

NEVADA SYSTEM OF HIGHER EDUCATION

INTERNAL AUDIT DEPARTMENT

REPORT ON JULY 1, 2015 THROUGH DECEMBER 31, 2015 ACTIVITIES



NSHE
Internal Audit Department
Report on July 1, 2015 through December 31, 2015 Activities

Table of Contents

- I. Planned and Actual Internal Audit Hours1
- II. Exception Report Analysis 2-8
- III. Summary of Significant Audit Findings 9-35
- IV. Audit Findings on Financial Statements36
- V. Audit Findings on A-133 Reports 37-77
- VI. Audit Findings on Institutional Internal Audit Reports

Open Exceptions

- 1. University of Nevada, Reno..... 78-79
- 2. University of Nevada, Las Vegas 80-87
- 3. Nevada System of Higher Education 88-95
- 4. Truckee Meadows Community College 96-108
- 5. College of Southern Nevada.....109-112
- 6. Western Nevada College..... 113-120
- 7. Great Basin College 121-135

Closed Exceptions

- 1. University of Nevada, Reno..... 136-144
- 2. University of Nevada, Las Vegas 145-184
- 3. Nevada System of Higher Education 185-193
- 4. Nevada State College 194-195
- 5. Truckee Meadows Community College.....196-217
- 6. College of Southern Nevada 218-232
- 7. Western Nevada College..... 233-235

NSHE INTERNAL AUDIT DEPARTMENT
 PROGRESS OF AUDIT SCHEDULE
 July 1, 2015 – December 31, 2015

<u>AUDIT</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>OVER/ SHORT()</u>	<u>COMMENTS</u>
1. UNR Cashier's Office	300	515	215	Overage was due to the review of student and employee loan accounts. A sample of 70 loan accounts were reviewed which took a considerable amount of time to complete testing.
2. WNC Bookstore Contract	200	190	(10)	
3. UNLV PeopleSoft Security	400	282	(118)	
4. UNLV University Libraries	300	427	127	Some audit sections had to be redone as a result of the initial auditor being on extended leave.
5. TMCC Grants and Contracts	300	574.5	274.5	Review took additional time to review current and proposed Federal Regulations. Material was not centrally located, which caused an overlap of resources.
6. TMCC Vending Services	350	299	(51)	
7. CSN Early Childhood Education Lab Program	350	412	62	Child Care Services and Lab Program merged during our audit period. There are two separate sites which operate similarly but had some differences due to the merge.

NSHE Internal Audit Department
 Exception Report Analysis
 Institutional Findings - Cumulative Unresolved Items
 For the six months ended December 31, 2015

	7/1/2015 12/31/2015	1/1/2015 6/30/2015	1/1/2014 12/31/2014	Finding Number	1/1/2010- 12/31/2013	Finding Number	Total
	Current	Prior	2 year		3 year		
UNR	1	0	0		0		1
UNLV	3	0	0		1	5	4
NSHE	0	4	0		0		4
NSC	0	0	0		0		0
TMCC	10	0	0		0		10
CSN	2	0	0		0		2
WNC	2	0	2	24-25	0		4
GBC	0	0	3	26-28	4	29-32	7
	18	4	5		5		32

NSHE Internal Audit Department
 Exceptions Report Analysis
 For the six months ended December 31, 2015

Prior Period
 1/1/15 – 6/30/15

Current Period
 7/1/15 – 12/31/15

	TOTAL UNRESOLVED ITEMS	NEW ITEMS	CLOSED ITEMS	TOTAL UNRESOLVED	CUMULATIVE UNRESOLVED ITEMS
FINANCIAL	4	0	4	(4)	0
A-133	27	19	27	(8)	19
INSTITUTIONAL	35	49	52	(3)	32
TOTAL	66	68	83	(15)	51

NSHE Internal Audit Department
 Exceptions Report Analysis
 For the six months ended June 30, 2015

Prior Period
 7/1/14 – 12/31/14

Current Period
 1/1/15 – 6/30/15

	TOTAL UNRESOLVED ITEMS	NEW ITEMS	CLOSED ITEMS	TOTAL UNRESOLVED	CUMULATIVE UNRESOLVED ITEMS
FINANCIAL	4	0	0	0	4
A-133	27	0	0	0	27
INSTITUTIONAL	30	95	90	5	35
TOTAL	61	95	90	5	66

NSHE Internal Audit Department
 Exceptions Report Analysis
 For the six months ended December 31, 2014

Prior Period
 1/1/14 – 6/30/14

Current Period
 7/1/14 – 12/31/14

	TOTAL UNRESOLVED ITEMS	NEW ITEMS	CLOSED ITEMS	TOTAL UNRESOLVED	CUMULATIVE UNRESOLVED ITEMS
FINANCIAL	5	4	5	(1)	4
A-133	30	27	30	(3)	27
INSTITUTIONAL	51	80	101	(21)	30
TOTAL	86	111	136	(25)	61

NSHE Internal Audit Department
 Exceptions Report Analysis
 For the six months ended June 30, 2014

Prior Period
 7/1/13 – 12/31/13

Current Period
 1/1/14 – 6/30/14

	TOTAL UNRESOLVED ITEMS	NEW ITEMS	CLOSED ITEMS	TOTAL UNRESOLVED	CUMULATIVE UNRESOLVED ITEMS
FINANCIAL	5	0	0	0	5
A-133	30	0	0	0	30
INSTITUTIONAL	66	127	142	(15)	51
TOTAL	101	127	142	(15)	86

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
TOTAL	113	127	137	(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
TOTAL	87	215	189	26	113

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
<u>INTERNAL AUDIT REPORTS</u>									
UNR	Cashier's Office	Cash Controls	7/7/15 8/4/15	2	For improved control, we recommend the access necessary to perform late fee reversals and void transactions be limited to supervisory personnel and that the reason for performing these transactions be documented.	Associate Vice President, Business and Finance	<p>1) <i>How compliance was achieved.</i> PeopleSoft security roles were updated on July 20, 2015. Cashiers can no longer reverse fees or void PeopleSoft receipts. The ability to reverse fees and void receipts has been restricted to management level roles.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> The Manager of Student Accounting has ensured restriction of security roles and has notified all staff members who have the ability to reverse fees that they must document the reversal of fees by putting a reason in the Description Field. A query has been created to monitor late fee reversals.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> The Manager of Student Accounting has the responsibility for ensuring that security for Student Financial roles are performing as designed and that proper documentation is maintained for removal of late fees and for voided PeopleSoft receipts. The Manager of Student Accounting is performing a periodic review of late fee reversals. The Cashier Supervisor will ensure that the cashiers provide a written explanation prior to voiding a receipt.</p> <p>4) <i>How compliance and future</i></p>	CLOSED	9/10/2015

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p><i>good management and practice will be measured, monitored, and assured.</i></p> <p>The Manager of Student Accounting is performing a periodic review of all late fee reversals and documentation of voided PeopleSoft transactions. The Manger of Student Accounting will review with each staff member any incomplete documentation will be maintained in the future.</p> <p><i>5) When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>All appropriate security changes were made. The processes for monitoring transaction changes were implemented July 20, 2015. A process for review of compliance is in place.</p> <p><i>6) How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>Beginning Fall 2015, the Manager of Student Accounting will review all void documentation and late fee reversals and follow-up with staff members regarding exceptions. A notation will be made documenting that it was reviewed.</p>		
UNR	Cashier's Office	Loans	7/7/15 8/4/15	1	We recommend department policy be followed regarding generation of the above mentioned reports so the loan repayment dates can be accurately established.	Associate Vice President, Business and Finance	<p><i>1) How compliance was achieved.</i></p> <p>The Manager of Student Accounting has created and added a loan activation task lists to the calendars of the loan personnel staff members and the manager's Outlook Calendar. This occurs after</p>	OPEN	9/10/2015

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p>the add/drop period and graduation for each semester. The Manger of Student Accounting will conduct a follow-up review with the Loans personnel to ensure that the tasks are completed as required.</p> <p><i>2) What will be done to avoid the identified problems and issues in the future?</i> The Manager of Student Accounting is in the process of creating automated processes to ensure that borrowers who have dropped below 6 credits or have exited the university are identified. A scheduled list will be sent to the loans personnel and the Manager of Student Accounting. Task list and calendar task alerts will also continue to be used.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> The Manager of Student Accounting has the responsibility for ensuring that staff members are performing duties as required.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i> All scheduling and task lists are in place for the fall 2015 term and beyond. The above mentioned automated process to identify borrowers whose loans need to be activated is expected to be completed by December 1, 2015.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance</i></p>		

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p><i>review.</i></p> <p>The Manager of Student Accounting is responsible to perform an audit review each semester after the loans personnel have completed the loan activation updates in the Student Loan System.</p>		
WNC	Bookstore Contract	Commissions	6/8/15 7/28/15	60	We recommend the Contractor be requested to provide documentation from its POS system to support commission payments. We also recommend the college work with the Contractor to include a clause in the contract that addresses this issue.	Controllor	<p>1) <i>How compliance was achieved.</i></p> <p>Effective July 1, 2015, supporting documentation will be required of Follett anytime a payment is received. The vendor has been notified of this requirement and will provide the proper documentation. We will add this clause when the contract is renewed in 2016.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i></p> <p>The clause will be added in future contract agreements and support will be required with every payment that is received. We have contacted the vendor to ensure that this done with each payment.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured.</i></p> <p>The proper personnel have been notified to ensure that backup is provided from the contractor.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i></p> <p>Business Office personnel will be held responsible for obtaining any missing documentation. We will document our requests for</p>	CLOSED	9/10/15

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p>information. If documentation is not provided in a timely manner, we will take action to meet with the contractor.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>The new procedures have been implemented, effective July 1, 2015.</p> <p>6) <i>How compliance and performance will be documented.</i></p> <p>All system receipts will have proper backup attached for future audit, management and performance review.</p>		
WNC	Bookstore Contract	Scholarship Support	6/8/15 7/28/15	61	We recommend the WNC Financial Aid Office implement a procedure to include the amount of textbook scholarships that are issued to students to their corresponding accounts within the student information system.	Controller	<p>1) <i>How compliance was achieved.</i></p> <p>The WNC Financial Assistance Office (FAO) has developed a Follett Bookstore Scholarship item type that is designed to count as a financial aid resource in the myWNC student information system. The item type will not initiate a disbursement of funds directly to students and will only be used to count as a resource against the student's cost of attendance. Students will still be required to use the voucher provided by the Financial Assistance Office to receive their books at the bookstore.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i></p> <p>The new process will automatically count Follett Scholarship awards as part of the student's financial aid package and eliminate the potential for over awards for unaccounted aid.</p>	CLOSED	9/10/15

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p>3) <i>How compliance and future good management and practice will be measured, monitored and assured.</i> The new item type has been created and staff has been trained on the new procedure. Follett Bookstore Scholarship awards will be reviewed each semester by the Director of Financial Assistance to ensure the proper procedure has been followed.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> Financial Assistance staff members awarding the Follett Bookstore Scholarship will be responsible for posting accurate awards to the myWNC student information system. The Director of Financial Assistance will be responsible to ensure awards are properly updated by staff.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> The new procedures have been implemented, effective July 1, 2015.</p> <p>6) <i>How compliance and performance will be documented.</i> The myWNC student information system will now track and provide backup to the current spreadsheet that is used to document Follett Bookstore Scholarship awards.</p>		
UNLV	PeopleSoft Security	Security Administration- Roles and Permissions	8/26/15 9/25/15	3	We recommend that UNLV develop narrative descriptions for both roles and permission lists. The narratives should provide	Associate Vice President, ICA/TMC Business Services, Auxiliary	<p>1) <i>What will be done to avoid the identified problems and issues in the future.</i> The roles description text will</p>	OPEN	12/3/2015

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
					high level 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).	Financial Services	<p>be used to contain the appropriate documentation of what is assigned by a role. This will include the type of access (view, update or correction) granted by the role by noting the permission lists that should be assigned. This will allow for a one-to-one match of description details to actual assignments which can be verified periodically. Permission list names and brief descriptions will be updated to describe the appropriate function of the permission list. As noted above the permission lists used in role creation will be included in the documentation procedures for roles.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored, and assured.</i></p> <p>Lists will be generated based on the update date time stamps of roles and permission lists. Samples from the list will be identified for a verification to the adherence of the documentation procedures for roles and accuracy of the permission lists naming and documentation procedures.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i></p> <p>The Software Engineering Services Manager has oversight of the PeopleSoft security administration.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p>		

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p>The new role and permission list description procedures have been instituted as of October 2, 2015. The process of bringing existing roles and permission lists into compliance is slated for completion by January 29, 2016.</p> <p><i>5. How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>Security administration procedures provide documentation of user access and profile review and are available for audit review.</p>		
UNLV	PeopleSoft Security	Sensitive Data Access	8/26/15 9/25/15	4	We recommend that UNLV adjust these users, as necessary, and conduct regular reviews of user roles to ensure role assignments and authorization levels are correct.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p><i>1) What will be done to avoid the identified problems and issues in the future.</i></p> <p>The security administration team will create a report at the start of Fall and Spring terms that will be sent to departments for review and sign-off.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored, and assured.</i></p> <p>Reports and their sign-off will be tracked and used as evidence of compliance.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i></p> <p>The Software Engineering Services Manager has oversight of the PeopleSoft security administration.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p>	OPEN	12/3/2015

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p>This process will be completed the first time by January 29, 2016. After completion of this first review, we plan on continuing to perform the review twice annually.</p> <p><i>5. How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>Security administration procedures provide documentation of user access and profile review and are available for audit review.</p>		
UNLV	University Libraries	Endowments and Donations	7/24/15 9/25/15	12	We recommend that transfers of restricted gift funds be made to a corresponding university restricted gift account. This will allow for easier tracking of expenses and help to ensure the funds are spent in accordance with donor specifications.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p>The gift in question was originally received in April, 2012, as an unrestricted gift to the Libraries upon the death of a long-time Libraries donor- see gift letter from the Trust Officer. The gift was originally deposited into an unrestricted foundation gift account- see April 2012 foundation statement. The donor had verbally expressed to the Libraries Dean a desire to support a project to document Jewish Contributions in Las Vegas. In December 2013, the Libraries were informed they'd be awarded a grant to help fund the Jewish Heritage Project and at that time we requested that the donor funds be transferred into a new Foundation account entitled, "Jewish Heritage Digital Project"- see December 2013 Foundation statement, to provide additional funding for the project.</p> <p>Because there wasn't a donor MOU directing the gift to a restricted account, the funds</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p>were transferred into the Libraries general gift account. We tracked the funds expended to ensure all were spent on the Jewish Heritage Project. Since this time, the project expanded in scope and in August 2015 we created a new university restricted gift account entitled, "Jewish Heritage Project"- current and future donations to support this project have been, and will be, transferred into this account.</p> <p><i>1. What will be done to avoid the identified problems and issues in the future?</i> The Libraries' Business and Finance Manager has submitted a New Account Request form to the UNLV Controller's Office and Budget Office to create a new university restricted gift account for all restricted donor gifts. The Foundation reviews all monetary transfer request to ensure funds are transferred per donor requests/MOU.</p> <p><i>2. How compliance and future good management and practice will be measured, monitored and assured?</i> Restricted gift funds will only be transferred into a corresponding university restricted gift account. The Libraries' Business and Finance Manager discusses new gifts with the Libraries' Director of Development to ensure that a corresponding university gift account is created when required. The Foundation reviews all monetary transfer requests for compliance with donor request/MOU, providing</p>		

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p>additional assurance.</p> <p>3. <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> Accountability for new university restricted gift account requests falls to the Libraries' Business and Finance Manager. Additionally, the Foundation reviews all monetary transfer forms to ensure funds are transferred per donor requests/ MOU.</p> <p>4. <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The Libraries' Business and Finance Manager understands and follows the policy and has already established two university restricted accounts. As the need arises to transfer restricted gifts funds into a university account, the Business Manager will submit a new account request form to create a new university restricted gift account.</p> <p>5. <i>How compliance and performance will be documented for future audit, management and performance review?</i> The Libraries' Business and Finance Manager electronically saves all new account request forms, monetary funds transfer forms and gift documentation, and these documents are readily available for future audits. The Libraries Director of Development provides gift MOU's to the Business Manager, these are provided</p>		

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
UNLV	University Libraries	Endowments and Donations	7/24/15 9/25/15	2	We recommend Libraries personnel work with the Controller's Office to close out the account containing the \$2,752 and move the funds to the new account, as noted above. We also recommend a review be performed of the three foundation accounts to determine the spending requirements of these funds. Once a determination has been made, we recommend the funds be transferred to an appropriate and active Libraries account.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	to the Controller & Budget office's when requesting a new gift account. 1) <i>What will be done to avoid the identified problems and issues in the future?</i> In March, 2006, new account numbers were established by the Controller's Office and funds in the old Libraries' Endowment account were transferred into a new account. The transfer occurred nine years ago, before any of the current Library staff were employed by the Libraries. As these funds are managed by NSHE, current Library staff members were unaware that there were remaining funds that should have been moved. The Libraries' Business and Finance Manager will ensure that future fund transfers from old to new accounts include all funds in the account, and request that old accounts be inactivated. All three of the foundation accounts mentioned were created 20+ years ago-one account, the Library Society, was created prior to the existence of the UNLV Foundation. None of these funds have a requirement for transferring and spending the funds within a certain timeframe. For the three accounts: 1. We requested that the Foundation transfer the \$63.47 remaining in the inactive Library Journal Fund into the NSHE-Managed Library Books-UNLV Endowment account, which is used to	OPEN	12/3/2015

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p>purchase journals and books. This will satisfy the original intent of the Library Journal Fund donation program. We requested that the Foundation close the Library Journal Fund, the program has been inactive since 2000.</p> <p>2. In spring 2016 we will transfer the remaining \$7,343.55 in the NV Women's Archives, an account set up in 1995 to receive donor funds to help support a 1995 grant-funded project, NV Women's Achieves. The funds will be used for a Library Special Collections project in which a temporary staff member will archive, document, preserve and make available online Library Special Collections materials related to Nevada women. We will request that this old account be closed once all funds are transferred.</p> <p>3. The Library Society Endowment Fund was created prior to the existence of the UNLV Foundation and is an unrestricted endowment created to support Library initiatives/projects. The annual interest payout from the endowment fund into the spending fund is a small amount, ranging from \$1,687 in FY2013 to \$2,225 in FY2016, so that yearly transfers would be too small to support most projects. This is an active endowment account that will continue to generate small amounts of interest payout and future Library projects will be identified on which to spend the funds.</p> <p>2) <i>How compliance and future</i></p>		

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p><i>good management and practice will be measured, monitored and assured?</i></p> <p>The Libraries' Business and Finance Manager will work with the UNLV Foundation Accounting Manager to review foundation accounts to ensure fund transfers and spending occurs per account requirements. The Foundation has said that none of our current accounts have a funds requirement for transfer or spending funds within a specified time period.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i></p> <p>If a Foundation account has a spending requirement, the Libraries' Business and Finance Manager will be responsible to ensure funds are spent according to that requirement.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i></p> <p>In August 2015, The Libraries' Business and Finance Manager worked with the Controller's Office to transfer the remaining \$2,752.71 funds into the active Libraries Endowment account and inactivate the old Libraries Endowment account-see attached emails documenting funds transfer & account closure.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i></p>		

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							The Libraries' Business and Finance Manager keeps electronic records of all Foundation account reports and monetary funds transfer requests, these are available for future audits.		
TMCC	Grants and Contracts	Effort Reporting	8/14/15 10/13/15	32	For improved reporting and consistency purposes, we recommend the PAR be utilized in the effort reporting process.	Vice President of Finance and Administrative Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> The PAR effort report will be completed for all TMCC grants requiring time & effort reporting. The Grants Analyst will provide PAR reports from XNet to Primary Investigators (PI's). The PI's will verify the effort and account numbers reflected on the report. Once the effort and account numbers have been verified, the effort report will be sent to the employee and supervisor for approval and eventual return to the Grants Office.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> PAR effort reports will be monitored by the Grants Analyst as compliance reports are prepared. It will also be available in the general grant file in the grant accounting office. PI's will be trained regularly on this.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The PI's and Grant Analyst will be responsible for ensuring the use of PAR and the completion of effort reporting.</p> <p>4) <i>When the measures will be taken and on what schedule</i></p>	CLOSED	12/3/2015

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p><i>compliance and good practice will be secured?</i> On a semi-annual basis, the general grant folders will be audited by the Grants Analyst Supervisor to ensure the PAR effort reports are being maintained. <i>5) How compliance and performance will be documented for future audit, management and performance review?</i> The PAR effort reports will be available for review in the grant accounting office.</p>		
TMCC	Grants and Contracts	Cash Management	8/14/15 10/13/15	34	In order to recover costs in a timelier manner, we recommend invoices be submitted to sponsors on at least a quarterly basis unless a longer time period is specified by the sponsor.	Vice President of Finance and Administrative Services	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i> The Director of Budget and Planning, who now oversees the Grant Analyst position, is closely monitoring the invoicing of grants. The invoicing is occurring on a regular basis. <i>2) How compliance and future good management and practice will be measured, monitored and assured?</i> The Director of Budget & Planning will review the grants balance and activity reports to ensure expenditures are invoiced in a timely manner. This review will occur on a quarterly basis. <i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Grants Analyst and Director of Budget & Planning are responsible to ensure similar occurrences are not repeated. <i>4) When the measures will be</i></p>	CLOSED	12/3/2015

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p><i>taken and on what schedule compliance and good practice will be secured?</i></p> <p>On a quarterly basis, the balance and activity reports for the grant accounts will be reviewed to ensure that the invoices are occurring in a timely manner.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i></p> <p>After reviewing the balance and activity report, the initials of the Director of Budget & Planning and the date of review will be annotated on the balance and activity report as evidence of review.</p>		
TMCC	Grants and Contracts	Indirect Costs	8/14/15 10/13/15	38	We recommend that greater care be taken to ensure the correct indirect cost rate is applied when accounts are established in the financial accounting system.	Vice President of Finance and Administrative Services	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i></p> <p>Prior to establishing grant accounts within the Advantage accounting systems, the indirect rate being entered will be verified as correct by comparing the indirect rate entered in Advantage with the indirect rate shown on the grant award letter.</p> <p>As each drawdown request is processed, the Director of Budget and Planning will review the drawdown request prior to the drawdown request being submitted. The review will compare the drawdown request to the current balance and activity report for the specific grant to ensure that the amounts on the drawdown are accurate.</p> <p><i>2) How compliance and future good management and</i></p>	CLOSED	12/3/2015

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p><i>practice will be measured, monitored and assured?</i> Compliance will be monitored on a monthly basis as drawdowns are being processed. The assurance will come from the review by the Director of Budget & Planning of the drawdowns prior to being processed.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Director of Budget and Planning as well as the Grants Analyst will be accountable to ensure these issues do not reoccur.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> As monthly drawdowns are processed, the Director of Budget & Planning reviews of the drawdowns and associated indirect rates will be completed.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i> The compliance and performance will be documented by having the Director of Budget and Planning initial the balance and activity report indicating that the pre-drawdown review was accomplished.</p>		
TMCC	Vending Services	Cash Controls	8/24/15 10/15/15	16	We recommend all coin inventory be stored in the safe in Accounting Services where multiple controls exist to safeguard the funds. If it is	Vice President of Finance and Administrative Services	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i> Accounting Services will establish new Cash Handling</p>	OPEN	12/3/2015

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
					<p>determined that a supply of coin inventory is needed in Vending Services to maintain efficiencies in the fill process, we recommend the funds be stored in a more secure manner, such as in a safe. We also recommend any funds distributed to Vending Services for this purpose be properly accounted for in the financial accounting system.</p>		<p>Policies to address future coin inventory controls for Vending Services. This policy will establish a coin inventory located in the Auxiliary Services to maintain efficiencies in the fill process. Vending Services has purchased a new safe that will be mounted in Auxiliary Services, RDMT 231. When this coin inventory is implemented, the cash handling policy will be reviewed and modified to establish effective internal controls of the coin inventory. The new safe will be in place by December 31, 2015. The new cash handling policy will be in place no later than March 31, 2016.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i></p> <p>The new Accounting Services Cash Handling Policy will establish the cash handling controls and accountability for the tracking, monitoring and dispersing of coin inventories to and from Vending Services.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i></p> <p>The Auxiliary Services Manager and/or designee will be responsible for the safe keeping and disbursement of funds issued from the new safe in RDMT 231. The Director of Accounting Services will continue to provide oversight in the implementation and the cash controls systems for Vending.</p>		

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The safe will remain locked and secured at all times throughout the business day. Coin disbursements will require the presence of two employees. Only the Auxiliary Services Manager and one designee will have the safe combination.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> Monthly reconciliations will be conducted to track balances of coin inventories in the safe. Discrepancies will be immediately addressed and corrected. Reconciliations will be maintained in the Auxiliary Services office.</p>		
TMCC	Vending Services	Vending Machine Reconciliation	8/24/15 10/15/15	17	We recommend a complete reconciliation of vending machine collections be performed so machine overages and shortages and overall performance can be asessed more accurately. We recommend the reconciliation be performed on a quarterly basis and that it be provided to the Director of Budget and Planning for review and approval. We recommend Vending Services consider purchasing the software upgrade.	Vice President of Finance and Administrative Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> Vending Services is in the process of upgrading the Cantaloupe/Seed Software. New software will be installed and operational by December 31, 2015. Policies and procedures will be modified as directed by the software's capabilities on or before March 2016.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> Reconciliations will continue to be conducted on a weekly basis for all machines utilizing the software upgrade. Weekly</p>	OPEN	12/3/2015

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p>cash deposits, transactions, coin fills, variances etc. will be reviewed and researched weekly by the Auxiliary Service Manager.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Auxiliary Services Manager in coordination with the Director of Budget & Planning will periodically review the software version to insure the installed version is providing the best capabilities for TMCC Vending Services. If required, the software version will be updated.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> A quarterly reconciliation report will be generated by the Auxiliary Services Manager and provided to the Director of Budget and Planning for review and approval. Discrepancies in the reconciliation will be researched, resolved or noted upon review.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> Reconciliations, after review by the Auxiliary Services manager, will be maintained in the auxiliary services office.</p>		
TMCC	Vending Services	Annual Inventory	8/24/15 10/15/15	18	We recommend a non-vending employee be included in the annual inventory counts. We recommend the individuals involved in the counts sign and	Vice President of Finance and Administrative Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> Vending Services is hopeful that the new Cantaloupe</p>	OPEN	12/3/2015

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
					<p>date each inventory form, count sheet, or other records used in this process to document their participation and approval. We also recommend the supporting documentation be submitted with the inventory report.</p>		<p>software will allow for the transition to a fully automated and paperless year-end inventory process. In conjunction with the new software; tracking and documentation from the participants will be captured either electronically or manually and submitted with the inventory report. Year-end inventory policies and procedures will be modified by March 31, 2016 to reflect the changes in procedures implemented by the fielding of the Cantaloupe software. Furthermore, fiscal year-end inventory procedures will now include an individual not employed by Vending Services.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i> The Auxiliary Services manager will ensure that all supporting documentation accompanies the inventory report prior to submittal.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Auxiliary Services Manager will be accountable for ensuring that non-vending employees will be included in the inventory count teams.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> Annually during the year-end inventory, non-vending employees will be included in the count teams, and</p>		

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p>signatures of participants will be captured.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i></p> <p>Compliance will be documented by having both the non-vending and vending employees sign the Cantaloupe generated inventory report that is turned into Accounting Services. A copy of the signed Cantaloupe generated inventory report will be maintained in Auxiliary Services.</p>		
CSN	Early Childhood Education Lab Program	Cash Controls	8/28/15 10/5/15	52	We recommend that deposits be made in accordance with the college's cash handling procedures.	Senior Vice President Finance and Administration	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i></p> <p>The ECELP employees will follow CSN prescribed cash handling procedures and will ensure that deposits are made in a timely manner. To that end, daily deposits of received cash and check payments will be made at the Cashier's office not later than 3:00 p.m. Any payments received after 3:00 p.m. in the ECELP office will be processed, placed in a locked filing cabinet and deposited at the Cashier's Office the following business day.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i></p> <p>The administrative staff is responsible to follow procedures as outlined by CSN and the ECELP department. The assistant director or program director on</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p>site will be responsible to monitor the cash handling procedures and ensure compliance.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> All responsible employees will be held accountable, but the program director will ultimately be held accountable if procedures are not followed.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The appropriate procedures for depositing cash were implemented in August 2015.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> Compliance can be documented and reviewed through the department PROCARD reposts and CSN cash receipting information through PeopleSoft and the financial accounting system.</p>		
CSN	Early Childhood Education Lab Program	Other- Student Employees	8/28/15 10/5/15	59	We recommend the CSN Department of Human Resources verify enrollment during the summer terms. We also recommend this information be provided to payroll to ensure FICA/FARP deductions are processed correctly.	Senior Vice President Finance and Administration	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> Subsequent to the audit, The Department of Human Resources implemented a procedure whereby all hiring department that process student Payroll Action Forms (PAFs) must include in the Comments section, information related to the semester that the student is attending and number of credits in which they are enrolled. In addition, the</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p>student's course schedule will be attached to their PAF. In order to be employed as a student worker with a FICA/FICA Alternative and Medicare exemption, the student worker must be enrolled in at least 6 credits at CSN during the semester in which they are being employed, with the exception of summer semester. For summer semester, the student worker must have been enrolled in the spring semester with a minimum of 6 credits as well as summer semester with a minimum of 1 credit or the student worker must be enrolled in the summer semester, with a minimum of 6 credits.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i> Once Human Resources receives the PAF and the student schedule, the Personnel Technician I will review the documents to ensure that the information is accurately reflected. Once verified, the PAF and student schedule is submitted to Business Center South (BCS) payroll for further processing. BCS will review the PAF to ensure that the information is accurately reflected. Once verified, BCS will process the document to ensure that the student worker is taxed accordingly.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i></p>		

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p>The department that is initiating the hire of the student worker is responsible for verifying the student's enrollment status. A secondary review, in the Department of Human Resources, will be performed in accordance with the procedure to ensure the student's enrollment status prior to processing of the student worker PAF.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i></p> <p>The standard operating procedure has been implemented and will be followed every time a student worker hire is initiated.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i></p> <p>When processing the PAF the hiring departments must:</p> <ol style="list-style-type: none"> 1. Verify that the student is a current CSN student, enrolled in a minimum of 6 credits, and attach the student's schedule to the PAF. 2. Indicate in the comment section of the PAF the number of credits and semester in which the student is enrolled. 3. Route PAF through Business Services Department Production Server (BSDPRO) in the preparation, routing and approval of part-time employees to obtain all signatures. 4. Once approved, print the PAF for the student worker's signature. 		

