to do so.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The Student Government Advisor has assumed responsibility for the maintenance of the policies and procedures manual and will be held accountable in the future for any issues which may arise.

When the measures will be taken and on what schedule compliance and good practice will be secured.

All corrections have been made and the document has been updated. However, on an annual basis the document will be reviewed for accuracy.

How compliance and performance will be documented for future audit, management and performance review.

Any changes to the policies and procedures will be documented by either college council minutes or ASWN minutes. This documentation will serve as the rationale and provide support for future audit, management and performance reviews.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

3. During this review, we were informed that the ASWN was in the process of updating the Policies and Procedures of the ASWN. As of the conclusion of audit fieldwork, the

updates had not been fully completed and approved by the senate. In reviewing a draft of the revised policies and procedures, we also noted certain areas that are not addressed such as compensation of student officers and senators, procedures for processing expenditure transactions, and procedures for processing receipts collected by student clubs and organizations.

We recommend the revision of the ASWN Policies and Procedures Manual be completed and approved by the Senate. We also recommend the manual include the information noted above.

Institution Response

WNC agrees with this finding and recommendations.

How compliance was achieved.

ASWN has revised their policies and procedures to include compensation of student officers and senators, procedures for processing expenditure transactions, and procedures for processing receipts collected by student clubs and organizations (see attached policies & procedures).

What will be done to avoid the identified problems and issues in the future.

The Policies and Procedures document will be reviewed on an annual basis to ensure that the ASWN officers and senators, and the program in general, are working in accordance with stated policies.

How compliance and future good management and practice will be measured, monitored and assured.

The Advisor will review the manual on an annual basis to measure, monitor and assure that the document properly reflects the current procedures of ASWN and the college and will request revisions if needed.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The Student Government Advisor has assumed responsibility for the maintenance of the policies and procedures manual and will be held accountable in the future for any issues which may arise.

When the measures will be taken and on what schedule compliance and good practice will be secured.

All corrections have been made and the document has been updated. However, on an annual basis the document will be reviewed for accuracy.

How compliance and performance will be documented for future audit, management and performance review.

Any changes to the policies and procedures will be documented by either college council minutes or ASWN minutes. This documentation will serve as the rationale and provide support for future audit, management and performance reviews.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

ACCOUNTS – STUDENT CLUBS AND ORGANIZATIONS

According to the ASWN website there are nine student clubs and organizations that have been recognized by the ASWN. We were informed that two accounts are established within the financial accounting system to monitor the financial activity of each club and organization. One account is funded from transfers from the ASWN main account and the second is a gift account which is used to monitor fundraising activities performed by the clubs and organizations. We reviewed the list of student clubs and organizations to determine whether accounts have been established for each, as required. The following exceptions were noted.

1. Gift accounts for three recognized student clubs and/or organizations have not been established.

We recommend that ASWN work with the WNC Controller's Office to establish the accounts.

Institution Response

WNC agrees with this finding and recommendation.

How compliance was achieved.

Upon notification of the accounts that had not been established, the Business Office created the three missing accounts (see attached screen shots).

What will be done to avoid the identified problems and issues in the future?

The Advisor and the Controller are now aware that all student clubs must have an established gift account in addition to the club operating account. ASWN will ensure that each the time a new club account is requested, that a corresponding gift account is also requested. See Section VI, Item III of Policy and Procedure Manual.

How compliance and future good management and practice will be measured, monitored and assured.

The Advisor will review accounts on a quarterly basis to ensure that all the proper accounts have been set up for any new clubs.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The Advisor and Controller will share responsibility to ensure that accounts are properly established.

When the measures will be taken and on what schedule compliance and good practice will be secured.

All corrections have been made and the accounts have been established. Effective immediately, any club accounts that are created will need to have a corresponding gift account established.

How compliance and performance will be documented for future audit, management and performance review.

The Advisor will monitor accounts through the business office and keep accurate records.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

2. Seven student club and/or organization accounts were established in the financial accounting system; however, the clubs and/or organizations are not listed on the ASWN website.

We recommend that the department review these accounts to determine whether they are associated with active student clubs and/or organizations and are still necessary.

If so, we recommend the clubs and/or organizations are included on the ASWN website. If the clubs and/or organizations are no longer active, we recommend the accounts be deactivated.

Institution Response

WNC agrees with this finding and recommendations.