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended June 30, 2015

<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>
							<p>5. Once signed, submit the original PAF and copy of the student's class schedule to Human Resources for further processing.</p> <p>Once Human Resources receives the PAF and the student schedule, the Personnel Technician I will review the documents to ensure that the information is accurately reflected. Once verified, the PAF and student schedule is submitted to BCS payroll for further processing. BCS will review the PAF to ensure that the information is accurately reflected. Once verified, BCS will process the document and ensure that the student worker is taxed accordingly.</p>		

Exception & Response Analysis
 Financial Statements
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>STATUS DATE</u>
---------------	-------------------------	--------------	--------------------------------------	-------------------	------------------	--------------------------------------	--------------------------------	-----------------------------	------------------------

FINANCIAL STATEMENTS – External Auditors

NSHE Financial
 Statement for
 Fiscal Year 2015

No exceptions noted.

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
<u>A-133 SINGLE AUDIT – External auditors</u>									
TMCC	2015 NSHE Single Audit Report –A133	Allowable Cost and Cost Principles, Cash Management and Reporting	10/30/15 11/5/15	1	We recommend TMCC implement a proper review process over draw-down requests and required reports to prevent inaccurate amounts being requested for reimbursement prematurely or reported inaccurately. If errors are made, they should be corrected retroactively, instead of prospectively.	Vice President of Finance and Administrative Services	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i> Prior to establishing grant accounts within the Advantage accounting systems, the indirect rate being entered will be verified as correct by comparing the indirect rate entered in Advantage with the indirect rate shown on the grant award letter. As each draw down request is processed, the Director of Budget and Planning will review the drawdown request prior to the draw down request being submitted. The review will compare the drawdown request to the current balance and activity report for the specific grant to insure that the amounts on the drawdown are accurate.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i> Compliance will be monitored on a monthly basis as drawdowns are being processed. The assurance will come from department management review of the drawdowns prior to processing.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Director of Budget and Planning as well as the Grant Analyst will be accountable to insure these issues do not</p>	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							reoccur. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> As monthly drawdowns are processed, management reviews of the drawdowns and associated indirect rates will be completed. 5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> The compliance and performance will be documented by having the Director of Budget and Planning initial the balance and activity report indicating that the pre-drawdown review was accomplished.		
UNLV	2015 NSHE Single Audit Report –A133	Internal Controls over Compliance	10/30/15 11/5/15	2	Management at UNLV should logically segregate duties and remove programmer’s access to the production, development and test environments.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	1) <i>What will be done to avoid the identified problems and issues in the future?</i> UNLV understands the importance of adequate segregation of duties and the prevention of conflicting security authority within the PeopleSoft environments and applications. The five individuals are not programmers/developers and their access to the two environments is needed to support the application within the scope of their job duties. The users that are the subject of the finding are the two PeopleSoft administrators who are responsible for installation, configuration, upgrades and troubleshooting all the environments, two Security Administration	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>positions responsible for managing security roles across all the environments and the Software Engineering Services Manager who oversees both roles. The following compensating controls will be implemented at UNLV:</p> <ol style="list-style-type: none"> 1. The access noted in this finding has been removed from the Software Engineering Services Manager. 2. An audit trigger to track adjustments that occur to roles in the PRD environment will be established. The audit tracking table will be reviewed by the Software Engineering Services Manager weekly. 3. The use of our job ticketing system, 'Footprints', has evolved over the years. Initially used to track help requests it is now used to track security requests, new applications and help desk requests. The Footprints ticket number is used whenever possible in notes, comments and documentation to provide connections between the approvals and the actual work that is being performed. All request for changes to security roles are tracked in this manner. 4. An application has been put in place that will assign (with approval), and track the temporary assignment of roles to accounts. At the time role assignment is granted, a termination date is established and when that 		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>time is reached the assigned roles are removed. In addition to tracking the roles assigned an explanation is entered which includes the associated Footprints ticket that initiated the request.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i></p> <p>UNLV understands the importance of segregation of duties and routinely reviews security role assignments to reduce the risk associated with inappropriate access. Not all conflicts can be avoided; however, we feel the additional tracking and documentation controls that have been implemented ensure that appropriate privileges are being assigned and maintained.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i></p> <p>The Software Engineering Services Manager has oversight of the PeopleSoft security administration.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i></p> <p>The audit trigger will be implemented on October 16, 2015. The weekly review of audit trigger results will begin October 23, 2015. The quarterly review of privileged accounts will begin in January 2016.</p> <p><i>5) How compliance and performance will be documented for future audit,</i></p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<i>management and performance review? Security administration procedures provide documentation of user access and profile reviews and are available for audit and review.</i>		
UNR	2015 NSHE Single Audit Report –A133	Internal Controls over Compliance	10/30/15 11/5/15	3	Management at UNR should logically segregated duties and remove programmer’s access to the production, development and test environments. For all changes to the production application, management should maintain documentation of the original requests, approvals by management and testing by end users.	Associate Vice President, Business and Finance	<p><i>1) How compliance was achieved:</i></p> <p>1. UNR has evaluated the issue and has put mitigating processes in place as described below.</p> <p>2. Regarding the recommendation to maintain documentation of the original request, approvals by management and testing by end users; identified change projects lacking documentation were placed for approval and documentation tracking into Dell Stat after identified.</p> <p><i>2) What will be done to avoid the identified problems and issues in the future?</i></p> <p>1. The 4 users noted for having administrator access are based on the position descriptions and responsibilities; (1) PeopleSoft Administrator responsible for the installation, configuration, patching and support of all environments. (1) Manager responsible for all environments, (1) Interim Manager/Developer who was appointed as a manager and developer, responsible in supporting all environments. (1) PeopleSoft Security Administrator responsible for the security and role</p>	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>management in all environments. Administrator access was removed, in all environments, from the Interim Manager/ Developer that was granted a separate user account other than their development account. UNR will implement an audit trigger that will notify the PeopleSoft Security Administrator, Manager and the Chief Information Officer when any high level roles are granted to users in our production, test, quality assurance, or development environments. 2. Regarding change management documentation, we will continue to use Dell Stat for storing documentation for new development, enhancement or modifications along with the tracking of approvals when changes are required outside of Dell Stat. 3) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> 1. The Chief Security Officer will retain notifications from audit triggers when any high level roles are added to any environment. Email notifications will be reviewed by the PeopleSoft Security Administrator and Manager to verify that the access granted is within the scope of the position's responsibilities and appropriate approvals have been documented. 2. In the absence of the Director of Enterprise</p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>Applications (DIR of EA), the incoming Assistant Provost/ Chief Information Officer (AP/CIO), who assumes his duties November 9, 2015, is responsible for overseeing the duties and responsibilities of the team and their compliance of documentation management and approval tracking process.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The new AP/CIO is responsible for monitoring both granting of administrative access and maintenance of document changes.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> 1. Audit trigger will be implemented by November 30, 2015. Once implemented notifications can be included in the quarterly review process of Administrator roles access. 2. Compliance, documentation and best practices have been initiated and are an ongoing function of the current PeopleSoft team.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i> 1. The list of users who have access to the Administrator roles, in question, is currently set up for audit on a quarterly basis, reviewed by the project</p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
CSN, TMCC, NSC, WNC	2015 NSHE Single Audit Report –A133	Internal Controls over Compliance	10/30/15 11/5/15	4	Management at CSN, TMCC, NSC and WNC (the shared instance) should logically segregate duties and remove programmer's access to the production, development and test environments.		owner; this will continue with the Director of EA or a new manager once those positions are filled. 2. UNR will continue to document changes in Dell Stat in order to track requests and approvals. <i>1) What will be done to avoid the identified problems and issues in the future?</i> Of the four (4) users currently with access across all environments two (2) are PeopleSoft Administrators who are responsible for installation, configuration, upgrades, and troubleshooting all the environments. The other two (2) are responsible for managing security roles across all the environments. By nature of their job functions they are provided this access. As compensating controls, NSHE System Computing Services (SCS) has established an audit trigger that sends an email alert if high level roles are added to the Production (PRD) environment. This alerting mechanism has been expanded to include the Development (DEV) and Test (TST) environments. The alert is sent outside of the PeopleSoft Security Administration group to the NSHE Information Security Office for additional oversight. A quarterly review of users assigned to privileged accounts is being performed by our security officer to	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>verify the alerting mechanism is functioning as desired. The additional PeopleSoft Administrator accounts in the DEV and TST environments are assigned to management personnel who are responsible for these environments. Neither developers nor the developer/test management personnel can promote code to the PRD environment. There are strict protocols in place for approval to put code in production and the movement of code throughout the development life cycle using HP's Project Portfolio Management system and the Quest STAT tool.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> The NSHE Information Security Office maintains documented alerts for any high level role added to any environment. Receiving such alerts trigger a review with the PeopleSoft Security Team and SCS management to assure appropriate privileges are being assigned and maintained.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> SCS management is responsible for assuring these changes are in effect.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The changes to the audit</p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>trigger and alerting mechanism were implemented November 30, 2014. Quarterly review of privileged accounts began December 31, 2014 and is performed in March, June, September and December each year.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i></p> <p>The NSHE Information Security Office will maintain the documentation for quarterly reviews as well as any alerts and results from alert inquiries. The Portfolio and Project Management and Quest STAT documentation will be available for future audit review.</p>		
CSN	2015 NSHE Single Audit Report –A133	Verification and Updating of Student Aid Application Information	10/30/15 11/5/15	5	We recommend that CSN, NSC and UNR enhance internal controls to ensure updating of student aid application information is accurate, implement training to ensure verification is being performed accurately and evaluate the existence of these issues of non-compliance in the remaining population and remediate as necessary.	Senior Vice President Finance and Administration	<p>The four instances of 60 reviewed were a result of oversights made by the third party processors.</p> <p><i>1) What will be done to avoid the identified problems and issues in the future?</i></p> <p>CSN has in place written procedures that provide guidance on how all aspects of federal verification are to be performed and what file corrections are necessary to achieve accuracy. Procedures are reviewed annually and revised as necessary. CSN continues to strengthen verification processes by providing for more system edit checks within the Financial Aid Management system. CSN utilizes a third-party firm</p>	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>for verification. Their employees who were responsible for making the errors have been removed from their processing team. In response to the finding, this firm has also enhanced its own quality assurance process to ensure that proper procedures are followed and corrections submitted as required.</p> <p>The third-party verifier implemented the following additional quality assurance measures to avoid the issues in the future:</p> <ol style="list-style-type: none"> 1. The quality assurance sample has been increased from 1.4 percent of the total population of files to 5 percent to ensure that consultants are following proper procedures and are submitting corrections as required. In a further effort to affirm that errors were not made on the remaining population, all the verifications completed by the processors responsible for causing the errors were rechecked to reconfirm their accuracy. 2. They will conduct a more intensive quality assurance review during the first 60 days of processing to discover the possibility of any errors and ensure that corrective actions can be made early on in the verification process and the corresponding award year. 3. If errors are discovered during the added quality assurance process, the person making the error will 		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>be removed and all work completed by that person for the processing year will be reviewed by the Team Leader and corrected if/as necessary.</p> <p>4. As an added level of review, CSN financial aid staff will enhance the college's own quality assurance process to more closely monitor the verification work performed by the consulting company.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i></p> <p>To ensure future compliance and good management / practice, the third-party firm hired to perform federal verifications has enhanced its own quality assurance process as described above to ensure that consultants are following proper procedures and are submitting corrections as required. CSN financial aid staff will also perform increased quality assurance of processing to ensure policies and procedures are appropriately applied.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i></p> <p>The Director of Financial Aid is responsible for all aspects of student aid eligibility processing, including actions by third-parties performed on behalf of CSN.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good</i></p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p><i>practice will be secured? How compliance and performance will be documented for future audit, management and performance review?</i> Quality assurance measures are monitored monthly and the results are tracked electronically in the third party verifier's system. During the first 60 days of the processing cycle, the quality assurance efforts will be more intensive to catch any errors early on. All verification processors will be checked monthly for compliance and the results will be tracked electronically, as they are now, in a separate system maintained by the consulting firm.</p>		
NSC	2015 NSHE Single Audit Report –A133	Verification and Updating of Student Aid Application Information	10/30/15 11/5/15	6	We recommend that CSN, NSC and UNR enhance internal controls to ensure updating of student aid application information is accurate, implement training to ensure verification is being performed accurately and evaluate the existence of these issues of non-compliance in the remaining population and remediate as necessary.	Senior Vice President for Finance and Administration	<p><i>1) How compliance was achieved:</i> Because all staff performing Verification have been credentialed by the National Association of Student Financial Aid Administrators to do so, the Office of Financial Aid continues to focus its efforts to demonstrate compliance and accuracy in the performance of Verification of Free Application for Federal Student Aid (FAFSA) data through improving quality control with the use of peer reviews.</p> <p><i>2) What will be done to avoid the identified problems and issues in the future?</i> A system of periodic peer review will be extended to assist staff in identifying any processing errors and provide</p>	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>opportunity for further training. The Director will report on the progress of these activities quarterly to the Vice President for Finance and Business Operations.</p> <p><i>3) How compliance and future good management and practice will be measured, monitored and assured?</i></p> <p>All verified files will be in the potential population for review, including files selected for verification by the U.S. Department of Education, those that were institutionally selected, and files for students that self-selected to complete verification. Verification files will be peer reviewed by either another financial aid counselor or coordinator. Each reviewer will check files processed by someone other than themselves, and perform verification of the files using any documentation submitted by the applicant. Any discrepancies between the original and recalculated results will be discussed with the staff member who originally performed verification, before the reviewer transmits corrections to the U.S. Department of Education. Any adjustments to an applicant's award package based on the corrected verification results will be made prior to marking the file as completed. At least 30% of each of the following groups will be reviewed each time a</p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>selection is made: -V1 verification tracking group, -V3 verification tracking group, -V4 verification tracking group, -V5 verification tracking group, -V6 verification tracking group, -Files not selected by ED (self-selected or institutionally selected) <i>4) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Director of Financial Aid has the responsibility for conducting Verification appropriately and will be held accountable in the future for any issues which may arise. <i>5) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> Review of files for 2015/2016 will begin once all initial Verification has been completed for the fall 2015 semester. <i>6) How compliance and performance will be documented for future audit, management and performance review?</i> Each file that has been reviewed through the quality control process will be marked with a comment code, which will allow for querying within PeopleSoft for the purpose of auditing. Also, the spreadsheet generated each time a selection is pulled will be</p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							saved in the network, showing the files that were selected and the outcome of the review. The Director of Financial Aid will quarterly forward to the Vice President for Finance and Business Operations a report of these activities, which will include the number of total verifications compared to total reviews, along with the number of corrections required after review.		
UNR	2015 NSHE Single Audit Report –A133	Verification and Updating of Student Aid Application Information	10/30/15 11/5/15	7	We recommend that CSN, NSC and UNR enhance internal controls to ensure updating of student aid application information is accurate, implement training to ensure verification is being performed accurately and evaluate the existence of these issues of non-compliance in the remaining population and remediate as necessary.	Associate Vice President, Business and Finance	1) <i>How compliance was achieved:</i> The Financial Aid & Scholarships Office corrected the three student files that failed the testing. Two of the files when corrected did not create a change to the Expected Family Contribution (EFC) of the student and the financial aid award remained the same. The correction on the third file did create a change to the EFC and the student's award was changed in PeopleSoft. Pell funds were withdrawn from the student and returned to the Federal Government. The funds on the student account were then replaced with an equivalent institution grant so there was no negative impact to the student. The record was also updated with the Department of Education Common Origination and Disbursements (COD). 1. Regarding the recommendation from the audit to enhance internal controls to ensure accuracy, UNR is now performing an	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>additional administrative review of each file after it is verified and corrected with the Department of Education. Reviewers ensure that the correct fields on the application were updated and that no additional corrections were overlooked.</p> <p>2. Regarding the other recommendation from the audit to address training, the Verification Team Lead is now meeting with the verification team, which includes all verification advisors, weekly during the first few months after verification selection is made and every other week thereafter to review any issues or concerns that need to be addressed.</p> <p>3. Regarding the final recommendation to evaluate remaining files, UNR is currently conducting a review of files in the remaining population to ensure accuracy and compliance and will remediate them if necessary.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> Subsequent to the communication of the prior year's findings, corrective action was taken. The 2014 findings occurred just before the corrective action was able to be implemented. The 2014 audit report was finalized in October 2014. Verification had already been conducted for the aid year 2014-2015. The first opportunity for corrective</p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>action was for the 2015-16 aid year. For 2015-2016, UNR has updated verification processes to include a secondary review of a file and a random file sample audit of completed files. Verification forms have been updated to request very specific information from students that is more understandable, concise and not repetitive of questions they have already been asked on the FAFSA. Verification requirements have been changed to exclusively use the IRS Data Retrieval tool that is built into the FAFSA or a copy of the tax transcripts specifically from the IRS. This will prevent any oversight, misinterpretation or unreadable forms. UNR is only accepting tax returns and W2s provided by the student on a case by case basis. Any documents requiring special calculations will be interpreted by a verification team handling special cases so each calculation is handled uniformly.</p> <p><i>3) How compliance and future good management and practice will be measured, monitored and assured?</i> UNR will incorporate quality assurance reports ran weekly under the direction of the Assistant Director of Financial Aid, Assessment, and Compliance. Additionally, random file sample audits will be conducted to identify any student files that need to be</p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>corrected or further reviewed for accuracy. The Verification Team Lead reports to the Director of Financial Aid & Scholarships regarding issues and updates.</p> <p><i>4) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Director of Financial Aid & Scholarships provides oversight of verification processes and will be held accountable in the future for any issues which may arise.</p> <p><i>5) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> Quality assurance reports are reviewed on a weekly basis and any needed corrective action taken thus ensuring that all student files are updated. Random sample audits are conducted in September and October in accordance with the University's payment plan schedule. These processes are in place for the 2015-2016 award year.</p> <p><i>6) How compliance and performance will be documented for future audit, management and performance review?</i> All files are signed off by the verification team member that completes the verification, again by the reviewing verification team member when the verification team member when the verification correction secondary review is performed and finally when/if the file is audited.</p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
NSC	2015 NSHE Single Audit Report –A133	Special Tests and Provisions: Return of Title IV funds for withdrawn students	10/30/15 11/5/15	8	We recommend that NSC and TMCC 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.	Senior Vice President for Finance and Administration	<p>Within PeopleSoft, the personnel member adjusting the file is tracked for research purposes.</p> <p>1) <i>How compliance was achieved:</i> This issue was identified and corrected prior to the audit. The failure to report the return of funds in COD during the fall semester, by an average of 8 days outside of the required timeframe for reporting, was caused by a bug in PeopleSoft that created a disbursement validation error. Additionally, the query used to reconcile these disbursements had not been updated for the new processing year's requirements until October 14, 2014, at which time NSC discovered the errors in PeopleSoft and created a manual workaround to correct the failed transmissions. For the one record not reported on time in the spring semester, the query that identified potential R2T4 candidates had not been programmed to look for a grade of "u" and therefore did not identify the student. The query was updated at that time and the R2T4 was calculated.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> Because NSC has no control over the installation of fixes or updates to PeopleSoft, we will focus on ensuring that all queries designed to detect system errors are functioning.</p>	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>3) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> The Financial Aid System Analyst will maintain a list of all active queries used in the financial aid processes, categorized according to semester-level or award year-level criteria.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Director of Financial Aid has the responsibility for ensuring system functionality and will be held accountable in the future for any issues which may arise.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> Prior to the beginning of processing for each semester and award year, the analyst will review the list and make the necessary updates, noting the date each was updated on the list.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review?</i> The Financial Aid System Analyst will forward the list to the Director of Financial Aid for review and archiving.</p>		
TMCC	2015 NSHE Single Audit Report –A133	Special Tests and Provisions: Return of Title IV funds for withdrawn students	10/30/15 11/5/15	9	We recommend that NSC and TMCC enhance internal controls to improve the accuracy of reporting to the COD reporting system. Management should evaluate	Vice President of Finance and Administrative Services	1) <i>What will be done to avoid the identified problems and issues in the future? How compliance and future good management and practice will be measured, monitored and</i>	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
					the existence of this issue of non-compliance in the remaining population and remediate as necessary.		<p><i>assured?</i> In response to the R2T4 finding from the 2014 A-133, we developed a query that compares the R2T4 calculated value with the amount that was returned to COD. We have since added a secondary check where our Administrative Assistant IV checks the R2T4 list each week to ensure that we have made the proper adjustments in a timely manner.</p> <p><i>2) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Program Director for Student Services Systems, the Student Loan Coordinator, the Financial Aid Coordinator for Compliance and the Director will be responsible and held accountable.</p> <p><i>3) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> While our response to the 2014 finding indicated the solution would be implemented in January 2015, it was implemented early in October 2014. We began the secondary check noted above in July 2015, beginning with the summer 2015 term.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i> The weekly queries will continue to be maintained to document compliance and</p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
NSC	2015 NSHE Single Audit Report –A133	Special Tests and Provisions: Loan disbursements are not submitted timely to the Direct Loan Services System (DLSS) via the Common Origination and Disbursement (COD)	10/30/15 11/5/15	10	We recommend that NSC and WNC enhance internal controls to improve the accuracy of reporting to the COD reporting system. Management should evaluate the existence of this issue of non-compliance in the remaining population and ensure queries within PeopleSoft are adequate to meet the federal requirements.	Senior Vice President for Finance and Administration	<p>performance.</p> <p><i>1) How compliance was achieved:</i> The issue was identified and corrected prior to the audit. The problem was caused by a failure of information from student records to populate into the Direct Loan Application fields, specifically CIP codes and enrollment loads required for reporting under new SULA regulations. This was not detected because the query used to reconcile disbursements was looking for conflicts between existing data, rather than for missing data. Once the discrepancy was noticed, the query was redesigned and a workaround developed to manually add the missing data to the Direct Loan Application fields and the loans were successfully reported to COD.</p> <p><i>2) What will be done to avoid the identified problems and issues in the future?</i> The reconciliation process has been expanded to ensure that all disbursements are being correctly reported from PeopleSoft to COD.</p> <p><i>3) How compliance and future good management and practice will be measured, monitored and assured?</i> The Financial Aid Coordinator/ PeopleSoft Specialist will log in to the COD website and confirm the amount of disbursements reported match the amount of disbursements recorded in PeopleSoft. Any anomalies</p>	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>identified through this process will be immediately rectified.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Director of Financial Aid has the responsibility for ensuring system functionality and will be held accountable in the future for any issues which may arise.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The expanded reconciliation process will occur each week after disbursement files are uploaded and confirmation files are downloaded from COD.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review?</i> A screenshot of the total amount of processed disbursements in COD will be retained along with the query results from PeopleSoft indicating total loans disbursed.</p>		
WNC	2015 NSHE Single Audit Report –A133	Special Tests and Provisions: Loan disbursements are not submitted timely to the Direct Loan Services System (DLSS) via the Common Origination and Disbursement	10/30/15 11/5/15	11	We recommend that NSC and WNC enhance internal controls to improve the accuracy of reporting to the COD reporting system. Management should evaluate the existence of this issue of non-compliance in the remaining population and ensure queries within PeopleSoft are adequate to meet the federal requirements.	Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> Western transmits files to COD for Pell Grant and Direct Loan reporting on a weekly basis. To ensure that the required records are reported within 30 days of disbursement the office automatically runs a Pell Reject Query and rejected</p>	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<u>CAMPUS</u>	<u>DEPT. REPORT</u>	<u>TOPIC</u> (COD)	<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>
							<p>files populate on staff member's PeopleSoft home screen. Staff members responsible for reconciling Pell review records that are not accepted by COD and make the necessary corrections.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> Weekly transmission of files to COD will be completed and office personnel will review the Pell Reject query results on a regularly basis to measure, monitor and assure compliance.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Director of Financial Assistance is responsible and may be held accountable in the future if repeat or similar problems arise.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> Effective October 2014, the office began weekly file transmissions and monitoring. The findings in question were from September 2014.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> Compliance and performance will be documented for future audit, management and performance reviews through maintaining Pell Reject</p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
UNR	2015 NSHE Single Audit Report –A133	Special Tests and Provisions: Enrollment Reporting	10/30/15 11/5/15	12	We recommend that UNR and CSN develop policies and procedures to ensure student status changes are uploaded timely and correctly to NSLDS. It was noted that for the students affected by the PeopleSoft error that UNR and CSN has corrected their respective issues. For the leave of absence error, management should evaluate the existence of this issue of non-compliance in the remaining population and remediate as necessary.	Associate Vice President, Business and Finance	spreadsheets in the financial aid files. 1) <i>How compliance was achieved:</i> 1. Regarding the overall timing of reporting to the national Student Clearinghouse (NSC), the initial technical challenges resulting in errors were resolved by manual corrections of all rejected records. This process was completed through the remainder of Fall 2014 term. Beginning Spring 2015, UNR abandoned PeopleSoft modification efforts and made manual adjustments to PeopleSoft delivered extracts thereafter. 2. Regarding leave of absence errors, identified records were corrected in NSC and NSLDS. Reports were developed to identify any other potential cases and corrections made in both systems. 2) <i>What will be done to avoid the identified problems and issues in the future?</i> 1. Regarding the overall timing of reporting to NSC, PeopleSoft has delivered several bundles, fixes, and patches of corrective code to address technical issues which has been placed into the UNR instance. Additional review of the data extract is regularly reviewed for accuracy outside of PeopleSoft via Microsoft Access before every submission. 2. Regarding leave of	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>absence errors, UNR will no longer be reporting this optional status. In addition, UNR business processes have been adjusted that a leave of absence is not recognized in PeopleSoft until the start of the term for which the leave has been granted.</p> <p><i>3) How compliance and future good management and practice will be measured, monitored and assured?</i></p> <p>A work group focusing on NSC/NSLDS reporting, consisting of Information Technology, Admissions and Records, and Financial Aid personnel, has reviewed timelines and extract processes to ensure policy compliance and accuracy. Quality assurance checks of the data extract, sample verification in NSC, and sample verification in NSLDS will be employed.</p> <p><i>4) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i></p> <p>The Associate Vice President for Enrollment Services has oversight of Admissions and Records and Student Financial Aid and Scholarships.</p> <p><i>5) When the measures will be taken and on what schedule compliance and good practice will be secured?</i></p> <p>1. Regarding the overall timing of reporting to NSC, utilization of the delivered PeopleSoft extract with additional adjustments through Microsoft Access are fully in place for the 2015-</p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>2016 award year. NSC and NSLDS reporting dates have been adjusted for the same award year to ensure timely reporting.</p> <p>2. Regarding leave of absence errors, removal of leave of absence reporting to NSC and adjustments to business processes on recording leave of absence are also in place for the 2015-2016 award year.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review?</i></p> <p>All data extracts, error reports, and documentation of error and technical resolutions are tracked through a SharePoint site for the members of the internal work team. The Associate Registrar of Records and Registration will review documentation and meet the internal work team on a regular basis. Documentation of reporting is also stored with the NSC and NSLDS.</p>		
CSN	2015 NSHE Single Audit Report –A133	Special Tests and Provisions: Enrollment Reporting	10/30/15 11/5/15	13	We recommend that UNR and CSN develop policies and procedures to ensure student status changes are uploaded timely and correctly to NSLDS. It was noted that for the students affected by the PeopleSoft error that UNR and CSN has corrected their respective issues. For the leave of absence error, management should evaluate the existence of this issue of non-compliance in the	Senior Vice President Finance and Administration	<p>1) <i>How compliance was achieved:</i></p> <p>Once the finding was discovered, CSN achieved compliance through the following corrective actions. Students who reflected a less than half time status but who were actually not enrolled were identified. New enrollment files were manually created to resolve the enrollment errors. The corrected files were then</p>	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
					remaining population and remediate as necessary.		<p>submitted to the National Student Clearinghouse (NSC) to update the affected students' status. Beginning in spring term 2015, Office of the Registrar analysts finalized adjustments to the PeopleSoft (PS) table to ensure correct reporting of CSN students' statuses to the NSC.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> The enrollment data reported after fall 2014 is correct since the tables have been adjusted. A new report will be added, with the assistance of Institutional Research, to our current quality assurance process effective spring 2016.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> A CSN team comprised of representatives from the Offices of the Registrar, Financial Aid, and Institutional Research will communicate monthly to verify accuracy of data extracts. The quality assurance process will consist of sample verification from NSC and National Student Loan Data System (NSLDS).</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Office of the Registrar's Assistant Director, and Analyst are responsible to generate and correct</p>		

Exception & Response Analysis
 A-133 Single Audit Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>enrollment files that are submitted to the NSC. Ultimately, however, it is the CSN Registrar who is accountable and responsible for both the scheduling and accuracy of the enrollment reports that are submitted to the NSC.</p> <p><i>5) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> Currently, the Office of the Registrar is running reports on a bi-weekly basis. Quality assurance reports are generated to identify enrollment discrepancies from previous and current extract files before submitting to NSC.</p> <p><i>6) How compliance and performance will be documented for future audit, management and performance review?</i> PeopleSoft data extracts, validation extract files, Institutional Research enrollment CSV files and student records rejected by the NSC will be archived on the Office of the Registrar's shared drive, and accessible only by high-level security profile staff. Each NSC error code will be archived with instructions on how the error is resolved. CSN's working group that includes representatives from Institutional Research, Financial Aid and the Registrar's Office will meet regularly to validate data accuracy between the NSC and NSLDS.</p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
UNLV	2015 NSHE Single Audit Report –A133	Special Tests and Provisions: Disbursements to or On Behalf of Students	10/30/15 11/5/15	14	We recommend that the Institutions ensure the required notifications are sent to students and all queries are operating as intended. Management should evaluate the existence of this issue of non-compliance in the remaining population.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> UNLV has historically provided the required loan disclosure information on the financial aid award notice of every student according to guidance provided in the Application and Verification Guide which allowed for the required disclosures to be provided as part of the active award acceptance process utilized by UNLV in awarding and disbursing Federal Loan Programs. This guidance, however, was not referenced in the 2014-2015 Federal Student Aid Handbook. As such although disclosures were provided to all students, such disclosures were not in compliance with the current requirements. A separate loan disclosure at the time of disbursement meeting these requirements was implemented in July 2015. This separate communication is sent to each student every time a federal student loan is disbursed to the account.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> The configuration of communications is reviewed and tested at the start of each academic year to ensure required disclosures are functioning as intended.</p> <p>3) <i>Who will be responsible and may be held accountable</i></p>	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p><i>in the future if repeat or similar problems arise?</i> The Associate Director of Processing, under the supervision of the Director of Financial Aid and Scholarships, is responsible for ensuring required communications are in place for federal student loan programs.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The configuration of communications is reviewed and tested at the start of each academic year to ensure required disclosures are functioning as intended.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i> The configuration of compliance notifications and disclosures is documented as a part of the annual award year setup process which includes configuration, testing and acceptance.</p>		
WNC	2015 NSHE Single Audit Report –A133	Special Tests and Provisions: Disbursements to or On Behalf of Students	10/30/15 11/5/15	15	We recommend that the Institutions ensure the required notifications are sent to students and all queries are operating as intended. Management should evaluate the existence of this issue of non-compliance in the remaining population.	Controller	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i> The 2013-2014 A-133 Audit identified this item in finding 2014-013. This finding was communicated to schools on October 20, 2014. Immediately following notification of the finding the college made necessary changes to the underlying query for the 2013-2014 and 2014-2015 award years.</p>	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>Required communications were sent to students, however they were sent outside of the required timeframe. Through a departmental internal audit, it was discovered in March 2015 that the corrections to the query did not completely correct the issue. Staff reviewed the issues again and corrected the query in the disbursement notification process and appropriately updated the communication tool in PeopleSoft. At the beginning of every semester, the underlying query for this communication is reviewed to determine if it is working correctly.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> Good management and practice will be measured, monitored and assured by the Financial Aid Systems Coordinator and Director of Financial Assistance reviewing query criteria and the communication set-up each semester.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Financial Aid Systems Coordinator and the Director of Financial Assistance are responsible and may be held accountable in the future if repeat or similar problems arise.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good</i></p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p><i>practice will be secured?</i> The disbursement notification query was revised and implemented immediately. 5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> Compliance and performance will be documented by storing communications in each student's myWNC communications center.</p>		
NSC	2015 NSHE Single Audit Report –A133	Special Tests and Provisions: Disbursements to or On Behalf of Students	10/30/15 11/5/15	16	We recommend that the Institutions ensure the required notifications are sent to students and all queries are operating as intended. Management should evaluate the existence of this issue of non-compliance in the remaining population.	Senior Vice President for Finance and Administration	<p>1) <i>How compliance was achieved:</i> This issue was identified and corrected prior to the audit. It was determined that the failure to send notifications to students was caused by a query that was not selecting all of the students who were required to receive the communication. The query was rebuilt and tested to ensure that communications were being sent to all students who required them. 2) <i>What will be done to avoid the identified problems and issues in the future?</i> A process to audit all scheduled communications was implemented. 2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> The audit process will track the number of letters sent in the current week and compare those against the prior week and the same week of the prior year. Any anomalies identified through this process will be</p>	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>immediately rectified.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Director of Financial Aid has the responsibility for ensuring system functionality and will be held accountable in the future for any issues which may arise.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The Financial Aid System Analyst will perform the audit activities each week and report the results to the Financial Aid Coordinator/ PeopleSoft Specialist and the Director of Financial Aid.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> Weekly audit results will be archived for future review.</p>		
NSC	2015 NSHE Single Audit Report –A133	Special Tests and Provisions: Disbursements To or On Behalf of Students	10/30/15 11/5/15	17	We recommend that the Institution enhance controls to ensure the required notifications are sent to students and all queries are operating as intended. Management should evaluate the existing queries within PeopleSoft to ensure notifications are properly sent prior to funds being disbursed.	Senior Vice President for Finance and Administration	<p>1) <i>How compliance was achieved:</i> This issue was identified and corrected prior to the audit. It was determined that the failure to send notifications to students was caused by a query that was not selecting all of the students who were required to receive the communication. The query was rebuilt and tested to ensure that communications were being sent to all students who required them.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i></p>	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
WNC	2015 NSHE	Special Tests	10/30/15	18	We recommend that the	Controller	<p>A process to audit all scheduled communications was implemented.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> The audit process will track the number of letters sent in the current week and compare those against the prior week and the same week of the prior year. Any anomalies identified through this process will be immediately rectified.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Director of Financial Aid has the responsibility for ensuring system functionality and will be held accountable in the future for any issues which may arise.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The Financial Aid System Analyst will perform the audit activities each week and report the results to the Financial Aid Coordinator/ PeopleSoft Specialist and the Director of Financial Aid beginning September 10, 2015.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review?</i> Weekly audit results will be archived for future review.</p>	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
	Single Audit Report –A133	and Provisions: Disbursements To or On Behalf of Students	11/5/15		Institution enhance controls to ensure the required monitoring and return of student funds occurs within the required period. Management should evaluate the existence of this issue of non-compliance in the remaining population and remediate as necessary.		to begin resolving stale dated financial assistance checks. Upon completion of data collection, the Financial Assistance Office will provide the Department of Education with a file of student information, sorted by award year, aid program type (Pell, FSEOG, Direct Subsidized and Unsubsidized Loan), and amount. The College plans to complete the data collection and provide the Department of Education with the file of student information by December 2015. With guidance from the Department of Education, the college will begin the process of returning funds for closed out award years. 1) <i>What will be done to avoid the identified problems and issues in the future?</i> Western's Business Office and Financial Assistance Office developed an internal procedure to evaluate financial aid refunds checks that remain outstanding. The offices will take the following steps to ensure the identified problems don't occur in the future: 1. Effective immediately, Business Office personnel will contact students with outstanding checks to help students receive their refunds. 2. Outstanding checks that have not been resolved after 90 days from issuance will be stale dated by the bank. After the monthly ban reconciliation occurs, the Business Office will		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>communicate information regarding stale dated financial aid refund checks to the Financial Assistance Office.</p> <p>3. The Financial Assistance Office will make the necessary adjustments to the student's award and disbursement in PeopleSoft, transmit the updated award and disbursement amounts to the Department of Education's Common Origination & Disbursement (COD) system, and prepare an updated fund reconciliation for a G5 drawdown request. Upon completion of these tasks, the Financial Assistance Office will follow-up with the Business Office on the cancellation of the outstanding check.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i></p> <p>Compliance and future good management and practice will be measured, monitored and assured through the monthly review of the Bank Customer Reconciliation Report and increased communication between the Business and Financial Assistance offices. The Business Office Accountant will review these reports monthly and monitor outstanding checks. The Business Office Accountant will initiate communication with the Financial Assistance Office for any outstanding checks that are 90 days or older. Upon notification from</p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>the Business Office of the stale dated check, the Financial Assistance Office will complete the process to return funds to the DOE. Monthly email communication will occur and be maintained between the two offices to ensure checks are cancelled and funds are returned within the required timeframe.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> Western's Controller and Financial Assistance Director are responsible and will be held accountable if similar problems arise.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> Effective September 1, 2015 the Business Office and Financial Assistance Office implemented the process to ensure Title IV funds are returned within the 240 day requirement.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i> Compliance and performance will be documented in the Business Office by maintaining Bank Customer Reconciliation Reports. Additionally, email communication between Business Office and Financial Assistance Office will be maintained to document action taken for the return of Title IV funds.</p>		

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
UNLV	2015 NSHE Single Audit Report –A133	Special Tests and Provisions: Disbursements To or on Behalf of Students	10/30/15 11/5/15	19	We recommend that the institution enhance periodic reviews of controls to ensure that they are in compliance with Federal requirements. Management should evaluate the existence of this issue of non-compliance in the remaining population and remediate as necessary.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> This finding is specific to a loan under the Nurse Faculty Loan program which, unlike general federal direct loan originations, requires a new promissory note each semester, rather than just one annually. Although there was a process requiring a checklist that included a new promissory note to be completed each semester, the process did not prevent the loan from disbursing when the promissory note had not been completed for the semester. This loan program has approximately 24 participants annually. All loan transactions for the 2014-2015 academic year were reviewed confirming this as an isolated incident. Upon discovery of the error in this sample, the process was corrected in PeopleSoft and re-tested to ensure it is now functioning properly.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> The configuration of the Nurse Faculty Loan checklist will be reviewed and tested at the start of each semester to ensure it is functioning as intended.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Associate Director of Processing, under the</p>	OPEN	12/3/2015

Exception & Response Analysis
A-133 Single Audit Exceptions
By Campus/Topic
For the Six Months Ended December 31, 2015

<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>
							<p>supervision of the Director of Financial Aid and Scholarships is responsible for ensuring compliance with federal student loan programs.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The configuration of this loan program checklist was corrected at the time the error was identified and will be tested at the start of each semester to ensure continued compliance.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i> The configuration of loan documentation requirements and checklists that are used to ensure compliance is documented as a part of the annual award year setup process which includes configuration, testing and acceptance.</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
<u>UNR INTERNAL AUDIT REPORTS</u>									
UNR	Cashier's Office	Loans	7/7/15 8/4/15	1	We recommend department policy be followed regarding generation of the above mentioned reports so the loan repayment dates can be accurately established.	Associate Vice President, Business and Finance	<p><i>1) How compliance was achieved.</i> The Manager of Student Accounting has created and added a loan activation task lists to the calendars of the loan personnel staff members and the manager's Outlook Calendar. This occurs after the add/drop period and graduation for each semester. The Manger of Student Accounting will conduct a follow-up review with the Loans personnel to ensure that the tasks are completed as required.</p> <p><i>2) What will be done to avoid the identified problems and issues in the future?</i> The Manager of Student Accounting is in the process of creating automated processes to ensure that borrowers who have dropped below 6 credits or have exited the university are identified. A scheduled list will be sent to the loans personnel and the Manager of Student Accounting. Task list and calendar task alerts will also continue to be used.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> The Manager of Student Accounting has the responsibility for ensuring that staff members are performing duties as required.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i> All scheduling and task lists</p>	OPEN	9/10/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>are in place for the fall 2015 term and beyond. The above mentioned automated process to identify borrowers whose loans need to be activated is expected to be completed by December 1, 2015.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>The Manager of Student Accounting is responsible to perform an audit review each semester after the loans personnel have completed the loan activation updates in the Student Loan System.</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
<u>UNLV INTERNAL AUDIT REPORTS</u>									
UNLV	University Libraries	Endowments and Donations	7/24/15 9/25/15	2	We recommend Libraries personnel work with the Controller's Office to close out the account containing the \$2,752 and move the funds to the new account, as noted above. We also recommend a review be performed of the three foundation accounts to determine the spending requirements of these funds. Once a determination has been made, we recommend the funds be transferred to an appropriate and active Libraries account.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i></p> <p>In March, 2006, new account numbers were established by the Controller's Office and funds in the old Libraries' Endowment account were transferred into a new account. The transfer occurred nine years ago, before any of the current Library staff were employed by the Libraries. As these funds are managed by NSHE, current Library staff members were unaware that there were remaining funds that should have been moved. The Libraries' Business and Finance Manager will ensure that future fund transfers from old to new accounts include all funds in the account, and request that old accounts be inactivated.</p> <p>All three of the foundation accounts mentioned were created 20+ years ago-one account, the Library Society, was created prior to the existence of the UNLV Foundation. None of these funds have a requirement for transferring and spending the funds within a certain timeframe. For the three accounts:</p> <p>1. We requested that the Foundation transfer the \$63.47 remaining in the inactive Library Journal Fund into the NSHE-Managed Library Books-UNLV Endowment account, which is used to purchase journals and books. This will satisfy the original</p>	OPEN	12/3/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>intent of the Library Journal Fund donation program. We requested that the Foundation close the Library Journal Fund, the program has been inactive since 2000.</p> <p>2. In spring 2016 we will transfer the remaining \$7,343.55 in the NV Women's Archives, an account set up in 1995 to receive donor funds to help support a 1995 grant-funded project, NV Women's Achieves. The funds will be used for a Library Special Collections project in which a temporary staff member will archive, document, preserve and make available online Library Special Collections materials related to Nevada women. We will request that this old account be closed once all funds are transferred.</p> <p>3. The Library Society Endowment Fund was created prior to the existence of the UNLV Foundation and is an unrestricted endowment created to support Library initiatives/projects. The annual interest payout from the endowment fund into the spending fund is a small amount, ranging from \$1,687 in FY2013 to \$2,225 in FY2016, so that yearly transfers would be too small to support most projects. This is an active endowment account that will continue to generate small amounts of interest payout and future Library projects will be identified on which to spend the funds.</p> <p>2) <i>How compliance and future good management and practice will be measured,</i></p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>monitored and assured?</i> The Libraries' Business and Finance Manager will work with the UNLV Foundation Accounting Manager to review foundation accounts to ensure fund transfers and spending occurs per account requirements. The Foundation has said that none of our current accounts have a funds requirement for transfer or spending funds within a specified time period.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> If a Foundation account has a spending requirement, the Libraries' Business and Finance Manager will be responsible to ensure funds are spent according to that requirement.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> In August 2015, The Libraries' Business and Finance Manager worked with the Controller's Office to transfer the remaining \$2,752.71 funds into the active Libraries Endowment account and inactivate the old Libraries Endowment account-see attached emails documenting funds transfer & account closure.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i> The Libraries' Business and Finance Manager keeps</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							electronic records of all Foundation account reports and monetary funds transfer requests, these are available for future audits.		
UNLV	PeopleSoft Security	Security Administration- Roles and Permissions	8/26/15 9/25/15	3	We recommend that UNLV develop narrative descriptions for both roles and permission lists. The narratives should provide high level 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).	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future.</i> The roles description text will be used to contain the appropriate documentation of what is assigned by a role. This will include the type of access (view, update or correction) granted by the role by noting the permission lists that should be assigned. This will allow for a one-to-one match of description details to actual assignments which can be verified periodically. Permission list names and brief descriptions will be updated to describe the appropriate function of the permission list. As noted above the permission lists used in role creation will be included in the documentation procedures for roles.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored, and assured.</i> Lists will be generated based on the update date time stamps of roles and permission lists. Samples from the list will be identified for a verification to the adherence of the documentation procedures for roles and accuracy of the permission lists naming and documentation procedures.</p> <p>3) <i>Who will be responsible and</i></p>	OPEN	12/3/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>may be held accountable in the future if repeat or similar problems arise.</i></p> <p>The Software Engineering Services Manager has oversight of the PeopleSoft security administration.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>The new role and permission list description procedures have been instituted as of October 2, 2015. The process of bringing existing roles and permission lists into compliance is slated for completion by January 29, 2016.</p> <p><i>5. How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>Security administration procedures provide documentation of user access and profile review and are available for audit review.</p>		
UNLV	PeopleSoft Security	Sensitive Data Access	8/26/15 9/25/15	4	We recommend that UNLV adjust these users, as necessary, and conduct regular reviews of user roles to ensure role assignments and authorization levels are correct.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p><i>1) What will be done to avoid the identified problems and issues in the future.</i></p> <p>The security administration team will create a report at the start of Fall and Spring terms that will be sent to departments for review and sign-off.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored, and assured.</i></p> <p>Reports and their sign-off will be tracked and used as evidence of compliance.</p> <p><i>3) Who will be responsible and</i></p>	OPEN	12/3/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>may be held accountable in the future if repeat or similar problems arise.</i></p> <p>The Software Engineering Services Manager has oversight of the PeopleSoft security administration.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>This process will be completed the first time by January 29, 2016. After completion of this first review, we plan on continuing to perform the review twice annually.</p> <p><i>5. How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>Security administration procedures provide documentation of user access and profile review and are available for audit review.</p>		
UNLV	Network Security	Policies, Procedures and Best Practices	7/30/11 12/31/15	5	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	<p>A Cyber Security Team is proposed as part of the UNLV IT Master Plan. One of the charges of the team is to develop an annual risk assessment and mitigation report for review by newly proposed campus IT Governance Committees. We expect to have this recommendation fully implemented by December 31, 2014.</p> <p>Follow-Up 1/10/15: Through the work associated with the recommendations in this audit and other security efforts underway, OIT continues to identify items to</p>	OPEN	5/31/2012