How compliance was achieved.

ASWN reviewed the website and accounts for accuracy and made all necessary changes. The website and corresponding accounts are now current and up to date.

What will be done to avoid the identified problems and issues in the future.

Each semester, ASWN will review the website and accounts and make updates as appropriate.

How compliance and future good management and practice will be measured, monitored and assured.

ASWN will continue to monitor the web pages and corresponding accounts of the student clubs. ASWN will review this information each semester and update accordingly.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The Student Government Advisor has assumed responsibility for the maintenance of the website and will be held accountable in the future for any issues which may arise.

When the measures will be taken and on what schedule compliance and good practice will be secured.

All corrections have been made and all appropriate measures have been implemented. This process will continue with the review being done each semester.

How compliance and performance will be documented for future audit, management and performance review.

Clubs now must submit all necessary documentation prior to being chartered by ASWN. See Section VI, Item I of the ASWN Policy and Procedure Manual.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

EXPENDITURES

We reviewed 23 ASWN expenditures for proper supporting documentation and approval, reasonableness, and compliance with established purchasing procedures. Of the 23 expenditures, no exceptions were noted with 18. The following exceptions were noted with the five remaining items.

1. On four occasions, expenditures were approved by employees that did not have signature authority in the financial accounting system on the accounts charged.

We recommend that expenditures be approved by authorized personnel.

Institution Response

WNC is in agreement with this finding and the recommendation.

How compliance was achieved.

The four purchases in question, which were made on the purchasing card, have since been reviewed and approved by the proper signature authority on the account.

What will be done to avoid the identified problems and issues in the future?

All pro-card users have been notified via email that when making purchases for other departments, that account authority must also be obtained in addition to their supervisor's approval.

How compliance and future good management and practice will be measured, monitored and assured.

Pro-Card holders will ensure that the proper signatures will be obtained when making purchases and performing the reconciliation. Supervisors should also thoroughly review the reconciliation to be sure that second signatures are obtained if necessary.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

Each individual pro-card holder will be held accountable for purchases made that do not have the appropriate authority.

When the measures will be taken and on what schedule compliance and good practice will be secured.

The recommendation has been completed. All pro-card holders have been notified of this finding and the measures are to be taken immediately. To ensure compliance and good practice, the Business Office will perform sample audits each month. Cardholders can be suspended or lose card privileges if policy is violated.

How compliance and performance will be documented for future audit, management and performance review.

A sign-off will be done on the pro-card statements that are audited each month by the Business Office and used as documentation for future audit, management and performance review.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

2. On one occasion, an independent contractor agreement form was not approved by the required authorities prior to the services being provided. In addition, the form was not completed in its entirety in that the affidavit of rejection of workers' compensation coverage was not notarized.

We recommend that the independent contractor agreement form be completed and approved prior to the performance of services. We also recommend the form be completed in its entirety.

Institution Response

WNC is in agreement with this finding and recommendations

How compliance was achieved.

As this agreement was very time sensitive in nature, it did not obtain all the signatures by the time the contract was set to begin. All of the authorizations were obtained shortly thereafter.

What will be done to avoid the identified problems and issues in the future?

Independent contractor agreement forms will be completed in their entirety before the contract period is set to begin.

How compliance and future good management and practice will be measured, monitored and assured.

Personnel have been made aware that contracts need to be executed in advance of the services that are to be performed. Additionally, if the contract cannot be fully executed ahead of time, the services should be delayed or rescheduled until the contract is authorized.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The employee initiating and coordinating the agreement/contract will assume responsibility and may be held accountable.

When the measures will be taken and on what schedule compliance and good practice will be secured.

This recommendation has been completed. All appropriate measures have been taken and implemented.

How compliance and performance will be documented for future audit, management and performance review.

A review of independent contractor agreements will be done by the Assistant to the Vice President of Legal & Administrative Services on a quarterly basis.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

TIMESHEETS

ASWN Officers and Senators are paid an hourly wage for the hours they work in conducting their ASWN duties. We reviewed the timesheets of four ASWN Officers and Senators for proper completion, accurate work hours and compliance with the college's student employment policies. Of the 67 timesheets reviewed, the following exceptions were noted.

1. On 31 occasions, time cards were not signed by a supervisor.

We recommend time cards be reviewed and signed by a supervisor as required by the college's student employment policies.