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>remediate before a formal risk assessment would provide additional information about UNLV's security vulnerabilities. A plan for conducting a risk assessment will be completed by 06/30/15.</p> <p>We expect to have this recommendation fully implemented by 12/31/15.</p> <p>Follow-Up 7/16/15:</p> <p>Through the work associated with the recommendations in this audit and other security efforts underway, OIT continues to identify items to remediate before a formal risk assessment would provide additional information about UNLV's security vulnerabilities. The majority of the recommendations of the current audit have been completed.</p> <p>After consideration of alternatives, OIT elected to purchase an enterprise risk assessment application that was developed specifically in a higher education environment for use with a distributed IT infrastructure such as the one at UNLV. This purchase has already been approved by Purchasing and the software procured. A request for a new project to implement and test the software is being developed. It is expected that the software will be implemented and in use by an OIT pilot group by 12/31/2015. The application will then be systematically rolled out to the rest of the university throughout 2016. Once implemented completely, risk assessment and mitigation will</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>become an ongoing operational activity. Follow-Up 12/31/15: Delivery of the enterprise risk assessment application was delayed due to a recent upgrade to the product that the developers wished to include before UNLV's deployment of the software. Delivery of the upgraded application is expected by mid-January 2016. A new member of the OIT security team, who will have day-to-day responsibility for the implementation, has been hired and begins employment January 1, 2016. A project plan has been developed and is under project management. The plan calls for a pilot to commence in March 2016 with an anticipated completion date the end of May 2016. Once any needed revisions to the procedures are made, the campus-wide implementation will begin. Barring any unanticipated issues identified in the pilot, the campus deployment will begin July 2016. The campus-wide data collection is expected to take 18 to 24 months and will conclude with the creation of the initial campus-wide risk assessment report. We anticipate this item to be completed by May 31, 2018.</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
<u>NSHE INTERNAL AUDIT REPORTS</u>									
NSHE	System Computing Services- Network Security	UNIX Based Servers	2/5/15 12/31/15	6	We recommend that SCS follow the guidance provided in the benchmark tool reports for correcting the various deficiencies.	Vice Chancellor Information Technology	The benchmark tool reports, in addition to other operating system and security utilities, will be reviewed on an on-going basis and used as a roadmap for continued hardening and application of security enhancements on all UNIX servers. The benchmark tool report recommendations have been followed to implement security configuration and user account changes. 1. Suggestion for Linux files and directories at the operating system level were implemented; however each campus owner is responsible for application level files on UNIX systems. Security recommendations for application files have been conveyed to the campus owners. Campuses have implemented some of these changes, but they have elected not to make certain changes because the files and directories in question are considered non-critical. SCS will continue evaluations for campus application files and communicate benchmark tool recommendations. 2. Some password expiration time periods for user level accounts on Linux and AIX systems vary from the NSHE policy regarding password parameters. A business case has been made for reasonable extension of this limit in the past, however SCS will work to shorten expiration period to comply with policy standards.	OPEN	6/11/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>3. SCS has been working on the elimination of direct login to shared accounts such that users are required to login with their personal account first and then switch (SU) to the shared account. The elimination of direct logins has been completed for the Shared Instance. UNR is about 80% compliant and SCS is actively working with UNR IT to implement the remaining changes. UNLV is about 20% compliant and has indicated that the remainder of the changes would pose a significant issue to their on-going operations.</p> <p>Follow Up Response 9/25/15:</p> <p>1. This recommendation was fully implemented at the time of the initial response.</p> <p>2. AIX user accounts and most AIX service accounts have been brought into compliance with NSHE password standards, however some application AIX service accounts remain non-compliant. The UNR and Shared Instances retain 3-5 service accounts with non-compliant password expirations while the UNLV Instance maintains 18-20 non-expiring service accounts. Each of the application owners has indicated that changing passwords for these service accounts would cause significant disruption to business processes. Account owners will be required to provide an exception request describing the business need for an exemption from the policy.</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>User and service accounts created on Linux systems since June 2015 are in compliance with the NSHE password standards and several existing accounts were also brought into compliance. However, after a more in-depth review of the remaining accounts, we will be unable to bring them into compliance by the originally projected completion date of 12/31/15. Several of the remaining 200+ accounts are 10-20 years old with inaccurate or no associated contact information. These accounts are remnants of a two year project in 2009 to decommission student email and transition UNIX services to newer hardware. At that time, campuses could request that specific faculty and staff accounts be kept active. We have done a cursory review of accounts and outlined a plan to perform a usage analysis in order to categorize accounts for retention or deletion, obtain or verify contact information for retained accounts, and contact account owners to confirm the continued business need for the account. Additionally, we will research and implement a password self-service process or product so that account owners can be notified of pending password expirations and change the password. We expect to bring Linux account passwords into compliance with NSHE password standards by 5/1/16.</p> <p>3. The elimination of direct logins was completed for the Shared Instance at the time of the initial response. SCS has</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>worked with UNR to implement and test additional changes in their development and test environments to eliminate direct logins. These changes will be implemented on UNR's production systems on 10/24/15 at which time the UNR Instance will be at 100% compliance. After reviewing the status of changes with UNLV OIT, the UNLV Instance remains at about 20% compliance and feels that any additional changes to remove direct logins would pose a significant issue to their on-going operations.</p> <p>Update 12/31/15: Non-expiring service accounts remain defined under the AIX operating systems. UNR and Shared have implemented compensating controls for accessing non-expiring accounts through the elimination of direct logins. UNR and Shared generic accounts can only be accessed via the elevation of privilege to the service accounts from a named staff account. Access via the switch user (SU) command is logged and the SCS Security Officer receives a report of the access. UNLV has not implemented any compensating controls for generic accounts. SCS will work with application owners on a regular basis to implement recommendations provided by the benchmark tool reports.</p> <p>Upon further analysis we have determined that the remaining Linux accounts will be categorized and reviewed for</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
NSHE	System Computing Services- Network Security	Desktop/Laptop Personal Computers	2/5/15 12/31/15	7	We recommend that local administrator capability only be granted to those individuals with a job related need for this capability.	Vice Chancellor Information Technology	decommission. Any accounts lacking contact information after the review will be deleted. Remaining accounts will be corrected as per the benchmark tool recommendations by 5/31/2016. Direct login have been eliminated for the UNR and Shared Instances. UNLV has reported that they are aware of the issues and working towards the development of compliant access alternatives with the assistance of SCS. Remaining accounts will be corrected as per the benchmark tool recommendations by 5/31/2016. SCS has recently purchased a privilege management tool to limit and manage local administrative capability on desktops. Implementation should be completed by December 2015 with additional tuning and ongoing management required. Follow Up Response 9/25/15: Implementation of the privilege management tool should be completed by 12/31/15 with additional tuning and ongoing management as required. Update 12/31/15: SCS has rolled out a pilot test of the privilege management software and has uncovered some errors. We are currently working with the vendor to correct these issues and will be able to roll the product out within 45 days of the issues being resolved.	OPEN	6/11/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
NSHE	System Computing Services- Network Security	Change Control Process	2/5/15 12/31/15	8	We recommend SCS implement a formal change control process. Ideally, the process would cover all server platforms and provide the following information: a. Run configuration b. Testing, results and sign off c. Change authorization d. Patch levels e. Specialized parameter settings f. Server applications and usage		SCS Systems Support Services will implement a formal change control process for production server platforms which will include the requisite detail for configuration, process, and compliance specific to the server environments as noted in the audit. We already adhere to established SCS procedures for tracking changes provided through the KACE Management Appliance as well as the Request for Change (RFCA) process followed by the SCS Operational Managers group. System Support Services will integrate a formalized process for hardware and software server related changes with the existing KACE and RFCA procedures by August 31, 2015. Follow Up Response 9/25/15: We agree that a formal change control process would be beneficial in the implementation of server operating system changes. Due to higher priority projects and lack of staff resources, we were unable to formalize an acceptable process by the originally expected date. However, after much discussion and cursory research of automated systems, we have a better understanding of how to develop a manual process that includes more detailed configuration, use, testing, and authorization information to better track and document changes. We will not pursue an automated utility or process at this time, but have noted the	OPEN	6/11/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
NSHE	System Computing Services- Network Security	Policies, Procedures and Best Practices	2/5/15 12/31/15	9	We recommend that SCS implement a background check policy for sensitive positions.	Vice Chancellor Information Technology	<p>preference for this type of solution and will research the associated feasibility and costs as time permits. We expect completely documenting a manual process by 12/31/15.</p> <p>Update 12/31/15: A draft change control process on operating system level changes has been submitted to senior management for review.</p> <p>SCS will investigate the current contracts within NSHE and leverage what the other institutional IT and Human Resources departments have already put in place. SCS will then create a policy and begin background checks for sensitive positions by December 30, 2015.</p> <p>Follow Up Response 9/25/15: There are ongoing discussions with System HR and legal counsel as well as the campuses on the broader issue of background checks for a variety of positions (not just positions related to IT). Moreover, given the interrelated nature of IT systems across the NSHE institutions, and the even closer interrelationships with the forthcoming implementation of iNtegrate 2, SCS acknowledges the need for a baseline policy. However, SCS does not wish to establish such a policy in isolation as other background check models are likely needed and are being discussed. If a more comprehensive System solution is not forthcoming by April, SCS will propose and</p>	OPEN	6/11/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							seek implementation of a program of background checks no later than June 30, 2016. Update 12/31/15: Implementation of a background check policy is pending discussions with NSHE HR, legal counsel, and campus entities.		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
<u>TMCC INTERNAL AUDIT REPORTS</u>									
TMCC	Grants and Contracts	Effort Reporting	8/14/15 10/13/15	10	We recommend the TMCC Grants Handbook be updated to address the effort reporting process.	Vice President of Finance and Administrative Services	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i> Procedures for completing PAR effort reports will be included in the TMCC Grant Handbook. The instructions will be completed by Dec 31, 2015.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i> The Director of Budget and Planning will review annually the TMCC Grants Handbook to ensure that the procedures for completing the PAR effort reports remain in step with the current actual procedures.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> Responsibility for ensuring that the PAR effort reporting procedures are current and accurate will be shared jointly between the Grants Manager and the Grants Analyst.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The PAR effort reporting procedures posted in the grants procedures section of the TMCC faculty and staff web pages will be reviewed annually to ensure the posted procedures are accurate.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance</i></p>	OPEN	12/3/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
TMCC	Grants and Contracts	Award Documentation	8/14/15 10/13/15	11	We recommend the current process for storing award documentation including billings, effort reports, and financial and technical reports be reviewed for reasonableness and to determine whether any such records could be consolidated within the college. We also recommend that the location in which award documentation is maintained be addressed in the TMCC Grants Handbook.	Vice President of Finance and Administrative Services	<p><i>review?</i> The TMCC Grants procedures will be available for review online.</p> <p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> The location of each type of grant documentation will be annotated in the TMCC Grants Handbook. The locations of grant documentation will be included in the TMCC Grants Handbook no later than December 31, 2015.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> The Grant Manager will annually ensure that the locations displayed in the TMCC Grant Handbook are still accurate.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Grant Manager will be responsible for ensuring the locations of the grant documents are accurately displayed in the TMCC Grant Manual.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> Annually the Grants Manager will review the TMCC Grant Handbook and verify the locations of grant related documents at TMCC.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i></p>	OPEN	12/3/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
TMCC	Grants and Contracts	Cash Management	8/14/15 10/13/15	12	We recommend the grant procedures in the TMCC Grants Handbook by updated to address the above items.	Vice President of Finance and Administrative Services	<p>The TMCC Grants Manual will be available online for review.</p> <p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> The grant setup form will be modified to allow the Grants Manager to alert the Grants Analyst to what type of funding will be used to setup the grant account. The TMCC Grants Manual will be updated no later than December 31, 2015 to address the establishment of separate accounts for federal and state grant funds.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> The Grant Manager will be responsible for ensuring the policy for establishment of separate accounts for federal and state grant funds is accurately displayed in the TMCC Grants Manual.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Grants Manager will be responsible for the policy on recording federal and state grants funds in separate accounts is accurately displayed in the TMCC Grants Manual.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> Annually, the Grants Manager will review the TMCC Grants Handbook and verify policy on recording grant funds is current. The Grant Analyst is responsible for establishing</p>	OPEN	12/3/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
TMCC	Grants and Contracts	Cash Management	8/14/15 10/13/15	13	We recommend the billing process be included in the handbook.	Vice President of Finance and Administrative Services	<p>grant accounts with the fund type. The Director of Budget and Planning will verify that the correct fund type is assigned to the account during the account setup process.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> The TMCC Grants Manual will be available online for review.</p> <p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> The Grant Analyst will work with the Grants Manager to have the TMCC billing process included in the TMCC Grants Handbook. Inclusion in the TMCC Grants Handbook will occur no later than December 31, 2015. The billing process will address the following: 1. Quarterly balance and activity reports being compiled from Xnet or Financial Data Warehouse. 2. Recording of financial data on the grant program tracking spreadsheet 3. Invoice generation 4. Verification of invoices 5. Processing invoices with grantors 6. Tracking of payments and aged accounts receivable</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> Annually, the Grants Manager, in consultation with the Grants Analyst, will verify the billing procedures shown in the TMCC Grants Handbook are accurate.</p>	OPEN	12/3/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Grants Manager and the Grants Analyst will be jointly responsible to ensure the billing process remains accurate in the TMCC Grants Handbook.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The TMCC grant billing process will be reviewed on an annual basis to ensure it reflects the actual process in place or needs modification as accounting systems are changed.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> The TMCC billing process will be documented online and available for review.</p>		
TMCC	Grants and Contracts	Close Out Testing	8/14/15 10/13/15	14	We recommend a close out form be developed to assist in this process. The form should include, but not be limited to, verification that program and financial reports were submitted, final invoicing was completed, award and cost share accounts were closed, indirect costs were calculated correctly and equipment and supply inventories were handled properly. We recommend the close out form be completed and signed by the individuals that performed each of the steps and maintained in the centralized award file. We also recommend the close out process be addressed in the TMCC Grants	Vice President of Finance and Administrative Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> TMCC has developed a grant closeout checklist form that will be utilized for each grant as the grant ends. The check list addresses verification that program and financial reports were submitted, final invoicing was completed, award and cost share accounts were closed, indirect costs were calculated correctly and equipment and supply inventories were handled properly. Additionally the check list will be annotated indicating that a review of</p>	OPEN	12/3/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<u>CAMPUS</u>	<u>DEPT. REPORT</u>	<u>TOPIC</u>	<u>REPORT/ RESPONSE DATE</u>	<u>ITEM #</u>	<u>EXCEPTION Handbook.</u>	<u>MANAGEMENT RESPONSIBILITY</u>	<u>MANAGEMENT RESPONSE</u>	<u>EXCEPTION STATUS</u>	<u>AUDIT COMMITTEE DATE</u>
							<p>expenditures were conducted to ensure no expenditures were incorrectly charged to the account. A determination of whether any remaining grants funds will be completed and the disposition of those funds will be recorded on the grant closeout checklist. The date the account is deactivated will also be recorded on the checklist.</p> <p>The TMCC Grants Manual will be updated no later than December 31, 2015 to address the grant closeout process.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i> The Director of Budget & Planning will review the grant closeout checklist within sixty days of a grant's end date.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Grants Analyst is responsible for identifying grants that have closed, initiating the grant closeout checklist and having the grant closeout checklist reviewed within the sixty day period. The Grants Manager and Grants Analyst are responsible for ensuring the grant closeout procedures are accurately documented in the TMCC Grants Handbook.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The grant closeout checklist will be used on all grants that close on October 1, 2015 or later.</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
TMCC	Grants and Contracts	Cost Share	8/14/15 10/13/15	15	When revisions to cost-share contributions occur, we recommend the college submit a revised budget to the sponsor for approval.	Vice President of Finance and Administrative Services	<p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> Once completed, the grants closeout checklist will be maintained in the grant's file located in the Grants Analyst office. The TMCC Grants Manual will be available online for review.</p> <p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> The Grants Manager will prepare a cost share budget to assist the Grants Analyst in identifying if the project is meeting the cost share targets. The Grant Analyst will request that the PI and Grant Manager contact the sponsor regarding submission of a revised budget to the sponsor.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> The PI will submit a cost share report with supporting documentation to the Grants Analyst at least quarterly. This practice will be implemented by December 31, 2015. The Grant Analyst will monitor the grant to ensure the sponsor approval of budget revisions is received and annotated in the grant files.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Grants Analyst is responsible for notifying the PI and Grants Manager of issues concerning grant cost share</p>	OPEN	12/3/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>budgets. The PI and Grants Manager are responsible for requesting the budget revision from the granting agency.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i></p> <p>Balance and activity reports will be reviewed on a quarterly basis. Notification of the need for a budget revision will occur as required.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i></p> <p>The communication between the Grants Analyst, the PI and Grants Manager will be maintained in the grant file. When the budget revision is received, a copy of the revision will be included in the grant file.</p>		
TMCC	Vending Services	Cash Controls	8/24/15 10/15/15	16	We recommend all coin inventory be stored in the safe in Accounting Services where multiple controls exist to safeguard the funds. If it is determined that a supply of coin inventory is needed in Vending Services to maintain efficiencies in the fill process, we recommend the funds be stored in a more secure manner, such as in a safe. We also recommend any funds distributed to Vending Services for this purpose be properly accounted for in the financial accounting system.	Vice President of Finance and Administrative Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i></p> <p>Accounting Services will establish new Cash Handling Policies to address future coin inventory controls for Vending Services. This policy will establish a coin inventory located in the Auxiliary Services to maintain efficiencies in the fill process. Vending Services has purchased a new safe that will be mounted in Auxiliary Services, RDMT 231. When this coin inventory is implemented, the cash handling policy will be reviewed and modified to establish effective internal</p>	OPEN	12/3/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>controls of the coin inventory. The new safe will be in place by December 31, 2015. The new cash handling policy will be in place no later than March 31, 2016.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i></p> <p>The new Accounting Services Cash Handling Policy will establish the cash handling controls and accountability for the tracking, monitoring and dispersing of coin inventories to and from Vending Services.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i></p> <p>The Auxiliary Services Manager and/or designee will be responsible for the safe keeping and disbursement of funds issued from the new safe in RDMT 231. The Director of Accounting Services will continue to provide oversight in the implementation and the cash controls systems for Vending.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i></p> <p>The safe will remain locked and secured at all times throughout the business day. Coin disbursements will require the presence of two employees. Only the Auxiliary Services Manager and one designee will have the safe combination.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance</i></p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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 review?</u>	<u>EXCEPTION STATUS</u>	<u>AUDIT COMMITTEE DATE</u>
TMCC	Vending Services	Vending Machine Reconciliation	8/24/15 10/15/15	17	We recommend a complete reconciliation of vending machine collections be performed so machine overages and shortages and overall performance can be asessed more accurately. We recommend the reconciliation be performed on a quarterly basis and that it be provided to the Director of Budget and Planning for review and approval. We recommend Vending Services consider purchasing the software upgrade.	Vice President of Finance and Administrative Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> Vending Services is in the process of upgrading the Cantaloupe/Seed Software. New software will be installed and operational by December 31, 2015. Policies and procedures will be modified as directed by the software's capabilities on or before March 2016.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> Reconciliations will continue to be conducted on a weekly basis for all machines utilizing the software upgrade. Weekly cash deposits, transactions, coin fills, variances etc. will be reviewed and researched weekly by the Auxiliary Service Manager.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Auxiliary Services Manager in coordination with the Director of Budget & Planning will periodically review the software version to insure the installed version is providing the best capabilities for TMCC Vending Services. If required, the software version</p>	OPEN	12/3/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>will be updated. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> A quarterly reconciliation report will be generated by the Auxiliary Services Manager and provided to the Director of Budget and Planning for review and approval. Discrepancies in the reconciliation will be researched, resolved or noted upon review. 5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> Reconciliations, after review by the Auxiliary Services manager, will be maintained in the auxiliary services office.</p>		
TMCC	Vending Services	Annual Inventory	8/24/15 10/15/15	18	We recommend a non-vending employee be included in the annual inventory counts. We recommend the individuals involved in the counts sign and date each inventory form, count sheet, or other records used in this process to document their participation and approval. We also recommend the supporting documentation be submitted with the inventory report.	Vice President of Finance and Administrative Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> Vending Services is hopeful that the new Cantaloupe software will allow for the transition to a fully automated and paperless year-end inventory process. In conjunction with the new software; tracking and documentation from the participants will be captured either electronically or manually and submitted with the inventory report. Year-end inventory policies and procedures will be modified by March 31, 2016 to reflect the changes in procedures implemented by the fielding of the Cantaloupe software. Furthermore, fiscal year-end inventory procedures will now</p>	OPEN	12/3/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>include an individual not employed by Vending Services.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> The Auxiliary Services manager will ensure that all supporting documentation accompanies the inventory report prior to submittal.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Auxiliary Services Manager will be accountable for ensuring that non-vending employees will be included in the inventory count teams.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> Annually during the year-end inventory, non-vending employees will be included in the count teams, and signatures of participants will be captured.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> Compliance will be documented by having both the non-vending and vending employees sign the Cantaloupe generated inventory report that is turned into Accounting Services. A copy of the signed Cantaloupe generated inventory report will be maintained in Auxiliary Services.</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
TMCC	Vending Services	Prior Audit	8/24/15 10/15/15	19	We recommend written procedures for Vending Services be completed. At a minimum, the procedures should address the process for filling the machines with coin and product, collecting coin and currency from the machines, performing the vending machine reconciliation, maintaining product inventory, and performing the annual inventory count.	Vice President of Finance and Administrative Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> A Vending Services procedural manual will be established. The manual will, at minimum, address the processes recommended in the audit. The procedural manual should be completed no later than March 31, 2016. This will include new procedures with the anticipated software upgrades.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> Procedural manual will be evaluated annually and updated accordingly to reflect any changes in procedures within Vending Services. Changes and updates will be discussed with and approved by Auxiliary Services Manager.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> Retail Storekeeper I will be responsible for the annual review process.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The annual review of the Vending Services Procedural manual will ensure the procedures manual is current.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> The procedures manual will be maintained in the Vending Services area and available for</p>	OPEN	12/3/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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> review upon request.	<u>EXCEPTION STATUS</u>	<u>AUDIT COMMITTEE DATE</u>
<u>CSN INTERNAL AUDIT REPORTS</u>									
CSN	Early Childhood Education Lab Program	State Regulations-Child Records	8/28/15 10/5/15	20	We recommend the addresses for these individuals be obtained, as required by the NAC.	Senior Vice President Finance and Administration	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> The ECELP has revised the forms used to gather information regarding secondary emergency pick-up persons to include addresses, and will use the revised forms for all further enrollments. Additionally, currently enrolled families will be provided the revised form and will be asked to complete to ensure the missing information is obtained. These revised forms and information will be collected prior to January 1, 2016.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> These measures are in effect, and will continue to be the prevailing practice.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> Each site director is responsible and accountable if license regulations are not followed. The administrative assistants who maintain children's records are also responsible to assure all enrollment forms are filled out correctly by parents/guardians who initiate the enrollment of children.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice</i></p>	OPEN	12/3/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>will be secured?</i> The administrative assistant will perform a file audit to assure that currently enrolled children have the updated required information. Existing files will be audited immediately with revised forms containing addresses placed in the file no later than January 1, 2016.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i> Compliance is documented with the newly revised forms containing adequate space for secondary caregivers to provide their physical street addresses. Those forms will be retained in the children's files. The new form has been forwarded to NSHE Internal Audit under separate cover for inclusion in the ECELP audit file.</p>		
CSN	Early Childhood Education Lab Program	Other-Equipment Inventory	8/28/15 10/5/15	21	We recommend OTS personnel be reminded of the process that is required to be followed when computers are replaced or removed from campus departments. We also recommend a property movement form be completed for the computers noted above.	Senior Vice President Finance and Administration	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i> The equipment with the incorrect asset number was identified and it was determined that it had been returned to CSN Receiving/ Fixed Asset office and had been salvaged and removed from the CSN inventory. A new Radio Frequency Identification (RFID) system is being implemented which will provide updates and reports from the single Virtual Asset Tracker (VAT) database. This will eliminate errors in the current process of manually keying in asset numbers.</p>	OPEN	12/3/2015

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>Regarding the missing computer, it was determined that it had been returned to CSN Receiving/ Fixed Assets office and had been properly salvaged and is now removed from the department's inventory. In the future, CSN Office of Technology Services (OTS) will ensure that a copy of the property movement form is provided to the department at the time of the move and a copy will be part of the OTS Help Desk ticket to complete the file.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i> All CSN computerized assets are in the process of receiving RFID tags. By the end of November 2015, OTS staff will meet with Receiving/Fixed Assets staff to determine the best practice to assist department with the new system. OTS will also ensure that they work with the department to provide appropriate documentation for removal of assets.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Senior Director for Technical Services has overall responsibility for technology staff and the ECELP program director has overall responsibility to ensure that a copy of the property movement form has been provided to be retained in the department's files.</p> <p><i>4) When the measures will be taken and on what schedule</i></p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>compliance and good practice will be secured?</i></p> <p>A review of the two items was conducted immediately and the appropriate documentation was forwarded to the CSN Receiving/ Fixed Assets office and the ECELP department for action. Proper procedures were reviewed with OTS staff to ensure the property movement forms would be routed appropriately in the future. Compliance will be documented through the inventory process.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i></p> <p>OTS staff is responsible to ensure that the property movement forms are prepared and forwarded to CSN Receiving/Fixed Assets staff at the time that the move is completed. This practice is in effect and compliance will be documented by having an accurate asset inventory at any given time.</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
<u>WNC INTERNAL AUDIT REPORTS</u>									
WNC	Bookstore Contract	Textbook Buyback	6/8/15 7/28/15	22	We recommend that WNC work with the Contractor to clarify the language used in the textbook buybacks section of the contract.	Controller	<p>1) <i>How compliance was achieved.</i> As the contract also involves TMCC and GBC, WNC consulted with both colleges and plans to provide additional language that more accurately reflects the buy-back policy when the contract is renewed in June 2016.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> All future bookstore contracts will contain the updated buy-back language, beginning with the contract set to begin on June 21, 2016.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured.</i> Compliance and future good management will be measured, monitored and assured by including the new language in all future contracts with the bookstore.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> Once the language has been implemented, future problems will be mitigated. However, it is the responsibility of the Vice President of Finance and the Vice President of Administrative and Legal Services to fully review the contract each time it is to be renewed.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice</i></p>	OPEN	9/10/15

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
WNC	Bookstore Contract	Right To Audit	6/8/15 7/28/15	23	As a best practice, we recommend the bookstore contract be updated with a right-to-audit clause to provide the college and other NSHE entities the ability to review financial documents.	Controller	<p><i>will be secured.</i> The measures will be implemented with the new contract, set to commence on June 21, 2016. 6) <i>How compliance and performance will be documented.</i> Compliance and performance will be documented with a thorough review of the contract upon each renewal period.</p> <p>1) <i>How compliance was achieved.</i> As the contract also involves TMCC and GBC, WNC consulted with both colleges and plans to provide the audit clause when the contract is renewed in June 2016. 2) <i>What will be done to avoid the identified problems and issues in the future?</i> All future bookstore contracts will contain the right-to-audit clause, beginning with the contract set to begin on June 21, 2016. 3) <i>How compliance and future good management and practice will be measured, monitored and assured.</i> Compliance and future good management will be measured, monitored and assured by including the clause in all future contracts with the bookstore. 4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> Once the clause has been implemented, future problems will be mitigated. However, it is the responsibility of the Vice President of Finance and the Vice President of</p>	OPEN	9/10/15

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>Administrative and Legal Services to fully review the contract each time it is to be renewed.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>The measures will be implemented with the new contract, set to commence on June 21, 2016.</p> <p>6) <i>How compliance and performance will be documented.</i></p> <p>Compliance and performance will be documented with a thorough review of the contract upon each renewal period.</p>		
WNC	PeopleSoft Security Audit	Security Administration- Roles and Permissions	1/10/14 12/31/15	24	We recommend that WNC work with System Computing Services (SCS) and their fellow institutions to develop narrative descriptions for both roles and permission 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 (display through correction).	Controller	<p>The existing documentation for roles and permission lists will become more obsolete as time passes. To have a system in place to update roles and permissions as operations and staff change is critical. This must first be addressed at the system level to ensure consistency among other institutions and then at the college level.</p> <p><i>System Level Coordinated Effort</i></p> <p>As part of the Shared Instance, WNC will coordinate documentation efforts to complement the work being done by System Computing Services. The Senior Security Analyst for System Computing Services has developed a plan and timeline for a re-architecture of the Shared Instance security infrastructure. The rebuild will impact how WNC will proceed</p>	OPEN	12/4/2014

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>with documenting roles and permission lists. <i>WNC 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: WNC will begin documentation effort for WNC roles/permission lists that are not expected to change as a result of the Shared Instance rebuild. WNC will create documentation for roles/permission lists that will be rebuilt after System Computing Services migrates the role/permission lists to production. The iNtegrate Project Lead, in conjunction with the Module Leads from Admissions, Advising, financial Aid, Student Records, and Student Financials will facilitate the efforts above. WNC expects this project to begin upon commencement of the SCS coordinated effort. Follow-Up Response: WNC's Project Lead and the Module Leads from Admissions, Advising, Financial Aid, Student Records, and Student Financials are taking responsibility for this item. WNC continues to work with System Computing Services and the other Shared Instance institutions. Efforts are ongoing but will require additional time since total resolution is not merely a WNC issue. The completion date is</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>August 2015. Follow-Up Response 6/25/15: WNC Project and Module Leads continue to work on the security rebuild project with SCS and the other Shared Instance Institutions. The rebuild of the Academic Advising (AA) module rebuild is complete. Student Financial (SF) and the Financial Assistance (FA) modules are scheduled to be completed by the end of December 2015. Completion for Student Records (SR), Admissions (AD), and the Campus Community (CC) modules is targeted for June 2016. Efforts are ongoing but require additional time as resolution is not merely a WNC issue. Updated response 12/31/15: WNC Project and Module Leads continue to work with SCS and the other Shared Instance institutions. The Academic Advising (AA) module is completed and in Production. Completion for Student Financial (SF), Financial Assistance (FA), Student Records (SR), Admissions (AD), and the Campus Community (CC) modules is targeted for December 2016. Efforts are ongoing but require additional time as resolution is not merely a WNC issue.</p>		
WNC	PeopleSoft Security Audit	Role and Permission List Usage and Design Philosophy	1/10/14 12/31/15	25	We recommend SCS work with WNC and their fellow institutions in the shared instance to evaluate the design of these components and begin a process of migrating roles and permission lists toward the design philosophy noted	Controller	As part of the Shared Instance, WNC will coordinate with SCS and the other institutions to implement a rebuild of security components in line with a new design philosophy. <i>System Level Rebuild</i>	OPEN	12/4/2014

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<u>CAMPUS</u>	<u>DEPT. REPORT</u>	<u>TOPIC</u>	<u>REPORT/ RESPONSE DATE</u>	<u>ITEM #</u>	<u>EXCEPTION</u> above.	<u>MANAGEMENT RESPONSIBILITY</u>	<u>MANAGEMENT RESPONSE</u>	<u>EXCEPTION STATUS</u>	<u>AUDIT COMMITTEE DATE</u>
							<p>SCS has developed a re-architecture for the shared instance security infrastructure and an execution plan for the re-architecture. The Senior Security Analyst for SCS, has met with the NSHE Internal Auditor, and they are in agreement with the execution of a plan around this philosophy.</p> <p><i>WNC Migration to the Shared Instance Design Philosophy</i></p> <p>As new roles/permission lists are developed by SCS, WNC will assist in testing and developing narratives as described in the audit finding above. This will be completed by the iNtegrate Project Lead and Module Leads from Admissions, Advising, Financial Aid, Student Records, and Student Financials. Migration to the Shared Instance design philosophy will be accomplished as follows:</p> <p>If the new roles/permission lists meet WNC security needs, WNC will replace the current security with that developed for the shared version.</p> <p>If the new shared version does not meet WNC security needs, WNC will build new roles/permission lists that adhere to the shared instance design philosophy.</p> <p>The exact time frame for the project will depend on SCS and shared instance resources.</p> <p>Follow-Up Response: WNC's Project Lead and the Module Leads from Admissions, Advising, Financial Aid, Student</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>Records, and Student Financials are taking responsibility for this item. WNC continues to work with System Computing Services and the other Shared Instance institutions. Efforts are ongoing but will require additional time since total resolution is not merely a WNC issue. The completion date is August 2015.</p> <p>Follow-Up Response 6/25/15: WNC Project and Module Leads continue to work on the security rebuild project with SCS and the other Shared Instance Institutions. The rebuild of the Academic Advising (AA) module rebuild is complete. Student Financial (SF) and the Financial Assistance (FA) modules are scheduled to be completed by the end of December 2015. Completion for Student Records (SR), Admissions (AD), and the Campus Community (CC) modules is targeted for June 2016. Efforts are ongoing but require additional time as resolution is not merely a WNC issue.</p> <p>Updated response 12/31/15: WNC Project and Module Leads continue to work with SCS and the other Shared Instance institutions. The Academic Advising (AA) module is completed and in Production. Completion for Student Financial (SF), Financial Assistance (FA), Student Records (SR), Admissions (AD), and the Campus Community (CC) modules is targeted for December 2016. Efforts are ongoing but require additional</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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> time as resolution is not merely a WNC issue.	<u>EXCEPTION STATUS</u>	<u>AUDIT COMMITTEE DATE</u>
---------------	-------------------------	--------------	--------------------------------------	-------------------	------------------	--------------------------------------	--	-----------------------------	-------------------------------------

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
<u>GBC INTERNAL AUDIT REPORTS</u>									
GBC	PeopleSoft Security	Security Administration- Roles and Permissions	1/14/14 12/31/15	26	We recommend that GBC 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 (display through correction).	Controller	<u>Correction</u> For the past two months, GBC has been working with SCS and our fellow institutions Student Financials Advisory Support Group on the security rebuild project. A better narrative description of roles and permissions will be developed as we proceed. <u>SCS Response</u> SCS has developed a plan and timeline for re-architecture of the Shared Instance security infrastructure. Completion of the project is estimated to be sometime in the fourth quarter 2014. However, the various functional areas within the project will be completed in phases throughout the course of the year. The overall design and the reporting tools for the security rebuild project have been completed. SCS Security Administrators next will work with the institution Security Coordinators and the various functional Advisory Support Groups to further define their security needs. <u>Prevention and Monitoring</u> Not developed at this time due to the status of ongoing security rebuild project. Follow-Up Response: <u>SCS Update</u> The security rebuild project is proceeding module by module. The AA module is in essence complete and in final testing. Excluding TMCC roles, security was reduced from twelve roles to five, supported by six permission lists reduced from twenty permission lists. It	OPEN	12/4/2014

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>is expected that testing will be finished in the next two weeks with provisioning of the new roles planned to begin mid-October 2014.</p> <p>The SF module has finished with user analysis and SCS has begun prototyping and building the new security. Role count in the old security model was twenty-five roles. User analysis has reduced that count to seven roles, although it is likely that one or two more roles will be needed; this will be determined once testing begins. Prototyping and building of the new security is expected to complete in October with testing slated to start by November 1, 2014. Preliminary analysis is finished for the FA module. SCS will be meeting with the FA ASG at their next scheduled meeting in mid-October to begin the user analysis phase of the project. User analysis for the SF module took approximately two months, but we expect to shorten that time frame for the FA module based on lessons learned while working on the SF and AA modules. FA has twenty-two roles currently, so the prototyping and building of FA security should take a similar amount of time as the SF module. Assuming two months for the user analysis, FA should be building and prototyping by year end.</p> <p>The SR module encompasses curriculum management, student records, admissions, and recruiting. SR is the largest component of the rebuild, encompassing approximately eight roles. At</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>this point SCS expects to begin preliminary analysis in December and to start meeting with the SR group in January. By year end SCS expects the rebuild project to be approximately 60% complete. (60% since we have already completed the mods, SQL, and reporting tools that were built at the beginning of the project.) SCS currently anticipates completion sometime in the second quarter of 2015.</p> <p>Follow Up 12/31/14: Continue to work with SCS and the other Shared Instance institutions on the Security Rebuild project. Academic Advising has completed their work and the new roles are being moved into Productions. Student Financials have begun testing of their new roles. The other areas are beginning the process. The anticipated completion of this project is June 30, 2015.</p> <p>Follow-Up 7/20/15: Continue to work with SCS and the other Shared Instance institutions on the Security Rebuild project. Academic Advising is finished with their security rebuild. Student Financials is still testing their new roles. Financial Aid has finished their user analysis and prototype security roles are being built. Student Records has finished user analysis. In addition, work is continuing on the preliminary access report for Admissions roles.</p> <p>Follow-Up 12/31/15: GBC continues to work with SCS and the other Shared Instance institutions on the Security Rebuild project.</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
GBC	PeopleSoft Security	Security Administration- Roles and Permissions	1/14/14 12/31/15	27	We recommend that GBC work with SCS and their fellow institutions and evaluate any unassigned roles to determine their need and eliminate any that are not necessary.	Controller	<p><u>Correction</u> Academic Advising is finished with their security rebuild. All other modules (Student Financials, Financial Aid, Student Records, and Admissions) are working on setup and testing their new roles and permissions. Estimated project completion date is December 2016.</p> <p>For the past two months, GBC has been working with SCS and our fellow institutions' Student Financials Advisory Support Group on the security rebuild project. As we proceed through this project, an evaluation of unassigned roles to determine their need and necessary elimination will be conducted.</p> <p><u>Prevention and Monitoring</u> Not developed at this time due to the status of ongoing security rebuild project.</p> <p>Follow-Up Response: <u>SCS Update</u> The security rebuild project is proceeding module by module. The AA module is in essence complete and in final testing. Excluding TMCC roles, security was reduced from twelve roles to five, supported by six permission lists reduced from twenty permission lists. It is expected that testing will be finished in the next two weeks with provisioning of the new roles planned to begin mid-October 2014.</p> <p>The SF module has finished with user analysis and SCS has begun prototyping and building the new security. Role count in the old security model was twenty-five roles.</p>	OPEN	12/4/2014

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>User analysis has reduced that count to seven roles, although it is likely that one or two more roles will be needed; this will be determined once testing begins. Prototyping and building of the new security is expected to complete in October with testing slated to start by November 1st. Preliminary analysis is finished for the FA module. SCS will be meeting with the FA ASG at their next scheduled meeting in mid-October 2014 to begin the user analysis phase of the project. User analysis for the SF module took approximately two months, but we expect to shorten that time frame for the FA module based on lessons learned while working on the SF and AA modules. FA has twenty-two roles currently, so the prototyping and building of FA security should take a similar amount of time as the SF module. Assuming two months for the user analysis, FA should be building and prototyping by year end. The SR module encompasses curriculum management, student records, admissions, and recruiting. SR is the largest component of the rebuild, encompassing approximately eight roles. At this point SCS expects to begin preliminary analysis in December and to start meeting with the SR group in January 2015. By year end SCS expects the rebuild project to be approximately 60% complete. (60% since we have already completed the mods, SQL, and reporting tools that were built</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>at the beginning of the project.) SCS currently anticipates completion sometime in the second quarter of 2015.</p> <p>Follow Up 12/31/14: Continue to work with SCS and the other Shared Instance institutions on the Security Rebuild project. Academic Advising has completed their work and the new roles are being moved into Productions. Student Financials have begun testing of their new roles. The other areas are beginning the process. The anticipated completion of this project is June 30, 2015.</p> <p>Follow-Up 7/20/15: Continue to work with SCS and the other Shared Instance institutions on the Security Rebuild project. Academic Advising is finished with their security rebuild. Student Financials is still testing their new roles. Financial Aid has finished their user analysis and prototype security roles are being built. Student Records has finished user analysis. In addition, work is continuing on the preliminary access report for Admissions roles.</p> <p>Follow-Up 12/31/15: GBC continues to work with SCS and the other Shared Instance institutions on the Security Rebuild project. Academic Advising is finished with their security rebuild. All other modules (Student Financials, Financial Aid, Student Records, and Admissions) are working on setup and testing their new roles and permissions. Estimated project completion date is December 2016.</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
GBC	PeopleSoft Security	Role and Permission List Usage and Design Philosophy	1/14/14 12/31/15	28	We recommend that SCS work with GBC and their fellow institutions in the shared instance to evaluate the design of these components and begin a process of migrating roles and permission lists toward the design philosophy noted above.	Controller	<p><u>Correction</u> GBC will work with SCS and our fellow institutions on the security rebuild project to better define roles and permissions. We will strive to achieve the proper balance in roles and permissions to ensure that employees are able to complete their job assignments keeping in mind that many roles and duties overlap.</p> <p><u>SCS Response</u> SCS has developed a plan and a timeline for a re-architecture of the Shared Instance security infrastructure. Completion of the project is estimated to be sometime in the fourth quarter 2014. However, the various functional areas within the project will be completed in phases throughout the course of the year. The overall design and the reporting tools for the security rebuild project have been completed. SCS Security Administrators next will work with the institution Security Coordinators and the various functional Advisory Support Groups to further define their security needs.</p> <p><u>Prevention and Monitoring</u> Not developed at this time due to the status of ongoing security rebuild project.</p> <p><u>SCS Response</u> As was noted, the community colleges and state college share a single database for the implementation of PeopleSoft Campus Solutions software in this shared environment, SCS reviewed, in great detail, the documentation surrounding the shared instance</p>	OPEN	12/4/2014

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>implementation. From this research, it is clear that the implementation of this function of the shared instance is currently operating precisely as it was designed in that the data constituted "System" records and that they could be viewable and actionable from the various institutions of the shared database. Indeed, System legal counsel specifically reviewed and addressed the matter prior to implementation from the perspective of a single database that collectively constituted the records of the Nevada System of Higher Education as the owner entity. SCS subsequently contacted the University of Nebraska System, which implemented the PeopleSoft Campus Solutions software around the same time. They operate in a similar manner to NSHE within a shared database environment. In other words, the staff managing the data were employees of the System, and the students submitting the data were students of the System. In this particular module of Campus Solutions, the software operates in a single database and does not provide the capability to limit access to such data by institution, through security controls. Indeed, the University of Nebraska System had attempted to build such security controls. They early-on discovered numerous unintended consequences. The resulting institutional data silos were largely unworkable</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>and the exceptions required and cost of maintenance were extraordinarily high. Moreover, such capabilities would likely preclude such activities as those currently under discussion among some of the NSHE institutions of the shared instance to operate combined back-office services. Security has many purposes and can be viewed from various perspectives. Security is maintained through many levels of control. The first line of defense in any system is to limit access to components of the system to only those who require access to specific data and hence have appropriate authorization. That level of control through authorization is necessarily at the campus level.</p> <p>Follow-Up Response: <i>SCS Update</i> The security rebuild project is proceeding module by module. The AA module is in essence complete and in final testing. Excluding TMCC roles, security was reduced from twelve roles to five, supported by six permission lists reduced from twenty permission lists. It is expected that testing will be finished in the next two weeks with provisioning of the new roles planned to begin mid-October 2014.</p> <p>The SF module has finished with user analysis and SCS has begun prototyping and building the new security. Role count in the old security model was twenty-five roles. User analysis has reduced that count to seven roles, although it is likely that one or two more</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>roles will be needed; this will be determined once testing begins. Prototyping and building of the new security is expected to complete in October with testing slated to start by November 1, 2015. Preliminary analysis is finished for the FA module. SCS will be meeting with the FA ASG at their next scheduled meeting in mid-October to begin the user analysis phase of the project. User analysis for the SF module took approximately two months, but we expect to shorten that time frame for the FA module based on lessons learned while working on the SF and AA modules. FA has twenty-two roles currently, so the prototyping and building of FA security should take a similar amount of time as the SF module. Assuming two months for the user analysis, FA should be building and prototyping by year end. The SR module encompasses curriculum management, student records, admissions, and recruiting. SR is the largest component of the rebuild, encompassing approximately eight roles. At this point SCS expects to begin preliminary analysis in December and to start meeting with the SR group in January. By year end SCS expects the rebuild project to be approximately 60% complete. (60% since we have already completed the mods, SQL, and reporting tools that were built at the beginning of the project.) SCS currently anticipates completion sometime in the second quarter of 2015.</p>		

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
GBC	Network Security	Firewall Testing	8/31/10 12/31/15	29	We recommend that GBC create written policies and procedures for	Controller	<p>Follow Up 12/31/14: Continue to work with SCS and the other Shared Instance institutions on the Security Rebuild project. Academic Advising has completed their work and the new roles are being moved into Productions. Student Financials have begun testing of their new roles. The other areas are beginning the process. The anticipated completion of this project is June 30, 2015.</p> <p>Follow-Up 7/20/15: Continue to work with SCS and the other Shared Instance institutions on the Security Rebuild project. Academic Advising is finished with their security rebuild. Student Financials is still testing their new roles. Financial Aid has finished their user analysis and prototype security roles are being built. Student Records has finished user analysis. In addition, work is continuing on the preliminary access report for Admissions roles.</p> <p>Follow-Up 12/31/15: GBC continues to work with SCS and the other Shared Instance institutions on the Security Rebuild project. Academic Advising is finished with their security rebuild. All other modules (Student Financials, Financial Aid, Student Records, and Admissions) are working on setup and testing their new roles and permissions. Estimated project completion date is December 2016.</p>	OPEN	6/16/2011

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
					the administration and configuration of the firewall.		written procedures. Follow Up 12/31/14: This policy has been completed and is going through final approval. Follow-Up 7/20/15: Firewall policy is going through final approval process. Follow-Up 12/31/15: The firewall policy was approved. However, since it was approved in Summer 2015, some changes have been made and the policy will need to be updated.		
GBC	Network Security	Policies, Procedures and Best Practice	8/31/10 12/31/15	30	We recommend that GBC update their policies and procedures to address the issues noted in items one and three, above.	Controller	Little progress due to staffing issues. The person that was assigned to help with this project left GBC for other employment in April 2014. So far we have not been able to fill the position. Since this position has not yet been filled, other employees have had to cover his responsibilities beside their own. Follow-Up 12/31/14: GBC filled the vacant position in July 2014 with a less experienced technician and they have spent the last 6 months learning our platforms, systems, etc. GBC will be working with Frank Woodbeck and Pete Zipkin on this to see if we can standardize policies as the Northern Nevada Collaborative looks at Shared Services within the area of Computer Services. Follow-Up 7/20/15: The Shared Services initiative that Pete Zipkin was working on did not move forward as originally anticipated. GBC still has staffing issues that have allowed little progress on this item. We are now contacting	OPEN	6/16/2011

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							with other departments to see if they can assist us with writing policies and procedures. Follow-Up 12/31/15: Staff has been able to devote some time to updating and developing policies. Our student data analyst has started to assist our IT department with this project. Two policies, the overall Computer Services policy and Computer Security policy, will be submitted to President's Council for approval in January 2016. We are also looking at implementing a form that would be online that a person could complete in case of a security breach.		
GBC	Network Security	Policies, Procedures and Best Practice	8/31/10 12/31/15	31	We recommend that GBC consider performing an IT risk assessment and developing a contingency plan.	Controller	Little progress due to staffing issues. The person that was assigned to help with this project left GBC for other employment in April 2014. So far we have not been able to fill the position. Since this position has not yet been filled, other employees have been having to cover his responsibilities beside their own. Follow-Up 12/31/14: GBC filled the vacant position in July 2014 with a less experienced technician and they have spent the last 6 months learning our platforms, systems, etc. GBC will be working with Frank Woodbeck and Pete Zipkin on this to see if we can standardize policies as the Northern Nevada Collaborative looks at Shared Services within the area of Computer Services. Follow-Up 7/20/15:	OPEN	6/16/2011

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>The Shared Services initiative that Pete Zipkin was working on did not move forward as originally anticipated. GBC still has staffing issues that have allowed little progress on this item. We are now contacting with other departments to see if they can assist us with writing policies and procedures.</p> <p>Follow-Up 12/31/15: Staff has been able to devote some time to updating and developing policies. Our student data analyst has started to assist our IT department with this project. Two policies, the overall Computer Services policy and Computer Security policy, will be submitted to President's Council for approval in January 2016. We are also looking at implementing a form that would be online that a person could complete in case of a security breach.</p>		
GBC	Network Security	Security Incident Process	8/31/10 12/31/15	32	We recommend that GBC develop an IT security incident policy and procedure.	Controller	<p>Little progress due to staffing issues. The person that was assigned to help with this project left GBC for other employment in April 2014. So far we have not been able to fill the position. Since this position has not yet been filled, other employees have been having to cover his responsibilities beside their own.</p> <p>Follow-Up 12/31/14: GBC filled the vacant position in July 2014 with a less experienced technician and they have spent the last 6 months learning our platforms, systems, etc. GBC will be working with Frank Woodbeck</p>	OPEN	6/16/2011

Exception & Response Analysis
 Open Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>and Pete Zipkin on this to see if we can standardize policies as the Northern Nevada Collaborative looks at Shared Services within the area of Computer Services.</p> <p>Follow-Up 7/20/15: The Shared Services initiative that Pete Zipkin was working on did not move forward as originally anticipated. GBC still has staffing issues that have allowed little progress on this item. We are now contacting with other departments to see if they can assist us with writing policies and procedures.</p> <p>Follow-Up 12/31/15: Staff has been able to devote some time to updating and developing policies. Our student data analyst has started to assist our IT department with this project. Two policies, the overall Computer Services policy and Computer Security policy, will be submitted to President's Council for approval in January 2016. We are also looking at implementing a form that would be online that a person could complete in case of a security breach.</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
<u>UNR INTERNAL AUDIT REPORTS</u>									
UNR	Intercollegiate Athletics	Contracts and Game Guarantees	3/23/15 9/25/15	1	We recommend the signing of contracts be performed by authorized employees and that the Director of Athletics be included in the UNR Administrative Manual as an employee who is authorized to sign ICA related contracts.	Associate Vice President, Business and Finance	<p>1) <i>How Compliance was achieved.</i> On April 22, 2015, we submitted a request to the UNR Administrative Manual Committee through the Provost's Office a request to have the Director of Athletics (AD) added as an employee authorized to sign ICA related contracts. On April 16, 2015 all ICA employees were reminded by e-mail that only authorized employees are permitted to sign contracts.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> All contracts are routed through ICA's Business Office to ensure that the contract is directed to the appropriate authorized employee for signature.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured.</i> The contract process is detailed in ICA's Business Policies Manual and is explained in all new ICA employee orientations. In addition, the process will be reinforced at ICA's all-staff meeting to be held on May 27, 2015.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> The Associate AD/ Business and Business Manager are responsible for ensuring</p>	CLOSED	12/03/15