Institution Response

WNC is in agreement with this finding and recommendation.

How compliance was achieved.

ASWN officers and members have been reminded to follow constitutional work hours as stated in their Policy & Procedures Manual, section III. Additionally, the advisor reviews each timesheet to ensure that employees are working the appropriate hours and that payroll is calculated correctly.

What will be done to avoid the identified problems and issues in the future?

The ASWN advisor, or a delegate, will ensure that timesheets are signed per WNC Policy. If timesheets are out of compliance they will be rejected until appropriate revisions have been made.

How compliance and future good management and practice will be measured, monitored and assured.

Timesheets will be collected and properly reviewed. Copies of the timesheets will be maintained by the advisor to assure compliance.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The Student Government Advisor has assumed responsibility for the timesheets and will be held accountable in the future for any issues which may arise.

When the measures will be taken and on what schedule compliance and good practice will be secured.

All appropriate measures have been taken and all timesheets will be reviewed for accuracy and completeness before being submitted.

How compliance and performance will be documented for future audit, management and performance review.

The advisor will maintain copies of all timesheets for future audit, management and performance review.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

2. On three occasions, the work hours recorded for two individuals in the payroll system did not agree with the hours recorded on their time sheet. On two of these occasions, an individual was not compensated for a total of 16 hours.
3. On one occasion, an individual worked in excess of eight hours in one day but was not paid overtime as required.
4. On eight occasions, work hours were calculated incorrectly on the time sheet.

For items two through four, we recommend the individuals noted in items two and three be appropriately compensated for their work hours. We recommend greater care be taken to ensure work hours are reviewed for accuracy and overtime and are reported correctly to the payroll department.

Institution

WNC agrees with these findings and recommendation.

How compliance was achieved.

The timesheets and payroll summaries have been reviewed and the errors have been corrected related to the overpayments. In the case of the under payments, the ASWN advisor is working with human resources to determine whether compensation can be made. However, one of the individuals is now deceased. Further, ASWN officers and members have been reminded to follow constitutional work hours as stated in their Policy & Procedures Manual, section III. The advisor reviews each timesheet to ensure that employees are working the appropriate hours and that payroll is calculated correctly.

What will be done to avoid the identified problems and issues in the future?

The ASWN advisor, or a delegate, will review the timesheets to ensure that employees are paid for the hours worked, that timesheets and payroll summaries are in agreement prior to submission and that payroll is calculated correctly. If an error is found, the advisor will report it to the student employee immediately for revision. In addition, student employees will be reminded to inform the advisor if such an error occurs on their paycheck so that necessary action can be taken.

How compliance and future good management and practice will be measured, monitored and assured.

The ASWN advisor, or a delegate, will ensure that timesheets are reviewed for accuracy per WNC Policy. Timesheets not in compliance will be rejected until appropriate revisions have been made. If an error occurs, students are encouraged to come to the advisor so that it can be corrected. Copies of all payroll records will be maintained by the advisor to ensure compliance.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The Student Government Advisor has assumed responsibility for the timesheets and will be held accountable in the future for any issues which may arise.

When the measures will be taken and on what schedule compliance and good practice will be secured.

Appropriate measures have been taken and all timesheets will be reviewed for accuracy and completeness before being submitted.

How compliance and performance will be documented for future audit, management and performance review.

The advisor will maintain copies of all payroll related records as documentation for future audit, management and performance review.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

5. On 27 occasions, individuals worked during their scheduled class time.

We recommend that officers and senators be reminded that, in accordance with the WNC Student Employment Handbook, they are not to work during class time. If this does occur, we recommend they be instructed to provide an explanation on their timesheet.

Institution Response

WNC agrees with this finding and recommendation.

How compliance was achieved.

ASWN officers and members have been reminded to follow constitutional work hours as stated in their Policy & Procedures Manual, section III.

What will be done to avoid the identified problems and issues in the future?

The advisor has instructed ASWN that they must accurately reflect their actual hours worked, and if they worked while they were supposed to be in class, they must note the reason on their timesheet. The reason must be due to class cancellation or another instructor based decision.

How compliance and future good management and practice will be measured, monitored and assured.

The ASWN advisor will have class schedules for all the members to ensure there is not a conflict with class time and work hours. The advisor will review timesheets against the class schedules. If a conflict is found, the timesheet will be rejected until appropriate revisions and/or explanations have been made.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The Student Government Advisor has assumed responsibility for the timesheets and will be held accountable in the future for any issues which may arise.

When the measures will be taken and on what schedule compliance and good practice will be secured.

All corrections have been made and all appropriate measures have been taken and all timesheets will be reviewed for accuracy and completeness before being submitted.

How compliance and performance will be documented for future audit, management and performance review.

The advisor will maintain payroll summaries, timesheets and class schedules as documentation for future audit, management and performance review.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

6. The Policies and Procedures of the ASWN states the number of hours officers and senators should work on a weekly basis. We noted one individual that routinely worked in excess of the recommended weekly hours.

We recommend the individual be reminded of the work hour guidelines that have been established in the Policies and Procedures of the ASWN. We also recommend that student officer and senator work hours be monitored by the department for compliance.

Institution Response

WNC agrees with this finding and the recommendations.

How compliance was achieved.

ASWN officers and members have been reminded to follow constitutional work hours as stated in their Policy & Procedures Manual, section III.

What will be done to avoid the identified problems and issues in the future?

To prevent this from happening again, at the beginning of the fall semester 2013, the ASWN advisor informed all members of their constitutional work hours and gave them each an estimation of how much money would be paid out over the course of the school year. Continual monitoring of timesheets has been implemented. However, there may be occurrences where students work over their normal hours. See Section III under Duties and Responsibilities of the Policy and Procedures Manual. Students exceeding hours must obtain approval by the advisor and provide an explanation on their timesheet or via an activity log. If no explanation or activity log is provided, timesheet will be rejected until the appropriate revisions have been made.

How compliance and future good management and practice will be measured, monitored and assured.

The ASWN advisor will review timesheets and any applicable pre-approvals. If a conflict is found, the timesheet will be rejected until appropriate revisions and/or explanations have been made.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The Student Government Advisor has assumed responsibility for the timesheets and will be held accountable in the future for any issues which may arise.

When the measures will be taken and on what schedule compliance and good practice will be secured.

All recommendations have been completed and all appropriate measures have been taken. Timesheets will be reviewed for accuracy and completeness before being submitted.

How compliance and performance will be documented for future audit, management and performance review.

The advisor will maintain payroll summaries, timesheets and any other pertinent information as documentation for future audit, management and performance review.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

7. On two occasions, an individual worked a shift that exceeded six hours in length and did not take a half-hour unpaid break, as required by the WNC Student Employment Handbook. We recommend that officers and senators be instructed to take a half-hour unpaid break when their work shift exceeds six hours.

Institution Response

WNC agrees with this finding and recommendation.

How compliance was achieved.

Student employees have been counseled regarding the policy of working over 6 hours and how to properly record their shift to reflect unpaid breaks as required by the WNC Student Employment Handbook.

What will be done to avoid the identified problems and issues in the future?

The ASWN advisor continues to monitor the timesheets for accurate completion of recorded hours in order to prevent violating policies of the Student Employment Handbook. Timesheets will be rejected until appropriate revisions have been made.

How compliance and future good management and practice will be measured, monitored and assured.

The ASWN advisor will review timesheets and any applicable pre-approvals. If a conflict is found, the timesheet will be rejected until appropriate revisions and/or explanations have been made.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The Student Government Advisor has assumed responsibility for the timesheets and will be held accountable in the future for any issues which may arise.

When the measures will be taken and on what schedule compliance and good practice will be secured.

This recommendation has been completed and all appropriate measures have been taken. Timesheets will be reviewed for accuracy and completeness before being submitted.

How compliance and performance will be documented for future audit, management and performance review.

The advisor will maintain payroll summaries, timesheets and any other pertinent information as documentation for future audit, management and performance review.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

8. The work hours of ASWN Officers and Senators are variable and can include nights and weekends. For three of the individuals tested, we noted the work hours were not designated as occurring in either the morning or evening. This information would be useful in determining whether students have worked during their scheduled class time. For improved record keeping, we recommend work hours be properly identified on the time sheet as occurring in either the morning or evening.

Institution Response

WNC agrees with this finding and recommendation.

How compliance was achieved.

ASWN was unaware of the importance of designating AM/PM on the timesheets. They have been instructed to include this and the advisor pays close attention to ensure it is done.

What will be done to avoid the identified problems and issues in the future?