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>compliance with the policy. 5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> ICA employees have been reminded of the process by e-mail on April 16, 2015 and in the department's all-staff meeting to be held on May 27, 2015. 6) <i>How compliance and performance will be documented for future audit, management and performance review.</i> The Business Office staff continues to educate new ICA employees of the required policy. Additionally, periodic reminders will be sent to all ICA employees. Follow Up Response 9/25/15: After reviewing the contract policy and ICA contract requirements, the University Administration has resolved this as follows. Intercollegiate Athletics no longer has signature authority for contracts. All ICA contracts are forwarded through normal university channels for review and signature.</p>		
UNR	Cashier's Office	Cash Controls	7/7/15 8/4/15	2	For improved control, we recommend the access necessary to perform late fee reversals and void transactions be limited to supervisory personnel and that the reason for performing these transactions be documented.	Associate Vice President, Business and Finance	<p>1) <i>How compliance was achieved.</i> PeopleSoft security roles were updated on July 20, 2015. Cashiers can no longer reverse fees or void PeopleSoft receipts. The ability to reverse fees and void receipts has been restricted to management level roles. 2) <i>What will be done to avoid</i></p>	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>the identified problems and issues in the future?</i> The Manager of Student Accounting has ensured restriction of security roles and has notified all staff members who have the ability to reverse fees that they must document the reversal of fees by putting a reason in the Description Field. A query has been created to monitor late fee reversals. 3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> The Manager of Student Accounting has the responsibility for ensuring that security for Student Financial roles are performing as designed and that proper documentation is maintained for removal of late fees and for voided PeopleSoft receipts. The Manager of Student Accounting is performing a periodic review of late fee reversals. The Cashier Supervisor will ensure that the cashiers provide a written explanation prior to voiding a receipt. 4) <i>How compliance and future good management and practice will be measured, monitored, and assured.</i> The Manager of Student Accounting is performing a periodic review of all late fee reversals and documentation of voided PeopleSoft transactions. The Manger of Student Accounting will review with each staff member any incomplete documentation will be maintained in the future.</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> All appropriate security changes were made. The processes for monitoring transaction changes were implemented July 20, 2015. A process for review of compliance is in place.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review.</i> Beginning Fall 2015, the Manager of Student Accounting will review all void documentation and late fee reversals and follow-up with staff members regarding exceptions. A notation will be made documenting that it was reviewed.</p>		
UNR	Cashier's Office	Cash Controls	7/7/15 8/4/15	3	We recommend receipts be deposited in a timely manner.	Associate Vice President, Business and Finance	<p>1) <i>How compliance was achieved.</i> The Controller's Office receives and logs all mailed in checks and hand carries them to the Cashier's Office for processing between 4:00 and 4:30 p.m. daily. The Cashiers stamp each mail in sheet with that day's date. The following day, the Cashiers post the previous days transactions that are identifiable. Items that are not identifiable prior to the end of the Cashiers' shift will be deposited into a suspense account. The Assistant Manager/Cashier Supervisor will perform a daily review of the remaining incoming check mailed in sheets to ensure that</p>	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>all checks have been deposited.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> The Assistant Manager/Cashier Supervisor follows-up with employees on a daily basis to ensure that they have deposited all checks prior to balancing out.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> The Manager of Student Accounting has the responsibility for ensuring that staff members are performing duties as required.</p> <p>4) <i>How compliance and future good management and practice will be measured, monitored, and assured.</i> Daily review of mailed in sheets will ensure that deposits are being performed timely.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> All appropriate measures have been enacted as of July, 2015.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review.</i> The receipt number and completion date is recorded on the daily mailed in sheet logs. The sheet logs are reviewed periodically to ensure deposits are made timely.</p>		
UNR	Cashier's Office	Loans	7/7/15 8/4/15	4	We recommend the department contact the company and request	Associate Vice President,	1) <i>How compliance was achieved.</i>	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
					the delinquent account be sent to collections. In the future, we recommend the department periodically review the computer application to determine whether there are any delinquent accounts that should be sent to collections.	Business and Finance	<p>In response to the findings we instructed the loan processor to send the loan to collections. The Manager of Student Accounting has contacted the servicer, ECSI, and has identified reports that can be reviewed to determine accounts that need manual review. This will assist in determining if an action such as manual assignment to collection is in order. This has been added to the Task list and added task reminders to the loan personnel Outlook calendars.</p> <p><i>2) What will be done to avoid the identified problems and issues in the future?</i> The Manager of Student Accounting has scheduled a monthly tasks review where the loans personnel will provide an update on all borrowers who appear on this report of borrowers requiring manual review.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> The Manager of Student Accounting has the responsibility for ensuring that staff members are performing duties as required.</p> <p><i>4) How compliance and future good management and practice will be measured, monitored, and assured.</i> Consistent task scheduling and monthly review of tasks will ensure that borrowers who are delinquent are forwarded to collections in a timely and consistent basis.</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> All appropriate measures have been enacted as of July 2015. 6) <i>How compliance and performance will be documented for future audit, management and performance review.</i> The loans personnel will maintain notes in the memos section in the Stand A Loan (SAL) system and will maintain a hard copy file of the Potential Agency Placement report documenting all actions taken.</p>		
UNR	Cashier's Office	Loans	7/7/15 8/4/15	5	We recommend the department utilize the report to help ensure holds are placed on student accounts.	Associate Vice President, Business and Finance	<p>1) <i>How compliance was achieved.</i> Borrower accounts are manually placed on hold in PeopleSoft once the borrower account has been assigned to a collection agency. Loans staff are currently reviewing the Borrowers Assigned report on a monthly basis and adding holds in PeopleSoft. 2) <i>What will be done to avoid the identified problems and issues in the future?</i> The Manager of Student Accounting will ensure that a reconciliation of holds is performed at least once per semester. 3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> The Manager of Student Accounting has the responsibility for ensuring that staff members are performing duties as required.</p>	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>4) <i>How compliance and future good management and practice will be measured, monitored, and assured.</i> Monthly review of accounts assigned to collections and removed from collections will ensure that holds in PeopleSoft are updated on a consistent basis.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> Review of the Borrowers Assigned report is currently being conducted on a monthly basis. Holds are being placed manually.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review.</i> The loans personnel will maintain notes regarding the delinquent status in the memos section in the SAL and PeopleSoft systems.</p>		
UNR	Nevada Terawatt Facility	Reporting	11/17/14 12/19/14	6	We recommend that reports be completed and submitted as required.	Associate Vice President, Business and Finance	<p>1) <i>How compliance was achieved.</i> The NTF Director will submit the report by April 15, 2015.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> The Manager of Fiscal and Administration monitors a calendar of reporting dates with notations of completion dates.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured.</i> The Manager of Fiscal and</p>	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>Administration maintains a calendar of reporting dates and communicates the schedule to the NTF Director.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i></p> <p>The Director of the NTF is accountable for submission of timely technical reporting.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>The measures are in place and the report will be submitted by April 15, 2015, in compliance with the U.S. Department of Energy's requirements.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>The Director is responsible for submission of timely reports.</p> <p>Follow-Up 9/10/15</p> <p>Completed, sent annual report to Department of Energy on March 12, 2015 as per requirement of the Cooperative Agreement.</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
<u>UNLV INTERNAL AUDIT REPORTS</u>									
UNLV	University Libraries	Accounts Receivable	7/24/15 9/25/15	7	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 and for bad debt write-offs.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	It should be noted that the average replacement cost for a book is \$105. Slightly more than 50% of the patrons (541) have outstanding balances between \$100 and \$499. Also, the majority of this debt accrued between 2010 and 2014 (\$128,000, or 65% of the total). It was during this period that we had lost the ability to place a records hold on students' records for past due receivables. This process has since been reinstated. As a result of the reinstatement of this procedure, along with the use of a collection agency, we have had dramatic results in improving/lowering the rate of collections accounts. The total receivable for the year 2015 (single year) as of the time of the audit was only about \$1,800. <i>1. What will be done to avoid the identified problems and issues in the future?</i> Bad (uncollectable) debt write off policy: We have drafted a bad debt write off policy based on Nevada State law and modeled after a similar policy at the Las Vegas Clark County Library District. This policy advocates for the write-off of all outstanding debt older than 3 years, as well as any debt from a patron with a bankruptcy and other criteria. After this write-off, the Libraries would maintain a 3 year debt window, which includes use of a	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>materials recovery and collection agency. As part of this policy, debt totaling less than \$5 that is over 1 year delinquent will be forgiven in an annual review. This policy has been approved by the UNLV controller.</p> <p>UNLV University Libraries already has contracted with an external collections agency that specializes in working with libraries to recover materials and/or debt owed. We have sent 48 patrons to this company since July 2015, with a recovery/material return rate of 30% as of September 2015. Additionally, we have increased the level of service indicators used in MyUNLV (see item 2 below for more details) and are working in conjunction with NSC and CSN for the ability to place NSHE wide holds on students who have \$100 debt at any of the Southern Nevada institutions. This will allow us to encourage material return from CSN and NSC students as well as UNLV students.</p> <p>Overview: -Based on the parameters of the bad debt write-off policy, we have purged the substantial backlog of uncollectable debt from the system (all debt prior to 2013). Because we share our financial information with CSN and NSC as part of the integrated library system we all use, we will need to manually sort out debt owed by UNLV students to these institutions and only purge debt which is owed to UNLV. A list of the remaining debt will be shared with both CSN and NSC, to</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>provide them an opportunity to write-off these outstanding balances as well.</p> <p>-Beginning with debt that was accrued from 2013 on, we will maintain a 3 year window of debt owed, documenting patron records and collection efforts. Procedures are outlined below. Appropriate scheduled write offs will be performed under the final policy.</p> <p>-For debt owed by regular UNLV faculty and staff (permanent full time positions), we receive notification from HR/Payroll when they are leaving UNLV, and have the opportunity to report any monies owed or materials to be returned as part of the final paycheck clearance process. As a result, such categories of patrons are not sent to collections.</p> <p>-However, this system is not effective for semester professionals (part-time instructors or those on limited contracts). They usually depart and return regularly and there is no "final clearance". That is evinced by the larger unpaid debt from this category of employee.</p> <p>-Procedures</p> <p>--UNLV Graduate and Undergraduate Students (currently enrolled):</p> <p>-At \$5 owed: library privileges are automatically suspended.</p> <p>-At \$20 owed: level one service indicators (including no online grade access) are placed in MyUNLV</p> <p>-at \$100 owed: level two service indicators (no registration, no transcripts, no</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>diploma) are place in MyUNLV</p> <ul style="list-style-type: none"> -Expired account/ no longer enrolled: one semester after account has expired, debt of more than \$50 that includes missing library property involved (item checked out) will be transferred to Unique Management Services (UMS) for material recovery and collection efforts. -Total amount owed under \$5: totals under \$5 will be forgiven one year after account expiration. -UNLV Semester Professionals (part-time instructors, limited contracts, etc.): -These patrons do not typically accrue fines. Most money owed is for lost item replacement charges and processing fees. -Expired account/ no longer employed: one semester after account has expired and patron is no longer employed by the University, debt of more than \$50 that includes missing library property involved (item checked out) will be transferred to Unique Management Services (UMS) for material recovery and collection efforts. -Other NSHE Students: -At \$5 owed: library privileges are automagically suspended. -We currently have no effective mechanism for encouraging payment or item return from CSN or NSC students who have UNLV library materials or debt owed. -We are working with CSN and NSC to advocate for a NSHE wide hold across the "My" systems when students owe any library more than \$100. 		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>This will provide a stronger collection mechanism than we currently have in place for students at other NSHE institutions who owe UNLV money.</p> <p>-Non-UNLV Patrons (public, alumni, CCSD teachers etc.): -At \$5 owed: library privileges are automatically suspended. -at \$25 owed and over 60 days past due: patrons are sent to UMS for material recovery and collection efforts.</p> <p><i>2. How compliance and future good management and practice will be measured, monitored and assured?</i> Unique Management Services provides up to date reports of its activities on UNLV's behalf. The Head of User Services will regularly monitor those reports for effectiveness of the program. Annual debt write-off will be performed, following the parameters of the approved policy. Information will be shared as needed with other NSHE institutions owed money by UNLV students or staff/faculty.</p> <p><i>3. Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> Responsibility of Circulation Desk Functions, including fines payments, falls to University Libraries' Head of User Services.</p> <p><i>4. When the measures will be taken and on what schedule compliance and good practice will be secured?</i> No debt owed by patrons to UNLV will remain in the system</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>for more than 3 years. We will run two reports each year (August and January) to review the current debt.</p> <p><i>5. How compliance and performance will be documented for future audit, management and performance review?</i></p> <p>Weekly reports from UMS will show who has been sent to collections and what the outcomes are-including payment of fines and fees or return of materials. Annual report (fiscal year) to review number of items unreturned, debt owed by patron type and year.</p>		
UNLV	University Libraries	Accounts Receivable	7/24/15 9/25/15	8	We recommend all restrictions available in the Libraries' management system be considered to allow for greater collection of student fees and fines.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p><i>1. What will be done to avoid the identified problems and issues in the future?</i></p> <p>The UNLV University Libraries worked with the UNLV Registrar's office to reinstate a second level of more restrictive holds for student accounts owing greater than \$100 in Library Fines/ Materials that includes a registration block and transcript/diploma hold. The existing first level of service indicators in MyUNLV is for student accounts owing between \$20 and \$99.99 Level 1 holds include no online grade views and other restrictions but do not block registration. It is standard practice for UNLV units to have a registration hold option for debts over a certain threshold. Since reinstatement of this more rigorous set of MyUNLV service indicators, we have seen an increase in materials returned and fines paid. As in the past, students</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>owing any amount of fines are unable to check out materials or receive an official transcript. We are also working in conjunction with NSC and CSN for the ability to place NSHE wide holds on students who have \$100 debt at any of the Southern Nevada institutions. This will allow us to encourage material return form CSN and NSC students as well as UNLV students.</p> <p><i>2. How compliance and future good management and practice will be measured, monitored and assured?</i></p> <p>UNLV University Libraries has an effective system for running daily lists of holds to remove and to add in MyUNLV. We recently hired a Library Technician I whose job responsibilities include reviewing student accounts with fines owed. Having a staff person dedicated to review of accounts will ensure that registration holds on student accounts (both Level 1 and Level 2) continue to be processed quickly, with the hopes that materials will continue to be returned and fines paid. Patron records will be reviewed periodically by the Circulation Desk Supervisor, who provides oversight to the Library Technician and review of student accounts.</p> <p><i>3. Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i></p> <p>Responsibility of Circulation Desk Functions, including fines payments, falls to the University Libraries' Head of</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>User Services. <i>4. When the measures will be taken and on what schedule compliance and good practice will be secured?</i> A daily list is run in the Libraries' management system, identifying all students who meet the threshold for placing or removing a hold. This list is reviewed each workday and the appropriate service indicators are added or removed from the patron's MyUNLV record accordingly. Once a student is no longer enrolled for longer than a semester, debt over \$50 that also includes possession of library owned materials will be sent to Unique Management for collections. <i>5. How compliance and performance will be documented for future audit, management and performance review?</i> Lists of UNLV students who meet the Level 1 and Level 2 criteria are run daily and used to update MyUNLV. Compliance and performance will be documented and demonstrated by the payment of fines and the gradual reduction of lost materials, reflected in the bi-annual reports and annual debt write-off procedure.</p>		
UNLV	University Libraries	Cash Controls-Architecture Studies Library	7/24/15 9/25/15	9	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, ICA/TMC Business Services, Auxiliary Financial Services	The Architecture Studies Library stopped accepting payments at the branch. In May, we closed the Architecture Studies Library change fund and the credit card merchant account has not been used since that time (as a	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							trial basis) and was closed September 2015. Library patrons may make payments at Lied Library, the Curriculum Materials Library, or online.		
UNLV	University Libraries	Cash Controls- Architecture Studies Library	7/24/15 9/25/15	10	For improved control, we recommend receipts be stored in the safe during non-business hours.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	The Architecture Studies Library stopped accepting payments at the branch. In May, we closed the Architecture Studies Library change fund and the credit card merchant account has not been used since that time (as a trial basis) and was closed September 2015. Library patrons may make payments at Lied Library, the Curriculum Materials Library, or online.	CLOSED	12/3/2015
UNLV	University Libraries	Cash Controls- Main Circulation Desk	7/24/15 9/25/15	11	For proper accountability, we recommend receipts be reconciled daily to the cash register end of day reports.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p><i>1. What will be done to avoid the identified problems and issues in the future?</i></p> <p>Daily reconciliation of Library Circulation desk receipts was historically done by the Libraries' Business and Finance Manager the next morning. We have now trained the Library Circulation Desk staff members responsible for nightly closing to count the daily cash during nightly close and complete a cash count sheet which is stored with the day's receipts. A new Library Technician I was hired whose job responsibilities include functioning as a "billing specialist". This person reconciles the daily cash, check and credit card payments to the daily cash register tape each morning. The daily deposit, receipts, and cash count sheet is then given to the Library Administration office, where an Administrative</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>Assistant II completes a second reconciliation and makes deposits to Library accounts in MyUNLV. The deposit records are stored in the Library Administration office.</p> <p><i>2. How compliance and future good management and practice will be measured, monitored and assured?</i> The Library Tech I will review daily deposits to ensure that the nightly cash count and daily cash, check and credit card reconciliations are occurring daily. Additionally, the Library Admin II who processes the deposits will provide secondary oversight.</p> <p><i>3. Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> Accountability for the Circulation Desk functions, which include nightly cash counts and daily deposits reconciliation, falls to the Head of User Services.</p> <p><i>4. When the measures will be taken and on what schedule compliance and good practice will be secured?</i> Lied Library Circulation Desk closing staff members have been trained to record a nightly cash count daily. Daily reconciliation of cash, check, and credit card payments was always being performed by the Libraries' Business and Finance Manager. The new Library Technician I hired in August is now performing the first deposit reconciliation. A second reconciliation occurs when the Admin Assistant II in</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>the Library Administration Office reconciles the daily deposits and prepares them for deposit to Library accounts in MyUNLV.</p> <p><i>5. How compliance and performance will be documented for future audit, management and performance review?</i></p> <p>The daily deposit documentation is stored in the Library Administration Office and is available for audit review.</p>		
UNLV	University Libraries	Endowments and Donations	7/24/15 9/25/15	12	We recommend that transfers of restricted gift funds be made to a corresponding university restricted gift account. This will allow for easier tracking of expenses and help to ensure the funds are spent in accordance with donor specifications.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p>The gift in question was originally received in April, 2012, as an unrestricted gift to the Libraries upon the death of a long-time Libraries donor-see gift letter from the Trust Officer. The gift was originally deposited into an unrestricted foundation gift account- see April 2012 foundation statement. The donor had verbally expressed to the Libraries Dean a desire to support a project to document Jewish Contributions in Las Vegas. In December 2013, the Libraries were informed they'd be awarded a grant to help fund the Jewish Heritage Project and at that time we requested that the donor funds be transferred into a new Foundation account entitled, "Jewish Heritage Digital Project"- see December 2013 Foundation statement, to provide additional funding for the project.</p> <p>Because there wasn't a donor MOU directing the gift to a restricted account, the funds were transferred into the</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>Libraries general gift account. We tracked the funds expended to ensure all were spent on the Jewish Heritage Project. Since this time, the project expanded in scope and in August 2015 we created a new university restricted gift account entitled, "Jewish Heritage Project"- current and future donations to support this project have been, and will be, transferred into this account.</p> <p><i>1. What will be done to avoid the identified problems and issues in the future?</i></p> <p>The Libraries' Business and Finance Manager has submitted a New Account Request form to the UNLV Controller's Office and Budget Office to create a new university restricted gift account for all restricted donor gifts. The Foundation reviews all monetary transfer request to ensure funds are transferred per donor requests/MOU.</p> <p><i>2. How compliance and future good management and practice will be measured, monitored and assured?</i></p> <p>Restricted gift funds will only be transferred into a corresponding university restricted gift account. The Libraries' Business and Finance Manager discusses new gifts with the Libraries' Director of Development to ensure that a corresponding university gift account is created when required. The Foundation reviews all monetary transfer requests for compliance with donor request/MOU, providing additional assurance.</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>3. Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> Accountability for new university restricted gift account requests falls to the Libraries' Business and Finance Manager. Additionally, the Foundation reviews all monetary transfer forms to ensure funds are transferred per donor requests/ MOU,.</p> <p><i>4. When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The Libraries' Business and Finance Manager understands and follows the policy and has already established two university restricted accounts. As the need arises to transfer restricted gifts funds into a university account, the Business Manager will submit a new account request form to create a new university restricted gift account.</p> <p><i>5. How compliance and performance will be documented for future audit, management and performance review?</i> The Libraries' Business and Finance Manager electronically saves all new account request forms, monetary funds transfer forms and gift documentation, and these documents are readily available for future audits. The Libraries Director of Development provides gift MOU's to the Business Manager, these are provided to the Controller & Budget office's when requesting a new gift account.</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
UNLV	PeopleSoft Security	Security Administration- Roles and Permissions	8/26/15 9/25/15	13	We recommend that UNLV evaluate any unassigned roles and permission lists to determine their need and eliminate any that are not necessary.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future.</i> A review of existing roles and permission lists assignments will be performed to produce a list of the roles and permission lists that are not assigned. That list will be reviewed and any role or permission list identified as no longer needed will be removed.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored, and assured.</i> The list of roles and permission lists not assigned will be produced. Samples from the list will be identified for a verification that the review process has been performed and appropriately documented.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> The Software Engineering Services Manager has oversight of the PeopleSoft security administration.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> The review of roles and permission lists not assigned was completed in October, 2015. We plan on performing this review twice annually in the future.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review.</i></p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							Security administration procedures provide documentation of user access and profile review and are available for audit review.		
UNLV	PeopleSoft Security	Role and Permission List Usage and Design Philosophy	8/26/15 9/25/15	14	We recommend that UNLV evaluate roles and permission lists to minimize overlap in their design where possible.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	Many of the documents published by PeopleSoft and other authorities are indeed recommendations. UNLV reviewed a number of documents to arrive at our security design. While we acknowledge that it is overdue for closer review, the overall structure is sound and working as needed. No performance or processing issues have been reported and no inappropriate security has been granted through the design or its application to a user accounts. Reviews of roles and permission lists currently occur as needed. At times new ones are created for the need of a business area. If an account owner is someone with duties over multiple areas, like Admissions and Student Records, overlap assignment can occur. While this is discouraged it is not restricted. UNLB is currently planning to upgrade to 9.2 Campus Solutions. We foresee this as an opportunity to not only review but to streamline security design. It is our current plan to engage a consultant that is proficient with PeopleSoft security to assist in this process.	CLOSED	12/3/2015
UNLV	KUNV Radio Station	Volunteers	10/17/14 12/4/14	15	We recommend KUNV ensure its volunteers complete the required documentation and the	Associate Vice President, ICA/TMC Business	1) <i>What will be done to avoid the identified problems and issues in the future?</i>	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
					submission of the documentation to the Office of Human Resources.	Services, Auxiliary Financial Services	<p>KUNV's Operations Manager has added a section to training where all required documents are reviewed and completed. Volunteers are not permitted to work at KUNV until the forms have been completed and returned. For existing volunteers who have not completed all of the forms, they will be distributed at our next staff meeting, in February, with a requirement to return them within the week.</p> <p><i>2) How compliance and future good management and practice will be measured and assured.</i></p> <p>Volunteers will be prevented from participating in station activities without having all required paperwork completed.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i></p> <p>KUNV's Operation Manager will distribute, collect, and submit the paperwork to Human Resources. KUNV's General Manager will review the process for compliance.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>All new volunteers are already in compliance. Existing volunteers will be asked to complete the forms no later than our next staff meeting.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>A copy of all documents will be kept in a personnel file for each</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>volunteer. We expect to have this recommendation fully implemented by 02/28/2015. Follow Up 9/10/15: All required documentation was submitted to the UNLV Human Resources Department as of May 18, 2015.</p>		
UNLV	Student Health Center	Student Workers	11/20/14 1/9/15	16	We recommend the department take greater care to ensure work hours are properly calculated and reported to the payroll department. We also recommend the employees be appropriately compensated for their work hours.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> The department adopted a spreadsheet to automate the calculation of student hours and eliminate math errors. Supervisors have been reminded of their responsibilities and provided a copy of the University's documentation regarding student workers to ensure that both they and student workers understand their obligations and that they review and sign time sheets before submission to payroll. As an additional measure, the Business Director will review time sheets to ensure department compliance with policy.</p> <p>2) <i>How compliance and future good management and practice will be measured and assured.</i> The Business Director is reviewing time sheets to ensure department compliance with policy.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i> Accountability for the training and review process is assigned to the Business Office Director.</p>	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
UNLV	Student Health	Information	11/20/14	17	We recommend SHC implement a	Associate Vice	<p>Accountability for the accuracy of the time sheets is assigned to department heads.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>The review process is in place. Additionally, we are reviewing all student timesheets and payroll records for FY15 to identify and correct any student underpayments and will complete this review by February 2015. The student workers who were noted above will be paid for their unpaid hours at that time.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>Actions recommended to supervisors based on the timesheet review will be retained internally for a year for training purposes and to ensure that student timesheets are prepared in accordance with policy.</p> <p>Follow-Up 9/10/15: A total of 13 errors were discovered where there was a discrepancy between what the student put on their time sheet and what was paid. Total underpayments were \$116 and overpayments were \$159. Checks were prepared for the underpayments. The requests were made to Payroll on February 26, 2016, for processing. No collection actions were taken against the overpayments.</p>	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
Center		Technology	1/9/15		policy for changing user passwords at least every 180 days, and preferably every 90 days. We also recommend the back-up data be stored at an additional off-site location, or in a different campus building, to help protect against the loss of data in the event of a disaster.	President, ICA/TMC Business Services, Auxiliary Financial Services	<p><i>the identified problems and issues in the future?</i> A policy was adopted in December of 2014 by the SHC Governing Board that requires users to change their passwords every 180 days. Additionally, SHC leadership has recommended the use of a secure hosting facility that provides off-site backup and warm-site recovery in addition to other important benefits such as data encryption and vendor service level agreements for uptime and data recovery. This option has been vetted through UNLV OIT and we intend to utilize our current contractor to provide hosted services and this transition is expected to be completed by April, 2015.</p> <p><i>2) How compliance and future good management and practice will be measured and assured.</i> The policy is enforced automatically through the electronic medical record software.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i> Accountability for implementation of the password process is assigned to the Business Office Director and the SHC Director.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i> The password policy is in place and password changes will occur automatically every 180 days. Timing on the hosting arrangement is contingent on</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>Purchasing's review and sign-off on contract terms. 5) <i>How compliance and performance will be documented for future audit, management and performance review.</i> The password policy is documented and retained in the SHC policies and procedures manual. It is enforced automatically via software. We expect to have this recommendation fully implemented by 04/30/2015. Follow-Up 9/10/15: The recommendation regarding changing passwords was implemented on January 6, 2015. The hosting agreement was executed on January 22, 2015 and fully implemented on April 30, 2015. With the completion of this project, the recommendation regarding off-site backups is in place. All other benefits from this hosting, including data encryption, up-time and data recovery guarantees, are now recognized.</p>		
UNLV	Office of Admissions	Admissions-Alternative Criteria	11/14/14 9/10/15	18	We recommend that the undergraduate catalog and the admissions alternatives website be reviewed and updated, as necessary, to ensure the criteria and required forms are accurately and consistently stated in each.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> The Office of Admissions is currently engaged in the process of reviewing for consistency and updating as necessary information related to alternate admissions criteria and documentation requirements contained within the undergraduate catalog and on the Admissions Alternatives website.</p>	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>-The alternate admissions process does not change frequently. The updates made to the Admissions Alternatives website were understood to be process changes (as opposed to policy changes) requests initiated by the Faculty Senate Admissions Committee. Considering this, updates were not made to the undergraduate catalog as it was viewed as a policy document. The ability to update procedures in this way is recognized in the undergraduate catalog in the Limitations section when it indicates that the university reserves the right to revise catalog provisions.</p> <p>-The undergraduate catalog will be updated to clarify policy requirements related to Admissions Alternatives as outlined on the Alternate Admissions website. In addition, the Admissions Alternatives website will be referenced in the policy as the source for steps to initiate and complete the process.</p> <p><i>2) How compliance and future good management and practice will be measured and assured.</i></p> <p>-An annual review of websites related to policy information contained within the undergraduate catalog will occur in conjunction with the annual catalog review process.</p> <p>-The department will implement an internal approval process for change requests to website pages that contain policy-related information prior to changes being made.</p> <p><i>3) Who will be responsible and</i></p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>may be held accountable in the future if repeat or similar problems occur?</i></p> <p>The Executive Director of Undergraduate Admissions will be responsible for ensuring that staff make the necessary updates at this time, complete the annual review of the undergraduate catalog and related websites and implement an internal review process for policy website updates.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>The needed review and updates will occur as part of the 2015-2016 catalog review process that is currently in process. All necessary changes and updates will be made by May 2015 (when the 2015-2016 catalog will be available).</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>The Office of Admissions will track and store internal approvals for changes to policy-related websites. We expect that this item will be fully implemented by May 31, 2015.</p> <p>Follow Up Response 9/10/15: <i>Action Taken:</i> A request was submitted on February 20, 2015 for the following language to be added to the existing front matter published in the catalog. <i>Alternative Admission Policy:</i></p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>The Nevada Board of Regents has authorized the university to admit each year a limited number of deserving students who do not satisfy the university's minimum admission requirements but who may be admissible through alternate means. Admission by alternative criteria is used for GED and Home-schooled applicants and is also an option for those applicants who are denied admission. The criteria for admission under the alternative admission program are:</p> <ul style="list-style-type: none"> - A combination of test scores and grade point average that indicate potential for success. - Special talents and/or abilities such as, but not limited to, the visual or performing arts or athletic abilities. - Other evidence of potential for success. - Improvement in the high school record. - Overcoming adversity or special hardship. - Other special circumstances. <p>Applications for alternative admission criteria are reviewed by the Faculty Senate Admissions Committee. In addition to the application procedures described earlier, an applicant for alternative</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>admission is also required to submit the documents listed below and to meet any other educational criteria that may be required by the Office of Admissions.</p> <ol style="list-style-type: none"> 1. All official transcripts indicating completion of all work in progress. 2. Official standardized test scores (ACT or SAT) or other documented evidence of the necessary capability, readiness, achievement, and motivation to be successful in university-level study. In order to be official, scores must be sent directly from the testing agency or appear on an official high school transcript. 3. A personal explanation of the circumstances of previous academic performance. 4. Two letters of recommendation from an employer, educator or responsible official. <p>Students admitted by the Faculty Senate Admissions Committee are required to meet with an Academic Success Center success coach at least twice during their first semester and must achieve a 2.00 grade point average for six or more baccalaureate-level credits by the end of that semester. Students who do not meet this requirement during their first semester will also be required to meet with a success coach during their second semester to develop a success plan. Refer to http://www.unlv.edu/admissions/alternatives for the most up-to-date information regarding admissions alternatives.</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
UNLV	Office of Admissions	Student Time Cards	11/14/14 9/10/15	19	We recommend the individuals be appropriately compensated for their work hours.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	With this change, the website and undergraduate catalog are now consistent. 1) <i>What will be done to avoid the identified problems and issues in the future?</i> The Division of Enrollment and Student Services, which the Undergraduate Admission Office is a part of, had taken steps even prior to the audit report to begin to address issues similar to the ones noted in this audit report. With the hiring of a new business staff (Director of Business and Budget Coordinator) positions within the last six months, significant improvements have been made to internal accounting and business practices within all the offices in Enrollment and Student Services. In addition, an additional administrative assistant position has been put in place in the Office of Undergraduate Admissions to provide additional oversight. The past practice of processing student timesheets was antiquated and labor intensive and was not appropriately staffed. That, in addition to the very high volume of students employed, led to the kinds of audit exceptions noted. The ESS business manager had already begun working on identifying improved processes in this area and this work will continue in the future. An automated timekeeping system, compatible with the new payroll system that will be part of iNtegrate 2 will be investigated and put in place in	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>the near future. The Office of Admissions will provide the compensation to the students who were underpaid by February 25, 2015 payroll period. The three students whose time cards were footed incorrectly were underpaid a total of 15.25 hours. The four students who are owed overtime were for a total of 3.75 hours. The total compensation owed to these students is \$187.</p> <p><i>2) How compliance and future good management and practice will be measured and assured.</i></p> <p>All student time records will be stored electronically in the new system. Hours worked will also be calculated by the system. The time reports with the automatic calculations will be submitted to payroll. Regular reports will be run to ensure the time calculations (including overtime) are correct.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i></p> <p>The Business Manager and Budget Coordinator will provide oversight to the appropriate staff in the Office of Admissions to ensure this problem does not occur moving forward.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>-As of January 1, 2015, The Office of Admissions and ESS business staff have been working on obtaining a quote for the electronic time clocks, and hope to have the system</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>implemented by July 1, 2015 (once the iNtegrate 2 specifications have been published). -Once the new system is implemented, we will do compliance checks twice a month when payroll is due. 5) <i>How compliance and performance will be documented for future audit, management and performance review.</i> Compliance and performance will be documented in the electronic timekeeping system. We expect to have this recommendation fully implemented by July 1, 2015. Follow-Up 9/10/15: Timesheets have been submitted to the Payroll Department to pay the student employees. The total amount underpaid to the student employees was \$187.</p>		
UNLV	Office of Admissions	Student Time Cards	11/14/14 9/10/15	20	For improved accuracy, we recommend that only the total work hours be subject to rounding.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> -The Division of Enrollment and Student Services, which the Undergraduate Admission Office is a part of, had taken steps even prior to the audit report to begin to address issues similar to the ones noted in this audit report. With the hiring of a new business staff (Director of Business and Budget Coordinator) positions within the last six months, significant improvements have been made to internal accounting and business practices within all the offices in Enrollment and Student Services. In addition, an</p>	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>additional administrative assistant position has been put in place in the Office of Undergraduate Admissions to provide additional oversight. The past practice of processing student timesheets was antiquated and labor intensive and was not appropriately staffed. That, in addition to the very high volume of students employed, led to the kinds of audit exceptions noted. The ESS business manager had already begun working on identifying improved processes in this area and this work will continue in the future. An automated timekeeping system, compatible with the new payroll system that will be part of iNtegrate 2 will be investigated and put in place in the near future.</p> <p>-The Office of Admissions is in the process of implementing a new, electronic timekeeping system. This new system will electronically calculate time worked and apply institutional rounding rules which will eliminate the manual calculation of hours worked.</p> <p>-Staff in the Office of Admissions have been providing additional training regarding institutional rules regarding rounding.</p> <p>-While the new timekeeping system is being implemented, staff has changed the practice from rounding on the start and end times to the appropriate practice of rounding once on total hours worked.</p> <p><i>2) How compliance and future good management and practice will be measured and</i></p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>assured.</i></p> <p>-All student time records will be stored electronically in the new system. Hours worked will be calculated by the system and institutional rounding rules will be automatically applied. The time reports with the automatic calculations will be submitted to payroll. Regular reports will be run to ensure the time calculations (including overtime) are correct.</p> <p>-An internal review of student time and payroll records for the current fiscal year will be conducted to ensure the change in practice has been implemented appropriately.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i></p> <p>The Director of Finance, Business and Quality Assurance for Enrollment and Student Services will provide oversight to the appropriate staff in the Office of Admissions to ensure this problem does not occur moving forward.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>-The change in the rounding practice (to round once on the total hours worked) has already been implemented.</p> <p>-the new, automated timekeeping system will be implemented by July 1, 2015.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>Compliance and performance</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>will be documented in the electronic timekeeping system. We expect to have this recommendation fully implemented by July 1, 2015. Follow-Up 9/10/15: The amounts underpaid to student employees as a result of these calculations were included in the \$187 amount listed above. We have implemented a new automated timekeeping system. This system is compatible with the new payroll system that will be part of iNtegrate2. All student time records are now collected and stored electronically in the new system. The new system electronically calculates time worked and uses institutional rounding rules which eliminates the manual calculation of hours worked. Before hours are submitted to Payroll, both student and supervisor must approve the hours in the system.</p>		
UNLV	Office of Admissions	Student Time Cards	11/14/14 9/10/15	21	We recommend students be instructed to clock out/in during their lunch break so the time cards accurately reflect both work and non-work hours.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> -The Division of Enrollment and Student Services, which the Undergraduate Admission Office is a part of, had taken steps even prior to the audit report to begin to address issues similar to the ones noted in this audit report. With the hiring of a new business staff (Director of Business and Budget Coordinator) positions within the last six months, significant improvements have been made to internal accounting and business</p>	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>practices within all the offices in Enrollment and Student Services. In addition, an additional administrative assistant position has been put in place in the Office of Undergraduate Admissions to provide additional oversight. The past practice of processing student timesheets was antiquated and labor intensive and was not appropriately staffed. That, in addition to the very high volume of students employed, led to the kinds of audit exceptions noted. The ESS business manager had already begun working on identifying improved processes in this area and this work will continue in the future. An automated timekeeping system, compatible with the new payroll system that will be part of iNtegrate 2 will be investigated and put in place in the near future.</p> <p>-the Office of Admissions has changed practices and is now requiring student employees to clock out/in for their lunch breaks as recommended.</p> <p>2) <i>How compliance and future good management and practice will be measured and assured.</i></p> <p>-All student time records will be stored electronically in the new system. Regular reports will be run by the Office of Admissions as well as the Enrollment and Student Services Business Office to ensure that lunch breaks are documented appropriately.</p> <p>-An internal review of student time and payroll records for the current fiscal year will be</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>conducted to ensure the change in practice has been implemented appropriately.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i> The Director of Finance, Business and Quality Assurance for Enrollment and Student Services will provide oversight to the appropriate staff in the Office of Admissions to ensure this problem does not occur moving forward.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> -The change of requiring students to clock out/in for lunch breaks has already been implemented. -The new, automated timekeeping system will be implemented by July 1, 2015.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review.</i> Compliance and performance will be documented in the electronic timekeeping system. We expect to have this recommendation fully implemented by July 1, 2015.</p> <p>Follow-Up 9/10/15: Student employees have been instructed to clock out and in from their lunch breaks. We have implemented a new automated timekeeping system. This system is compatible with the new payroll system that will be part of iNtegrate 2. All student time records are now collected and</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							stored electronically in the new system. The new system electronically calculates time worked and uses institutional rounding rules which eliminates the manual calculation of hours worked. Before hours are submitted to Payroll, both student and supervisor must approve the hours in the system. This includes the requirement to clock out and back in for the required lunch break.		
UNLV	Office of Admissions	Student Time Cards	11/14/14 9/10/15	22	We recommend student employees working more than a six hour shift take at least a 30 minute unpaid lunch break.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i></p> <p>-The Division of Enrollment and Student Services, which the Undergraduate Admission Office is a part of, had taken steps even prior to the audit report to begin to address issues similar to the ones noted in this audit report. With the hiring of a new business staff (Director of Business and Budget Coordinator) positions within the last six months, significant improvements have been made to internal accounting and business practices within all the offices in Enrollment and Student Services. In addition, an additional administrative assistant position has been put in place in the Office of Undergraduate Admissions to provide additional oversight. The past practice of processing student timesheets was antiquated and labor intensive and was not appropriately staffed. That, in addition to the very high volume of students employed, led to the kinds of</p>	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>audit exceptions noted. The ESS business manager had already begun working on identifying improved processes in this area and this work will continue in the future. And automated timekeeping system, compatible with the new payroll system that will be part of iNtegrate 2 will be investigated and put in place in the near future.</p> <p>-The Office of Admissions has changed practices and is now requiring student employees to clock out/in for their lunch breaks as recommended. With this change, the Office of Admissions is better able to monitor the length of the lunch break period to ensure students are taking the full lunch break period.</p> <p>-Training has been provided to student employees regarding the required minimum length for the lunch break period.</p> <p>-The new electronic timekeeping system that is being implemented will significantly aid in monitoring this process.</p> <p><i>2) How compliance and future good management and practice will be measured and assured.</i></p> <p>-All student time records will be stored electronically in the new system. Regular reports will be run by the Office of Admissions as well as the Enrollment and Student Services Business Office to ensure that the documented lunch breaks are the minimum required length.</p> <p>-An internal review of student time and payroll records for the current fiscal year will be</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>conducted to ensure the change in practice has been implemented appropriately.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i> The Director of Finance, Business and Quality Assurance for Enrollment and Student Services will provide oversight to the appropriate staff in the Office of Admissions to ensure this problem does not occur moving forward.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i> -The change of requiring students to clock out/in has already been implemented. Staff is now monitoring the lunch break length of student employees more closely to address any issues if they arise.</p> <p>-The new, automated timekeeping system will be implemented by July 1, 2015.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review.</i> Compliance and performance will be documented in the electronic timekeeping system. We expect to have this recommendation fully implemented by July 1, 2015.</p> <p>Follow-Up 9/10/15: We have implemented a new automated timekeeping system. This system is compatible with the new payroll system that will be part of iNtegrate 2. All student time</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
UNLV	Office of Admissions	Student Time Cards	11/14/14 9/10/15	23	For improved efficiency and accuracy, we recommend the department consider acquiring an automated timekeeping system with the capability of calculating daily and periodic work hours. We also recommend students be required to sign their rime cards.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p>records are now collected and stored electronically in the new system. The new system electronically calculates time worked and uses institutional rounding rules which eliminates the manual calculation of hours worked. Before hours are submitted to Payroll, both student and supervisor must approve the hours in the system. Particular attention is made to the requirement to take a full 30 minute, off the clock lunch break.</p> <p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> -The department has made the decision to purchase licenses for and implement an electronic timekeeping system for student employee hours. The new system, which requires a thumbscan to clock out/in, is already being used by several other departments on the UNLV campus. This system will eliminate the need for supervisors to manually calculate hours worked and significantly increase the efficiency by which student payroll can be prepared. The cost of implementing scanner (under the already existing contract UNLV has) is \$1,243.85. -In addition, this new, electronic system requires student employees to validate (i.e. signature) hours worked either on a per shift or per pay period basis.</p> <p>2) <i>How compliance and future good management and practice will be measured and</i></p>	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>assured.</i></p> <p>-All student time records will be stored electronically in the new system. Hours worked will also be calculated by the system. The time reports with the automatic calculations will be submitted to payroll. Regular reports will be run to ensure the time calculations (including overtime) are correct.</p> <p>-The student employee validations of their hours worked will also be stored in this system.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i></p> <p>The Director of Finance, Business and Quality Assurance for Enrollment and Student Services will provide oversight of the appropriate staff in the Office of Admissions to ensure that this implementation is completed.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>The new, automated timekeeping system will be implemented by April 1, 2015.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>Compliance and performance will be documented in the electronic timekeeping system.</p> <p>Follow-Up 9/10/15:</p> <p>We have implemented a new automated timekeeping system. This system is compatible with the new payroll system that will be part of</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							iNtegrate 2. All student time records are now collected and stored electronically in the new system. The new system electronically calculates time worked and uses institutional rounding rules which eliminates the manual calculation of hours worked. Before hours are submitted to Payroll, both student and supervisor must approve the hours in the system		
UNLV	Office of Admissions	Expenditures	11/14/14 9/10/15	24	We recommend the Statement of Account be signed in a timely manner.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> The new policy the business staff is working towards is to have all transactions reconciled (accepted, assigned a valid account number and provided with a description of the charge) on a weekly basis to ensure enough time for routing, review and acceptance by the supervisors. This is a new policy that the business staff is working towards, and is different from a university policy that only requires reconciliation once a month that many staff was used to, which allowed room for error, misplacement of receipts during that month, etc. The ESS office is also eliminating several Pcards in CY 2015 and identifying other steps to improve the Pcard process, and hold Pcard users more accountable, and control some of the purchases within the central ESS office.</p> <p>2) <i>How compliance and future good management and practice will be measured and assured.</i></p>	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>Set up an internal policy to have all Pcard transactions reviewed weekly by Pcard holder and supervisor to ensure compliance and future good management. Set up internal policies to "suspend" the use of Pcard privileges if policies are not followed. The new internal policy will be implemented in spring 2015.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i></p> <p>-Pcard holder is responsible for compliance with the use of the Pcard and keeping original records/receipts of every transaction.</p> <p>-Supervisors of Pcard holders are also responsible for any follow up or disciplinary actions taken if needed.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>The internal policy will be implemented in spring 2015, and will require a reconciliation on weekly basis, rather than the monthly basis as current university review period is.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>Internal policy around PCard procedures and timing will ensure that reconciliation is completed on weekly basis, and that those who do not comply with the internal policy may have their PCard suspended until corrections are made. A regular</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>communication through email listserv to notify PCard holders of deadlines and hold them accountable for their actions. We expect to have this recommendation fully implemented by June 1, 2015.</p> <p>Follow-Up 9/10/15: The ESS business staff has established and implemented an internal policy to have all transactions reconciled (accepted, assigned a valid account number and provided with a description of the charge) on a weekly basis to ensure enough time for routing, review and acceptance by the supervisors. This is a new internal policy to Enrollment and Student Services, and is different from a university policy that only requires reconciliation once a month that many staff was used to, which allowed room for error, misplacement of receipts during the month, etc.</p> <p>The internal policy states: -P-Card holders must obtain and securely store their P-Card Usernames and Passwords -Transaction receipts are to be placed in supplied "P-Card" folders and forwarded to supervisors on a weekly basis; folders will be picked up every Friday at 2:00pm from supervisors by the AVP's office for final review. -Unreconciled P-Cards are subject to suspension by the P-Card Program. The policy was implemented January 2015.</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
<u>NSHE INTERNAL AUDIT REPORTS</u>									
NSHE	System Computing Services- Network Security	Network Server Testing	2/5/15 12/31/15	25	We recommend that SCS follow the guidance provided in the benchmark tool reports for correcting the various deficiencies and review the user accounts on each server to eliminate generic, test, and stale user accounts where appropriate.	Vice Chancellor Information Technology	SCS Systems Support Services is responsible for server configurations, user account management and server security. The benchmark tool report recommendations were followed to apply security configuration changes and delete eligible generic, test, and stale user accounts. The reports will be reviewed on an on-going basis and used as a guide for continued application of security enhancements on Windows servers. 1. Security Configuration Changes a. Windows Firewall has been enabled. b. Logon parameters noted by CISCAT have been implemented. c. SCS has recently purchased a privilege management tool to reduce and manage local administrative capability granted to administrators on Windows clients. Implementation of the privilege management tool should be completed by December 2015 with additional tuning and ongoing management as required. 2. User Account Concerns a. The only remaining user accounts with non-expiring passwords, some of which are generically named, belong to Institutional Presidents whose leave is tracked through the SA/SCS iLeave tool. These accounts are in place to minimize inconvenience to institutional executive assistants and address difficulties with external (non-SCS/SA) staff	CLOSED	12/31/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>resetting their Active Directory (AD) account's password as there is no linkage between SCS's AD environment and institutional AD environments. These accounts will no longer be necessary and will be deleted once the leave tracking component of the iNtegrate 2 project has been implemented. As an interim solution, SCS will require that leave tracking accounts be named after and assigned to the actual person performing leave tracking, provide automated password reset reminders to said persons, and assist said institutional users with changing their password over the phone via the SCS Service Desk. This method of resetting a password is not ideal due to the inherent difficulty of identity verification over the phone, with the additional side effect of Service Desk staff being privy to the external leave keepers' new passwords. The interim solution will be completed by 12/31/2015.</p> <p>b. Some service accounts have non-expiring passwords to avoid inadvertent downtime due to expiration. Moving forward, the designated owner of a service account with a non-expiring password will be required to schedule and perform a password reset yearly with a one month grace period. The passwords for such service accounts will be of greater length and complexity than those required by AD Group Policy for normal user accounts. Automated password reset reminders will be sent to the</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>service account's owner. The service account owner's manager and the System Security Officer will be automatically notified if the password reset does not occur in a timely fashion. Account changes to require password resets are expected to be completed by 10/31/2015.</p> <p>Follow Up Response 9/25/15:</p> <ol style="list-style-type: none"> 1. Security Configuration Changes <ol style="list-style-type: none"> a. This recommendation was fully implemented at the time of the initial response. b. This recommendation was fully implemented as the time of the initial response. c. Implementation of the privilege management tool should be completed by 12/31/15 with additional tuning and ongoing management as required. 2. User Account Concerns <ol style="list-style-type: none"> a. Standard password expiration has been implemented for all user accounts except those belonging to Institutional Presidents and their Executive Assistants. The ability for named Executive Assistant accounts to manage leave tracking for the Presidents is currently being tested in iLeave. Once testing is complete, named accounts will be defined for each Executive Assistant. Passwords for the Presidents and Executive Assistants will be reset on first access, then expire annually like Service Accounts. We expect all generic accounts associated with the leave tracking process to be deleted by 12/31/2015. b. Procedures and an 		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>automated tool for notifying Service Account owners, their managers, and Security have been implemented per our initial response as of 5/27/2015. Several Service Accounts with a password last set prior to that implementation date must still be changed by the account owners. We expect that these service account passwords will be changed by 12/31/2015.</p> <p>Update 12/31/15: Administrator rights on the AD server have been reviewed and updated as per the recommendations from CISCAT. Future reports will be reviewed on a regular basis and changes implemented as appropriate. The privilege management tool will be implemented for Windows clients. Named accounts have been implemented for Executive Assistants to manage leave for the Campus Presidents and the generic accounts have been deleted. Service accounts now require a longer and more complex password and automated reminders are being sent to account owners, account owner managers, and the SCS Security Officer.</p>		
NSHE	System Computing Services- Network Security	Change Control Process	2/5/15 12/31/15	26	We recommend that SCS complete policies for all server platforms and that the policies be formally implemented.	Vice Chancellor Information Technology	SCS Systems Support Services will work with the SCS Security Officer to formalize server policies that address security and configuration settings for server platforms. Accepted policies will then be implemented and exceptions to policies tracked through the SCS Security Office. We expect	CLOSED	12/31/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							to document policies and exception requests to these policies by 12/31/15. Follow Up Response 9/25/15: A comprehensive draft security policy has been submitted to senior management for review. Sub-policies specific to server systems are expected to be completed by 12/31/15. Update 12/31/15: The "NSHE-SCS Information Security Policies and Procedures" document which includes policies for server platforms has been approved and published for SCS.		
NSHE	System Computing Services- Network Security	Policies, Procedures and Best Practices	2/5/15 12/31/15	27	We recommend that SCS complete and adopt a comprehensive set of information security policies.	Vice Chancellor Information Technology	SCS will initiate a policy review and develop a comprehensive set of information security policies. Follow Up Response 9/25/15: A comprehensive draft security policy has been submitted to senior management for review. Update 12/31/15: The "NSHE-SCS Information Security Policies and Procedures" document has been approved and published for SCS.	CLOSED	12/31/2015
NSHE	System Computing Services- Network Security	System Backup	2/5/15 12/31/15	28	We recommend that SCS implement a method to test the restore process across all backup areas and platforms.	Vice Chancellor Information Technology	An automated test- restore process will be implemented and scheduled to run at regular intervals for all platforms. Follow Up 9/25/15: SCS has procured and implemented the Automated Restore Testing (ART) utility from TSMworks to verify file restores on AIX, Linux, and Windows platforms. Tests are run nightly and results are verified on a regular basis.	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
NSHE	System Computing Services- Network Security	VIOS and HACMP	2/5/15 12/31/15	29	We recommend that SCS develop and implement a process to regularly test the functioning of the HACMP process for systems and applications.	Vice Chancellor Information Technology	SCS will schedule and coordinate quarterly failover tests with each Campus Instance (UNR, UNLV and Shared) to verify successful functioning of the automated HACMP process at the operating system level and incorporate application level restart testing as requested by each campus. Controlled failover tests were included with the upgrade of the HACMP product code which will be completed for second quarter on all HACMP systems by 5/30/15. SCS is responsible for and provides an automated failover test process for operating system level resources with each HACMP upgrade where system level resources are moved from the failed primary database server to the backup server. Operating system level resources were tested and automatic failover has been successful for all upgraded systems. Future quarterly tests irrespective of ta HACMP code upgrade will be scheduled with each Campus Instance. Each Campus Instance is responsible for and may elect to include a scripted restart of the application upon failover tot eh backup node. UNLV and UNR successfully completed a scripted restart of the application in the controlled failover tests during the HACMP upgrades. Due to the complexity of the Shared Instance applications system design, at this time the SCS IAS group finds it more prudent to manually shut-down and start-	CLOSED	6/11/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>up the database and the application and web services in the event of a server or storage device failure. This manual process affords the Database Administrators at SCS the opportunity to determine a root cause of the failure and to ensure that the integrity of the database itself has not been compromised, something that is not feasible if automated start-up scripts are used. However, the SCS IAS group continues to work with the Systems Support Services group to develop and test processes which could conceivably provide for an automated start-up upon a system failure.</p> <p>Follow Up response 9/25/15: Controlled failover tests for the Shared, UNR, and UNLV HA operating system environments were completed in June 2015. HA system configurations incur no changes except when they are being upgraded and are designed to perform automatically a scheduled nightly test of all HA components, essentially double checking every sub-component of HA to make sure that it has not changed since startup. While an automated HA failover when the system experiences a problem only takes a 1-3 minute pause in processing, a failover test requires 30-60 minutes of scheduled downtime due to the manual checks and balances involved in the testing process and the practice of "failing" back to the original system. Since one of the goals of system and application management is to minimize end-user downtime,</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							production outages are complex and difficult to schedule due to competing requirements for firmware, operating system, and application maintenance and upgrades. We feel that these factors mitigate the need for too frequent testing of a full HA failover. Since upgrade or maintenance is typically applied once or twice per year, we feel that testing incorporate in the upgrade/maintenance implementation is sufficient to test the functioning of the HACMP process. However, in the event that no upgrade or maintenance is scheduled within a year of the previous one, a controlled failover test will be scheduled such that HACMP functioning will be tested at least once in any 12-month period.		
NSHE	System Computing Services- Network Security	Policies, Procedures and Best Practices	2/5/15 12/31/15	30	We recommend that SCS perform a risk assessment so that a contingency plan can be created.	Vice Chancellor Information Technology	The NSHE Procedures and Guidelines Manual, Chapter 14, Section 1.2 requires "appropriate risk assessment provisions to identify vulnerabilities and threats to institutional information resources and major enterprise systems, including but not limited to scheduled network and system vulnerability scans." To this end, SCS has had a 3 rd party security assessment performed in 2010 against all enterprise database systems. In 2015, we are engaged with a 3 rd party to perform a penetration test against enterprise systems. Additionally, SCS conducts weekly vulnerability scan on desktop systems has been in place for several years. Weekly reports on all servers will be	CLOSED	6/11/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>provided starting this April. The costs and resources necessary to conduct an additional "Risk Assessment" based on NIST Risk Management Framework (RMF) or other recognized methodology (OCTAVE, FAIR, TARA) will be examined.</p> <p>Follow Up Response 9/25/15: Server vulnerability reports are provided automatically on a weekly basis to the Systems group.</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
<u>NSC INTERNAL AUDIT REPORTS</u>									
NSC	Bookstore Operations Contract	Customer Surveys	1/28/15 10/7/15	31	We recommend the Contractor be requested to conduct surveys in accordance with the bookstore operations contract.		<p>1) <i>What will be done to avoid the identified problems and issues in the future;</i> Barnes & Noble commits to sending out a minimum of two surveys to Nevada State College students and faculty annually. These surveys will allow us to identify the likes and dislikes of students and faculty, areas for improvement, potential new initiatives and nationwide trends. Barnes and Noble will work with administration to customize the survey questions to meet the need of the institution and to administer the surveys. The surveys will be conducted on March 1st and October 1st of each year and allow a two week time period for response collection.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured;</i> The results of the surveys will be compiled and shared with Nevada State College representatives within two weeks of the close of each survey period. Should Nevada State College have any issues with the surveys or results, Barnes & Noble commits to addressing these concerns within 30 days of the College's notification.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise;</i> The Regional Manager for Barnes & Noble will be</p>	CLOSED	6/11/15