The advisor will review all timesheets to ensure designation of AM/PM. Timesheets will be rejected until appropriate revisions have been made.

How compliance and future good management and practice will be measured, monitored and assured.

The ASWN advisor will review timesheets for completeness. If a conflict is found, the timesheet will be rejected until appropriate revisions and/or explanations have been made.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The Student Government Advisor has assumed responsibility for the timesheets and will be held accountable in the future for any issues which may arise.

When the measures will be taken and on what schedule compliance and good practice will be secured.

The recommendation has been completed and all appropriate measures have been taken. Timesheets will be reviewed for accuracy and completeness before being submitted.

How compliance and performance will be documented for future audit, management and performance review.

The advisor will maintain payroll summaries, timesheets and any other pertinent information as documentation for future audit, management and performance review.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

TELEPHONES

WNC issues a Personal Identification Number (PIN) to employees that have a need to make long distance calls. We were informed a PIN has been provided to an ASWN employee but it has been shared with other department employees. According to NSHE policy, PINs should not be shared.

We recommend employees who are authorized to make long distance calls be issued separate PINs and that the codes are kept confidential. We recommend the PIN issued to the employee noted above be cancelled and that a new PIN be requested from the WNC Facilities Office.

Institution Response

WNC agrees with this finding and recommendations.

How compliance was achieved.

There was a change in the policy to allow members of ASWN to be issued their own long distance PINs. The advisor has been issued a new PIN.

What will be done to avoid the identified problems and issues in the future?

To prevent this issue in the future, designated ASWN members will be issued their own long distance PIN. The advisor will also inform the students that this information should be kept confidential. Long distance calls are monitored and approved on a monthly basis.

How compliance and future good management and practice will be measured, monitored and assured.

With each new ASWN Board election, newly elected officers will be provided their own PIN. Upon termination, the PINs will be deactivated. Additionally, the long distance calls are to be approved monthly by the user who is issued the PIN.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The Student Government Advisor has assumed responsibility and will be held accountable in the future for any issues which may arise.

When the measures will be taken and on what schedule compliance and good practice will be secured.

All corrections have been made and the measures taken have been immediate to ensure compliance.

How compliance and performance will be documented for future audit, management and performance review.

The facilities department maintains the log of issued PINs and approved long distance calls.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

OTHER

The following was noted during this review; however, it is the responsibility of the WNC Student Center and WNC Controller's Office.

CASH FUND

We noted a change fund is maintained by the WNC Student Center that was not assigned by the WNC Controller's Office.

For proper accountability, we recommend the change fund be deposited and that a new fund be established through the Controller's Office.

Institution Response

WNC agrees with this finding and recommendation.

How compliance was achieved.

The issued funds were returned to the business office to be properly reissued and maintained on our log.

What will be done to avoid the identified problems and issues in the future?

In prior years, a log was not maintained to manage issued funds. The Business Office has maintained a log for over two years now and continues to maintain this to track funds.

How compliance and future good management and practice will be measured, monitored and assured.

Each time a department, club or organization requests a change fund; the request will be evaluated for reasonableness and issued to the responsible party in charge of the event/department. When the check is issued, the funds issued will be recorded on the log so that a reconciliation to the balance sheet can be done and to indicate who is responsible for turning in the funds at the end of their use.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The Business Office is responsible for maintenance of the log, issuing funds and performing the reconciliation.

When the measures will be taken and on what schedule compliance and good practice will be secured.

All corrections have been made, the recommendation has been completed and the maintenance of the log will continue.

How compliance and performance will be documented for future audit, management and performance review.

Change funds are reviewed monthly as each department turns in reconciliation. The Business Office will ensure that each department is turning in these reconciliations in order to comply with policy and to provide documentation for future audit, management and performance review.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

STATEMENT OF REVENUE AND EXPENDITURES

The statement of revenues and expenditures provided below is based on the activity of one state, twenty three self-supporting, and fifteen gift accounts that have been assigned to ASWN. The

revenue and expenditure information was obtained from the financial accounting system and is provided for informational purposes only. The following exceptions were noted.

1. The ending balance of one self-supporting account was not carried forward correctly from fiscal year 2012-13 to 2013-14.

We recommend a review of the account be performed and that an adjusting entry be made to correct the balance.

Institution Response

WNC agrees with this finding and recommendation.