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>responsible for ensuring the survey is conducted and the results disseminated.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured;</i></p> <p>The first survey of Nevada State College students and faculty will be conducted on October 1, 2015.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>Barnes and Noble will provide summary results of the surveys within two weeks of the completion of each survey period. Summary results will be retained by the Vice President of Finance and Business Operations for a period of two years following acceptance of the report.</p> <p>Follow Up Response 10/7/15: The Contractor, Barnes and Noble, has acknowledged their responsibility to conduct the surveys. Consistent with the initial response, the initial survey instrument has been developed and the first survey was distributed October 1, 2015.</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
<u>TMCC INTERNAL AUDIT REPORTS</u>									
TMCC	Grants and Contracts	Effort Reporting	8/14/15 10/13/15	32	For improved reporting and consistency purposes, we recommend the PAR be utilized in the effort reporting process.	Vice President of Finance and Administrative Services	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i> The PAR effort report will be completed for all TMCC grants requiring time & effort reporting. The Grants Analyst will provide PAR reports from XNet to Primary Investigators (PI's). The PI's will verify the effort and account numbers reflected on the report. Once the effort and account numbers have been verified, the effort report will be sent to the employee and supervisor for approval and eventual return to the Grants Office.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i> PAR effort reports will be monitored by the Grants Analyst as compliance reports are prepared. It will also be available in the general grant file in the grant accounting office. PI's will be trained regularly on this.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The PI's and Grant Analyst will be responsible for ensuring the use of PAR and the completion of effort reporting.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i></p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
TMCC	Grants and Contracts	Effort Reporting	8/14/15 10/13/15	33	We recommend that effort reports be completed in a timely manner.	Vice President of Finance and Administrative Services	<p>On a semi-annual basis, the general grant folders will be audited by the Grants Analyst Supervisor to ensure the PAR effort reports are being maintained.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> The PAR effort reports will be available for review in the grant accounting office.</p> <p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> Five of the employees as noted have completed their effort reports. Since summer 2015, PAR effort reports are reviewed monthly. Similarly, TMCC made PAR effort reporting accessible via XNet for distribution to PI's. This automation eliminates the time intensive requirement to manually produce the PAR effort report.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> The Grant Analyst will track when PAR reports have been sent to the PI's and when the verified PAR effort reports are returned to the Grant Accounting Office.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Grant Analyst will be accountable for ensuring PAR effort reports are being completed in a timely manner.</p> <p>4) <i>When the measures will be</i></p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>taken and on what schedule compliance and good practice will be secured?</i> On a quarterly basis, the Director of Budget & Planning will review the grant files to ensure complete PAR effort reports have been completed in a timely manner. <i>5) How compliance and performance will be documented for future audit, management and performance review?</i> The completed PAR effort reports will be available for review in the Grant Accounting Office.</p>		
TMCC	Grants and Contracts	Cash Management	8/14/15 10/13/15	34	In order to recover costs in a timelier manner, we recommend invoices be submitted to sponsors on at least a quarterly basis unless a longer time period is specified by the sponsor.	Vice President of Finance and Administrative Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> The Director of Budget and Planning, who now oversees the Grant Analyst position, is closely monitoring the invoicing of grants. The invoicing is occurring on a regular basis. 2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> The Director of Budget & Planning will review the grants balance and activity reports to ensure expenditures are invoiced in a timely manner. This review will occur on a quarterly basis. 3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Grants Analyst and Director of Budget & Planning are responsible to ensure similar occurrences are not repeated. 4) <i>When the measures will be</i></p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>taken and on what schedule compliance and good practice will be secured?</i></p> <p>On a quarterly basis, the balance and activity reports for the grant accounts will be reviewed to ensure that the invoices are occurring in a timely manner.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i></p> <p>After reviewing the balance and activity report, the initials of the Director of Budget & Planning and the date of review will be annotated on the balance and activity report as evidence of review.</p>		
TMCC	Grants and Contracts	Cash Management	8/14/15 10/13/15	35	We recommend all sponsored project invoices be processed from the financial accounting system and that an aging report be generated and reviewed on a periodic basis.	Vice President of Finance and Administrative Services	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i></p> <p>The invoices noted were created prior to TMCC implementing invoice generation in the Advantage accounting system. Since March 2014, all TMCC grant invoices are generated in the Advantage accounting system. Since the implementation of invoices being recorded in the Advantage accounting system, system generated aged accounts receivable reports are now being compiled.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i></p> <p>The Director of Budget & Planning will review quarterly the aged open invoice report from the financial data warehouse. When the aged</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>open invoice reports are reviewed, the Director of Budget and Planning will initial and date the report.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Grants Analyst is responsible for ensuring all grant invoices are recorded in the Advantage accounting system in a timely manner.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> During the quarterly review of the grant financial files, invoices will be reviewed for inclusion in the file and timeliness of creation.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> Invoices will be included in grant financial files located in the Grant Analyst office. The invoices will be available for review on request. The reviewed aged open invoice reports will be maintained in the grant analyst office.</p>		
TMCC	Grants and Contracts	Expenditures	8/14/15 10/13/15	36	We recommend that only authorized expenditures be charged to sponsored projects. If there is a need to include an expenditure category that was not included in the original budget, we recommend approval be requested from the sponsor.	Vice President of Finance and Administrative Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> Primary Investigators (PI) will be reminded that only authorized expenditures can be charged to sponsored projects. When the PI encounters an expenditure that needs to be included in their grant and the expenditure's category was not included in the grant's original budget; the PI</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>and Grant Manager will seek approval for the additional expenditure category from the sponsor.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i></p> <p>The PI will verify that travel claims do not include unauthorized entertainment expenditures during the travel claim approval process. Travel expenditure object codes will be double-checked by the TMCC travel accountant to ensure that entertainment expenditures are allowable expenditures on travel claims when entertainment expenditures are being charged to grants.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i></p> <p>The PI, and Grant Manger will be held accountable if similar problems arise.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i></p> <p>Each time entertainment expenditures are included on a travel claim, the TMCC travel accountant will double-check to ensure that entertainment expenditures are being charged to grants.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i></p> <p>Completed travel claims will be available in the Budget & Planning Office for review upon request.</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
TMCC	Grants and Contracts	Expenditures	8/14/15 10/13/15	37	We recommend TMCC staff be reminded that meal per diem cannot be claimed when hosted meals have been paid by the college.	Vice President of Finance and Administrative Services	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i> TMCC staff members have been reminded that per diem cannot be claimed when hosted meals are provided. The requirement to closely review and cross reference travel claims when staff attends events with hosted activities has been reinforced. The travel instruction form has been updated to reflect the requirement that a hosted meal cannot be claimed as a per diem meal.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i> In the future, should a staff member be found to have claimed per diem for a hosted event, the staff member will be required to repay the claimed per diem.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The travel accountant is charged with ensuring a repeat occurrence does not happen.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> As individual travel claims are being processed, the travel accountant will verify that hosted meals are not claimed as per diem meals.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance</i></p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>review?</i> Completed travel claims are available for review in the Budget & Planning office. Semi-annually, the Budget Analyst will perform an audit of a selected sample of processed travel claims.</p>		
TMCC	Grants and Contracts	Indirect Costs	8/14/15 10/13/15	38	We recommend that greater care be taken to ensure the correct indirect cost rate is applied when accounts are established in the financial accounting system.	Vice President of Finance and Administrative Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> Prior to establishing grant accounts within the Advantage accounting systems, the indirect rate being entered will be verified as correct by comparing the indirect rate entered in Advantage with the indirect rate shown on the grant award letter. As each drawdown request is processed, the Director of Budget and Planning will review the drawdown request prior to the drawdown request being submitted. The review will compare the drawdown request to the current balance and activity report for the specific grant to ensure that the amounts on the drawdown are accurate.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> Compliance will be monitored on a monthly basis as drawdowns are being processed. The assurance will come from the review by the Director of Budget & Planning of the drawdowns prior to being processed.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i></p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>The Director of Budget and Planning as well as the Grants Analyst will be accountable to ensure these issues do not reoccur.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i></p> <p>As monthly drawdowns are processed, the Director of Budget & Planning reviews of the drawdowns and associated indirect rates will be completed.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i></p> <p>The compliance and performance will be documented by having the Director of Budget and Planning initial the balance and activity report indicating that the pre-drawdown review was accomplished.</p>		
TMCC	Grants and Contracts	Reporting	8/14/15 10/13/15	39	We recommend reports be completed and submitted to sponsors as required.	Vice President of Finance and Administrative Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i></p> <p>TMCC has developed a grant closeout checklist form that will be utilized for each grant as the grant ends. Submitting the final grant financial reports is included on the grant closeout checklist. Having this item included on the checklist will highlight the requirement to meet the sponsor's reporting requirements.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i></p> <p>The completed grant closeout checklist will be included as a</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>permanent part of the grant folder maintained in the Grant Analyst office.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Grant Analyst is responsible for ensuring final grant financial reports are submitted in accordance with the sponsor's requirements.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The grants closing checklist will be completed for all grants closing after October 1, 2015.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> A copy of the final financial report will be included in the grant file. The submission date to the sponsoring agency will be annotated on the grant closeout checklist that is maintained in the grant file.</p>		
TMCC	Vending Services	Cash Controls	8/24/15 10/15/15	40	We recommend the log be modified to include this information.	Vice President of Finance and Administrative Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> The existing log located in the safe in Accounting Services has been modified to include the initials of the employee removing rolled coin. Furthermore, the log was updated to track individual denominational balances. This allows for improved tracking and accountability. This update was completed and in place as of the end of August 2015.</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> In addition to the updated manual log, the new Accounting Services Cash Handling Policy and Vending Services software upgrade scheduled in December 2015 may allow for a modification of this logging procedure. Future procedural changes, if warranted, will be consistent with this audit recommendation. Vending Services understands the intent of this recommendation and will ensure that new procedures are consistent with this recommendation and the cash handling policy. This may be in the form of electronic tracking/logging and doing away with the manual procedure. If an automated solution will not meet the needs of the audit recommendations or Cash Handling Policy the newly updated manual log will remain in place.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> Retail Storekeeper I, Auxiliary Services Manager, and/or designee will be required to maintain the log and follow all established procedures with every withdraw. Failure to comply will result in disciplinary action.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> Auxiliary Services Manager or Administrative Assistant will</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							reconcile the vending coin log monthly. The Auxiliary Services manager also checks the coin log periodically when coins are withdrawn or deposited. <i>5) How compliance and performance will be documented for future audit, management and performance review?</i> Coin log will be maintained by Auxiliary Services and available for review upon request.		
TMCC	Vending Services	Cash Controls	8/24/15 10/15/15	41	We recommend the coin log kept in the safe be submitted with the request for check to allow Accounting Services to verify the current coin inventory and reasonableness of the request.	Vice President of Finance and Administrative Services	<i>1) What will be done to avoid the identified problems and issues in the future?</i> Since October 1, 2015, requests for coin procedures require all check requests to include a copy of the coin log spreadsheet as back up. <i>2) How compliance and future good management and practice will be measured, monitored and assured?</i> Accounting Services will not fulfill coin requests without the supporting documentation in the form of the coin log. Requests will be in compliance with forthcoming newly established Accounting Services Cash Handling Policies. <i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> Auxiliary Services Manager will be accountable for future issues in this area with oversight from the Director of Accounting Services. <i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> Auxiliary Services manager will	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
TMCC	Vending Services	Annual Inventory	8/24/15 10/15/15	42	We recommend all of the cash held by Vending Services be counted and included in the year-end inventory count.	Vice President of Finance and Administrative Services	<p>verify supporting document is attached to requests before approving the request form. Check requests will not be submitted to Accounts Payable for processing without supporting documents. 5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> Copies of all requests for checks and supporting documentation will be maintained in the Vending Services account binder and available for review upon request.</p> <p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> Starting with the FY 15 year-end inventory report, all currency held by Vending Services will be included as separate line items on the excel spreadsheet submitted to Accounting Services. 2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> Moving forward, accounting for and documenting all cash held by Vending Services within the fiscal year-end inventory report will now be a standard operating procedure. This data has always been collected in the past but was not included on the final report. As stated above, these items are now listed on the spreadsheet individually and will be recorded annually as part of the year-end inventory. 3) <i>Who will be responsible and</i></p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>may be held accountable in the future if repeat or similar problems arise?</i> Auxiliary Services Manager will verify the report for completeness prior to submittal no later than June 20, annually. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The year-end inventory report will not be submitted to Accounting Services without accounting for all cash held be Vending Services. 5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> The verified fiscal year-end inventories report will be maintained in the Auxiliary Services office and be available for review.</p>		
TMCC	Vending Services	Product Inventory	8/24/15 10/15/15	43	We recommend staff be trained to correctly add and remove product from the inventory system. We recommend a complete inventory be conducted in order to correct erroneous UPCs and other discrepancies that exist in the inventory system. We also recommend the inventory system report be regularly reviewed and reconciled to the actual inventory and that any necessary adjustments to the inventory system be made in a timely manner.	Vice President of Finance and Administrative Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> Staff has received training on the proper procedure(s) for adding and removing items within the warehouse management software. A complete inventory was conducted in May 2015, and again on June 30, 2015, erroneous UPC's were removed and the database was scrubbed for inaccuracies, duplicates, and inactive items. Vending Services will continue to conduct periodic (monthly) complete warehouse inventories to ensure regular updates. 2) <i>How compliance and future good management and practice</i></p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>will be measured, monitored and assured?</i> Existing and new staff will receive continual training and reminders on the proper procedures for adding and removing items within the warehouse management software. Staff will also receive training on product UPC's and how they're utilized within the software. Vending Services Retail Store Keeper I and staff will conduct monthly inventories throughout the year.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Retail Store Keeper I will be accountable for ensuring an accurate product inventory is maintained within TMCC Vending Services and Cantaloupe software.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> Auxiliary Services Manager will conduct quarterly audit checks of the inventory counts as reported in the Cantaloupe software. Discrepancies and variances will be immediately addressed and corrected. Additional training will be provided as needed.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i> Copies of the warehouse inventories will be maintained in the vending services warehouse.</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
TMCC	Vending Services	Key Controls	8/24/15 10/15/15	44	For improved control, we recommend the vending machine keys be restricted to those employees that require access to the vending machines as part of their job function. We also recommend employees sign-out/in the keys when they are accessed in order to maintain a record of this activity.	Vice President of Finance and Administrative Services	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i> Vending Services installed a lock box on September 2, 2015, within the vending storage room. Machine keys are checked in/out daily to employees at the beginning and end of each shift. Only two employees have keys and access to the lock box: Auxiliary Services Manager and Retail Storekeeper I.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i> Retail Storekeeper I will verify daily that all keys have been returned, accounted for, and secured in lock box prior to end of shift. Manager will be notified immediately of any issues.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> Vending Services employees' are responsible for returning keys daily. Failure to comply with this requirement may result in disciplinary action and/or termination.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> Auxiliary Service Manger will periodically audit lock box for compliance.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i> An audit log will be affixed to the interior door of lock box.</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
TMCC	Vending Services	Contracts	8/24/15 10/15/15	45	We recommend Vending Services contracts be reviewed on an annual basis to ensure they are current.	Vice President of Finance and Administrative Services	<p>Auxiliary Services Manager will initial and date with each audit occurrence.</p> <p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> Issues were resolved prior to completion of the audit process. This contract is now in compliance with NSHE policy. Auxiliary Services Manager or designee will review contracts annually for compliance.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> All contracts will be processed and maintained in accordance with TMCC, BCN and NSHE policy. Contracts requiring modification, updates, or renewals will be handled promptly.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> Auxiliary Service Manager is responsible for monitoring all vending services contracts for compliance with the TMCC, BCN and NSHE contracting requirements.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The annual review process will coincide with fiscal year end.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> All vending services contacts will be maintained in the</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
TMCC	Vending Services	Contracts	8/24/15 10/15/15	46	We recommend contracts be reviewed for proper format by TMCC Legal Counsel and then forwarded to the proper campus authority for signature in accordance with NSHE policy.	Vice President of Finance and Administrative Services	<p>Auxiliary Services office and available for review upon request.</p> <p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> Issues were resolved prior to completion of the audit process. This contract is now in compliance with NSHE policy.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> Auxiliary Services Manager or designee will review contracts annually for compliance. All contracts will be processed and maintained in accordance with TMCC, BCN and NSHE policy. Contracts requiring modification, updates, or renewals will be handled promptly.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> Auxiliary Service Manager is responsible for monitoring all vending services contracts for compliance with the TMCC, BCN and NSHE contracting requirements.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The annual review process will coincide with fiscal year end.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> All vending services contacts will be maintained in the</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							Auxiliary Services office and available for review upon request.		
TMCC	Vending Services	Expenditures	8/24/15 10/15/15	47	We recommend purchasing card statements be reviewed and approved in a timely manner.	Vice President of Finance and Administrative Services	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> Future purchasing card statements will be reviewed and approved in a manner which complies with TMCC Purchasing Card Policies.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> Auxiliary Service Manager or designee will review, process, and submit all P-card statements to approving authority within the timeframe spelled out by the TMCC Purchasing Card Policy.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> Auxiliary Services Manager is responsible for insuring that purchasing card statements are reviewed and approved within the prescribed timeframe.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> Approved purchasing card statements will be submitted within the two weeks after the period closing.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> Approved purchasing card statements will be stored in the TMCC Pcard office and</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							available for review on request.		
TMCC	Admissions and Records	Expenditures	10/15/14 9/10/15	48	We recommend hosting expenses be approved by the proper authority, as required. We also recommend that hosting expenses be charged to authorized host accounts and properly charged.	Vice President of Finance and Administrative Services	<p><i>Corrective Action:</i> TMCC concurs with the recommendations as they relate to hosting expenses. In fact, TMCC has in place clear guidance about the steps and requirements for host expenses and the use of hosting accounts. They are readily available on the web and provided through annual training. TMCC Accounts Payable ensures that these requirements are followed before processing for payment or reimbursement. The expense identified has been established as a program expense and not a hosted expense within existing guidelines. As a program expense, appropriate forms were completed and the employee with signature authority provided approval.</p> <p><i>Prevention and Monitoring:</i> TMCC VPFA will work closely with NSEH Audit and with members of the Business Officers Council in clarifying policies with regards to hosting expenses versus program expenses. Procedures and processes will be updated appropriately and TMCC Budget and Planning will update its annual training module appropriately.</p> <p>Follow-Up 9/10/15: As of July 2015, TMCC's host policies and procedures were updated. TMCC has also updated the host procedures web site by providing clearer examples of what is allowable</p>	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							as a host function and what can be considered a program expense. All host policy materials have been updated as well and are currently being used during staff training sessions.		
TMCC	Admissions and Records	Other- NSHE Required Audits	10/15/14 9/10/15	49	We recommend NSHE System Administration review the policies referenced above and provide clarification regarding the appropriate applicant population for the required audits.	Vice President of Finance and Administrative Services	NSHE System Administration Response: In order to provide clarity to the policy as suggested, NSHE System Administration has written a revision to the NSHE Procedures and Guidelines Manual, Chapter 6, Sections 16 and 17 to indicate that the 10 percent sample required for both residency and the community college admissions audit shall come from the matriculated applicant population. This revision will go for approval to the next Chancellor's Cabinet meeting, tentatively scheduled for January 20, 2015. In addition, the NSHE Director of Student Affairs will communicate the change with each of the community college registrars to be sure they adjust their process accordingly. Both of these steps should assist institutions in achieving compliance with the 10 percent audit requirements for residency and graduation status. Follow-Up 9/10/15: As of January 2015, NSHE Procedures and Guidelines Manual, Chapter 7, Sections 16 and 17 were updated to indicate that the 10 percent sample required for both the residency and the community college admissions audit shall come from the matriculated applicant	CLOSED	9/10/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							population. The Director of Student Affairs notified the NSHE community college registrars of this revision to the procedures.		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
<u>CSN INTERNAL AUDIT REPORTS</u>									
CSN	Early Childhood Education Lab Program	Cash Controls	8/28/15 10/5/15	50	For improved control, we recommend the key to the filing cabinet be maintained in a secure area to which only authorized employees have access or that a duplicate key be made for the administrative assistant.	Senior Vice President Finance and Administration	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> As a result of this recommendation, the site director and administrative assistant each carry a key to the locked cabinet on their person, rather than stored on a bookshelf. This new practice ensures that the keys to the locked filing cabinet are accessible, but are maintained in a secure manner by designated employees. This also assures that the collected funds are stored in a locked filing cabinet until the time of the deposit, and are accessible by only the site directors and the administrative assistants.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> The department understands that the control of cash is serious and future issues will be addressed with coaching and progressive discipline, if necessary. If a person does not have their keys, they are unable to access deposits.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> Each employee is responsible to assure their keys are maintained in a secure manner. The program director will be held accountable for any future issues with key controls.</p> <p>4) <i>When the measures will be</i></p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>taken and on what schedule compliance and good practice will be secured?</i></p> <p>These measures were put into place immediately upon recommendation by the auditor.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i></p> <p>The program director will review procedures each semester for compliance and will review with her supervisor, the Education Department Chair.</p>		
CSN	Early Childhood Education Lab Program	Cash Controls	8/28/15 10/5/15	51	For an improved segregation of duties, we recommend the employee responsible for receipting, posting, and depositing funds not be involved in the monthly reconciliation process.	Senior Vice President Finance and Administration	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i></p> <p>To ensure proper segregation of duties, the administrative assistant from each site will perform the reconciliation for the other site. For example, the administrative assistant at Charleston who does the receipting, posting and depositing of funds at the Charleston center will do the reconciliation of receipts to the financial system for the Cheyenne center.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i></p> <p>Upon completion of the reconciliation, the employee completing the review will initial and date the monthly deposit report. A supervisor with signature authority on the account will also perform a cursory review and will initial the reconciliation to ensure that</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>they are performed correctly and by the appropriate staff.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i></p> <p>The program director will be held responsible for any further non-compliance issues, if any.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i></p> <p>This practice will go into effect immediately beginning with the October 2015 reconciliation.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i></p> <p>Copies of the completed and approved reconciliation will be retained in the department files.</p>		
CSN	Early Childhood Education Lab Program	Cash Controls	8/28/15 10/5/15	52	We recommend that deposits be made in accordance with the college's cash handling procedures.	Senior Vice President Finance and Administration	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i></p> <p>The ECELP employees will follow CSN prescribed cash handling procedures and will ensure that deposits are made in a timely manner. To that end, daily deposits of received cash and check payments will be made at the Cashier's office not later than 3:00 p.m. Any payments received after 3:00 p.m. in the ECELP office will be processed, placed in a locked filing cabinet and deposited at the Cashier's Office the following business day.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i></p> <p>The administrative staff is</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>responsible to follow procedures as outlined by CSN and the ECELP department. The assistant director or program director on site will be responsible to monitor the cash handling procedures and ensure compliance.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i></p> <p>All responsible employees will be held accountable, but the program director will ultimately be held accountable if procedures are not followed.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i></p> <p>The appropriate procedures for depositing cash were implemented in August 2015.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i></p> <p>Compliance can be documented and reviewed through the department PROCARD reposts and CSN cash receipting information through PeopleSoft and the financial accounting system.</p>		
CSN	Early Childhood Education Lab Program	Accounts Receivable	8/28/15 10/5/15	53	We recommend the program's accounts receivable procedures be documented in the ECELP operations manual.	Senior Vice President Finance and Administration	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i></p> <p>The ECELP has submitted written departmental procedures for billing and collection, cash handling and accounts receivable, to the Controller's office for review and recommendation. These procedures have been placed</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>in the ECELP Administrative Procedure Manual.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> Compliance will be measured by a review by the program director of the ECELP Administrative Procedure Manual on site. The program director will ensure procedures are being followed as documented.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The assistant director is responsible to oversee all administrative procedures of the ECELP.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> These procedures have been put in the ECELP Administrative Procedure Manual and will be revised/updated as needed and/or directed by the program director.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> The Administrative Procedure Manual is available to review to document compliance. The written Account Management Procedures have been forwarded to NSHE Internal Audit under separate cover for inclusion in the CSN ECELP audit file.</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
CSN	Early Childhood Education Lab Program	State Regulations-Facilities	8/28/15 10/5/15	54	We recommend fire drills be performed monthly, as required by the NAC.	Senior Vice President Finance and Administration	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i> Fire drills are to be performed as stated by the Nevada Administrative Code (NAC). Each team supervisor or director on site will schedule monthly evacuation drills as required by state law, and those schedules will be enforced by the program director.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i> Drill completion will be documented utilizing the ECELP evacuation log. This log is reviewed bi-annually by State of Nevada Licensing personnel to ensure compliance.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The assistant director or program director on site bears overall responsibility and will be held accountable if licensing standards are not met.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> These measures were enacted in August 2015.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i> Drill completion will be documented utilizing the ECELP evacuation log, as well as the State of Nevada Child</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
CSN	Early Childhood Education Lab Program	Expenditures	8/28/15 10/5/15	55	We recommend purchasing card expenditures be approved by authorized employees and that the approvals be clearly denoted on the supporting documentation.	Senior Vice President Finance and Administration	<p>Care Licensing Program inspection reports. State of Nevada Licensing personnel will verify compliance through their bi-annual review of the evacuation drill logs.</p> <p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> The ECELP program director, assistant director and Education Department Chair will follow the finalized and currently established procedures for Purchasing Card (PCard) transactions and approvals. If procedures are not followed, PCard use will be suspended.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> Compliance will be monitored through JPMorgan Chase reporting system by personnel assigned by the Procurement department of CSN. The Procurement department is developing monthly internal reports that will enable a quick review of any exceptions between authorized approvers in the JPMorgan reporting system and the signature authority approvals as established in the financial accounting system, and will use those reports for appropriate follow up on unauthorized transactions.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> Persons assigned as approvers on the accounts will be held</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>responsible if PCard transactions approvals do not occur by established procedures. Cardholders may also be held accountable for not having obtained proper approval to make the purchase.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i></p> <p>In April 2015, formalized PCard training was put into place by the Procurement department. All persons utilizing PCards must complete the training and follow the procedures as outlined in the updated policy.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i></p> <p>These measures have been in effect since April 2015 and compliance is documented by the Procurement department.</p>		
CSN	Early Childhood Education Lab Program	Equipment Inventory	8/28/15 10/5/15	56	We recommend ECELP staff perform a review to determine the disposition of the three items noted. If the items cannot be located, we recommend a property movement form be completed and forwarded to the Receiving and Fixed Asset management Department so the items can be removed from ECELP's equipment inventory report.	Senior Vice President Finance and Administration	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i></p> <p>All ECELP personnel will be directed to provide the appropriate documentation in the event equipment is moved, whether the move was requested by the department or not. Two of the three items were computers that were replaced as part of the normal Office of Technology Services (OTS) computer rotation cycle. OTS will ensure, in the future, that they work with the department to provide the appropriate documentation for removal and/or replacement of assets.</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i> Compliance will be measured by having an accurate asset inventory at any given time. All department personnel will follow appropriate procedures by notifying the inventory control manager in CSN Receiving/Fixed Assets office of any changes to inventory via the property movement form.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The person who is the equipment user will be responsible if equipment assigned to them is not accurately accounted for. The program director is ultimately responsible for maintaining an accurate inventory.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> A review of the missing three items was conducted immediately and the appropriate forms were secured to facilitate the removal of these items from the ECELP's equipment inventory. The department will utilize the appropriate property movement forms for any future changes to inventory.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i> These measures will go into place immediately and</p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
CSN	Early Childhood Education Lab Program	Student Timesheets	8/28/15 10/5/15	57	We recommend greater care be taken to ensure work hours are properly calculated and reported.	Senior Vice President Finance and Administration	<p>compliance will be documented by having an accurate asset inventory at any given time.</p> <p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> It was noted that the formulas in the provided timesheet were not calculating properly. A corrected timesheet is now in use and in the future when supervisors are approving the timesheet they will ensure that the hours are calculating correctly before approving. Greater care will also be taken to ensure that only one timesheet is provided, approved and turned in for payment on any individual employee.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> The administrative assistant will verify student timesheets upon receipt, and the signing supervisor will review prior to signature.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The signing supervisor will be held accountable if similar problems arise.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> A corrected time sheet was put in use as soon as the errors were noted and will continue to be the practice. All future timesheets will be reviewed by the supervisor prior to approval</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							to ensure accuracy of reporting. 5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> Compliance will be documented through ECELP review and documentation, and by College Work Study office review.		
CSN	Early Childhood Education Lab Program	Student Timesheets	8/28/15 10/5/15	58	We recommend a review of the student's work hours be performed for the time period noted and that the student be appropriately compensated. We also recommend program staff take greater care to ensure timesheets are completed.	Senior Vice President Finance and Administration	1) <i>What will be done to avoid the identified problems and issues in the future?</i> In the time since the timesheet error on the audit report was noted, the procedures for work study student time sheet submission have been revised by the College Work Study office, which clarify submission dates and times, handling of the timesheets, and pay periods. The currently established guidelines are being followed, and will ensure that students are paid appropriately and timely. 2) <i>How compliance and future good management and practice will be measured, monitored and assured?</i> Students are sent reminders three days prior to the due date for time sheets and provided an appropriate amount of time to receive assistance with submission, if needed. The administrative assistant verifies the receipt of student timesheets by using a checklist. If a student timesheet is not received by the time it is due and there is no communication from the student, a timesheet will be	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>completed for them by the supervisor or the administrative assistant and submitted in the following pay period.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The administrative assistant is responsible to verify accurate accounting of hours worked, and the program director is responsible to assure procedures are followed accurately.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured?</i> These measures were put into place in August 2015.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review?</i> The program director or assistant director will compare ECELP time records with student timesheets on a quarterly basis to ensure procedures are being followed appropriately.</p>		
CSN	Early Childhood Education Lab Program	Other- Student Employees	8/28/15 10/5/15	59	We recommend the CSN Department of Human Resources verify enrollment during the summer terms. We also recommend this information be provided to payroll to ensure FICA/FARP deductions are processed correctly.	Senior Vice President Finance and Administration	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> Subsequent to the audit, The Department of Human Resources implemented a procedure whereby all hiring department that process student Payroll Action Forms (PAFs) must include in the Comments section, information related to the semester that the student is attending and number of credits in which they</p>	CLOSED	12/3/2015