How compliance was achieved.

The correcting entry has been made within the financial accounting system and the account balance is now accurately stated.

What will be done to avoid the identified problems and issues in the future?

Accounts will be reviewed at the beginning of each fiscal year to identify any accounts that did not roll over properly from year to year.

How compliance and future good management and practice will be measured, monitored and assured.

Compliance will be measured and monitored by reviewing the year end roll over and reviewing accounts for reasonableness and making any necessary corrections.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The Business Office will assume responsibility for ensuring that accounts properly roll each year.

When the measures will be taken and on what schedule compliance and good practice will be secured.

The measures will be taken with the current year fiscal year end.

How compliance and performance will be documented for future audit, management and performance review.

The Business Office will run an Advantage report at year end that will show the ending appropriation balances. A second report will be run at the beginning of the fiscal year to compare the ending and beginning balances to ensure that balances rolled forward properly. In the event that some accounts did not, they would be corrected at that time.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

2. One gift account had a deficit starting balance for fiscal year 2012-2013. There was no activity during fiscal year 2012-13 and the deficit balance rolled forward to fiscal year 2013-14.

We recommend a review of the account be performed and that an adjusting entry be made to bring the account balance to zero.

Institution Response

WNC agrees with this finding and recommendation.

How compliance was achieved.

The account has been reviewed and the deficit balance has since been corrected.

What will be done to avoid the identified problems and issues in the future?

The Controller has started a review of all accounts on a quarterly basis to determine if any accounts have a deficit balance. If a deficit balance is discovered, the Controller will discuss this with the signature authority on the account and come to a resolution on how to clean up the balance and appropriate action will be taken.

How compliance and future good management and practice will be measured, monitored and assured.

Compliance will be measured and monitored by conducting the review of accounts on a regular basis and following up and correcting accounts as needed.

Who will be responsible and may be held accountable in the future if repeat or similar problems arise.

The advisor to ASWN will review each account and the estimated spending for each and identify any accounts that are of concern. At that time, the advisor will meet with the Business Office to have this corrected and/or conduct any planning for the accounts in question. Additionally, the Controller will be responsible for reviewing all college accounts on a quarterly basis.

When the measures will be taken and on what schedule compliance and good practice will be secured.

All corrections have been made and the measures will be taken immediately by both the advisor and the controller by reviewing accounts for the end of May 2014. Meetings will be conducted to resolve any variances and a quarterly review will be conducted thereafter.

How compliance and performance will be documented for future audit, management and performance review.

Compliance will be documented by the review and sign-off of the electronic reports that are generated. Once the report is reviewed, the Controller or Accountant will make a notation that it has been reviewed and any additional comments that are important to note on the accounts.

Follow-up Response: As of January 1, 2015, this recommendation has been implemented and we request that this finding be closed.

	State Accounts	Self- Supporting Accounts	Gift Accounts	Total
Balance, July 1, 2012	\$ -	\$ 16,860	\$ 3,477	\$ 20,337
Transfers In	\$ -	\$ 68,077	\$ 3,250	\$ 71,327
Revenues				
State Appropriations	\$ 6,032	\$ -	\$ -	\$ 6,032
Tuition & Fees, Unrestricted	-	40,561	13,958	54,519
WNC Foundation	-	-	2,288	2,288
Total Revenues	\$ 6,032	\$ 40,561	\$ 16,246	\$ 62,839
Transfers Out	\$ -	\$ 28,600	\$ 1,840	\$ 30,440
Expenditures				
Salaries	\$ -	\$ 42,099	\$ -	\$ 42,099
Travel	-	14,096	5,926	20,022
Operations	6,032	43,735	1,676	51,443
Scholarships	-	-	1,925	1,925
Total Expenditures	\$ 6,032	\$ 99,930	\$ 9,527	\$ 115,489
Balance June 30, 2013	\$ -	\$ (3,032)	\$ 11,606	\$ 8,574
Balance, July 1, 2013	\$ -	\$ (2,382)	\$ 11,607	\$ 9,225
Transfers In	\$ -	\$ 53,817	\$ -	\$ 53,817
Revenues				
State Appropriations	\$ 5,969	\$ -	\$ -	\$ 5,969
Tuition & Fees, Unrestricted	-	20,287	-	20,287
WNC Foundation	-	20	1,600	1,620
Sales Auxiliary	-	65	-	65
Total Revenues	\$ 5,969	\$ 20,372	\$ 1,600	\$ 27,941
Transfers Out	\$ -	\$ 10,579	\$ 60	\$ 10,639
Expenditures				
Salaries	\$ -	\$ 3,441	\$ -	\$ 3,441
Travel	-	786	4,472	5,258
Operations	-	9,411	-	9,411
Scholarships	-	-	2,900	2,900
Total Expenditures	\$ -	\$ 13,638	\$ 7,372	\$ 21,010
Balance September 30, 2013	\$ 5,969	\$ 47,590	\$ 5,775	\$ 59,334