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>are enrolled. In addition, the student's course schedule will be attached to their PAF. In order to be employed as a student worker with a FICA/FICA Alternative and Medicare exemption, the student worker must be enrolled in at least 6 credits at CSN during the semester in which they are being employed, with the exception of summer semester. For summer semester, the student worker must have been enrolled in the spring semester with a minimum of 6 credits as well as summer semester with a minimum of 1 credit or the student worker must be enrolled in the summer semester, with a minimum of 6 credits.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured?</i> Once Human Resources receives the PAF and the student schedule, the Personnel Technician I will review the documents to ensure that the information is accurately reflected. Once verified, the PAF and student schedule is submitted to Business Center South (BCS) payroll for further processing. BCS will review the PAF to ensure that the information is accurately reflected. Once verified, BCS will process the document to ensure that the student worker is taxed accordingly.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar</i></p>		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p><i>problems arise?</i> The department that is initiating the hire of the student worker is responsible for verifying the student's enrollment status. A secondary review, in the Department of Human Resources, will be performed in accordance with the procedure to ensure the student's enrollment status prior to processing of the student worker PAF.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured?</i> The standard operating procedure has been implemented and will be followed every time a student worker hire is initiated.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review?</i> When processing the PAF the hiring departments must:</p> <ol style="list-style-type: none"> 1. Verify that the student is a current CSN student, enrolled in a minimum of 6 credits, and attach the student's schedule to the PAF. 2. Indicate in the comment section of the PAF the number of credits and semester in which the student is enrolled. 3. Route PAF through Business Services Department Production Server (BSDPRO) in the preparation, routing and approval of part-time employees to obtain all signatures. 4. Once approved, print the PAF for the student worker's signature. 		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							5. Once signed, submit the original PAF and copy of the student's class schedule to Human Resources for further processing. Once Human Resources receives the PAF and the student schedule, the Personnel Technician I will review the documents to ensure that the information is accurately reflected. Once verified, the PAF and student schedule is submitted to BCS payroll for further processing. BCS will review the PAF to ensure that the information is accurately reflected. Once verified, BCS will process the document and ensure that the student worker is taxed accordingly.		

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
<u>WNC INTERNAL AUDIT REPORTS</u>									
WNC	Bookstore Contract	Commissions	6/8/15 7/28/15	60	We recommend the Contractor be requested to provide documentation from its POS system to support commission payments. We also recommend the college work with the Contractor to include a clause in the contract that addresses this issue.	Controller	<p><i>1) How compliance was achieved.</i> Effective July 1, 2015, supporting documentation will be required of Follett anytime a payment is received. The vendor has been notified of this requirement and will provide the proper documentation. We will add this clause when the contract is renewed in 2016.</p> <p><i>2) What will be done to avoid the identified problems and issues in the future?</i> The clause will be added in future contract agreements and support will be required with every payment that is received. We have contacted the vendor to ensure that this done with each payment.</p> <p><i>3) How compliance and future good management and practice will be measured, monitored and assured.</i> The proper personnel have been notified to ensure that backup is provided from the contractor.</p> <p><i>4) Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> Business Office personnel will be held responsible for obtaining any missing documentation. We will document our requests for information. If documentation is not provided in a timely manner, we will take action to meet with the contractor.</p> <p><i>5) When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p>	CLOSED	9/10/15

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>The new procedures have been implemented, effective July 1, 2015. <i>6) How compliance and performance will be documented.</i> All system receipts will have proper backup attached for future audit, management and performance review.</p>		
WNC	Bookstore Contract	Scholarship Support	6/8/15 7/28/15	61	We recommend the WNC Financial Aid Office implement a procedure to include the amount of textbook scholarships that are issued to students to their corresponding accounts within the student information system.	Controller	<p><i>1) How compliance was achieved.</i> The WNC Financial Assistance Office (FAO) has developed a Follett Bookstore Scholarship item type that is designed to count as a financial aid resource in the myWNC student information system. The item type will not initiate a disbursement of funds directly to students and will only be used to count as a resource against the student's cost of attendance. Students will still be required to use the voucher provided by the Financial Assistance Office to receive their books at the bookstore. <i>2) What will be done to avoid the identified problems and issues in the future?</i> The new process will automatically count Follett Scholarship awards as part of the student's financial aid package and eliminate the potential for over awards for unaccounted aid. <i>3) How compliance and future good management and practice will be measured, monitored and assured.</i> The new item type has been created and staff has been trained on the new procedure. Follett Bookstore Scholarship</p>	CLOSED	9/10/15

Exception & Response Analysis
 Closed Exceptions
 By Campus/Topic
 For the Six Months Ended December 31, 2015

<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>
							<p>awards will be reviewed each semester by the Director of Financial Assistance to ensure the proper procedure has been followed.</p> <p><i>4) Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i></p> <p>Financial Assistance staff members awarding the Follett Bookstore Scholarship will be responsible for posting accurate awards to the myWNC student information system. The Director of Financial Assistance will be responsible to ensure awards are properly updated by staff.</p> <p><i>5) When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>The new procedures have been implemented, effective July 1, 2015.</p> <p><i>6) How compliance and performance will be documented.</i></p> <p>The myWNC student information system will now track and provide backup to the current spreadsheet that is used to document Follett Bookstore Scholarship awards.</p>		