The Internal Audit Department appreciates the cooperation and assistance received from the ASWN and other WNC staff during this review.

Reno, Nevada
April 16, 2014



Eric Wilber
Senior Internal Auditor



Scott Anderson
Director of Internal Audit

Memorandum

TO: Scott Anderson, Director of Internal Audit, NSHE

FROM: Coral Lopez, Controller

SUBJECT: Follow-up Audit Response for Western Nevada College Associated Students of Western Nevada
July 1, 2012 – September 30, 2013

DATE: January 20, 2015

Attached are the follow-up responses to WNC's Associated Students of Western Nevada audit for the period of July 1, 2012 – September 30, 2013. The recommendations and status of corrective actions are provided below.

#	Recommendation	Agree	Completed
1.	We recommend that action only be taken on items that are designated for action on the agenda, as required by the Nevada Open Meeting Law.	Yes	Yes
2.	We recommend the ASWN follow NRS 241.020, section 6.03, which recommends that the person posting the agendas complete a signed certificate stating the time and locations each agenda is posted. We recommend the certificate be retained with the meeting records as evidence the posting requirements were satisfied.	Yes	Yes

#	Recommendation	Agree	Completed
3.	We recommend the organizational chart in the Policies & Procedures of the ASWN be updated to reflect the correct number of officers and senators.	Yes	Yes
4.	We recommend a policy be included in the Policies & Procedures of the ASWN that addresses adequate representation of WNC campuses.	Yes	Yes
5.	We recommend the revision of the ASWN Policies & Procedures Manual to include the compensation of officers & senators and procedures for processing expenditures and receipts be completed and approved by the Senate.	Yes	Yes
6.	We recommend that ASWN work with the Controller's Office to establish the missing gift accounts.	Yes	Yes
7.	We recommend that the department review these accounts to determine whether they are associated with active student clubs and/or organizations and are still necessary.	Yes	Yes
8.	We recommend that expenditures be approved by authorized personnel.	Yes	Yes
9.	We recommend that the independent contractor agreement form be completed and approved prior to the performance of services. We also recommend the form be completed in its entirety.	Yes	Yes
10.	We recommend time cards be reviewed and signed by a supervisor as required by the college's student employment policies.	Yes	Yes
11.	We recommend greater care be taken to ensure work hours are reviewed for accuracy and overtime and are reported correctly to the payroll department.	Yes	Yes

#	Recommendation	Agree	Completed
12.	We recommend that officers and senators be reminded that, in accordance with the WNC Student Employment Handbook, they are not to work during class time. If this does occur, we recommend they be instructed to provide an explanation on their timesheet.	Yes	Yes
13.	We recommend the individual be reminded of the work hour guidelines that have been established in the Policies and Procedures of the ASWN. We also recommend that student officer and senator work hours be monitored by the department for compliance.	Yes	Yes
14.	We recommend that officers and senators be instructed to take a half-hour unpaid break when their work shift exceeds six hours.	Yes	Yes
15.	We recommend work hours be properly identified on the time sheet as occurring in either the morning or evening.	Yes	Yes
16.	We recommend employees who are authorized to make long distance calls be issued separate PINs and that the codes be kept confidential. We recommend the PIN issued to the employee noted above be cancelled and that a new PIN be requested from the WNC Facilities Office.	Yes	Yes

#	Recommendation	Agree	Completed
17.	We recommend the change fund be deposited and that a new fund be established through the Controller's Office.	Yes	Yes
18.	We recommend a review of the account be performed and that an adjusting entry be made to correct the balance.	Yes	Yes
19.	We recommend a review of the account be performed and that an adjusting entry be made to bring the account balance to zero.	Yes	Yes