

NEVADA SYSTEM OF HIGHER EDUCATION

INTERNAL AUDIT DEPARTMENT

REPORT ON JULY 1, 2016 THROUGH DECEMBER 31, 2016 ACTIVITIES



NSHE
Internal Audit Department
Report on July 1, 2016 through December 31, 2016 Activities

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NSHE INTERNAL AUDIT DEPARTMENT
 PROGRESS OF AUDIT SCHEDULE
 July 1, 2016 through December 31, 2016

<u>AUDIT</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>OVER/ SHORT()</u>	<u>COMMENTS</u>
1. UNR Travel Office	300	372	72	Overage due to review of several complex travel claims that required extensive review and discussion with UNR personnel.
2. UNR Purchasing Card Program	400	598.5	198.5	This was staff auditor's first audit of purchasing cards. Extra hours were spent entering the audit program descriptions into Pentana, becoming familiar with the audit programs, generating PaymentNet reports for audit testing, and reviewing expenditure documentation. Additional hours were also spent by the IT auditor performing IDEA analysis for audit sampling.
3. UNLV Reprographics/Design Services	250	563.5	313.5	Due to resignation of the auditor originally performing the work, the majority of steps had to be recompleted.
4. GBC Student Financial Aid	350	533	183	An audit of Student Financial Aid had not previously been performed by the auditor assigned. Extra hours were needed to review, learn, and interview about specific regulatory issues related to financial aid. In addition, information retrieved from the PeopleSoft application was found to be incomplete and additional time was needed to re-evaluate the correct information.
5. UNR Rental Properties	400	446	46	Additional time was required for review of rental files and cash controls.
6. NSHE Cloud Computing Management	600	379	(221)	

7. NSHE System Office Travel	300	290	(10)	
8. DRI Purchasing Card Program	350	425.25	75.25	Extra hours spent on learning IDEA data analysis and generating IDEA reports.

NSHE Internal Audit Department
Internal Audit Team Metrics
For the six months ended December 31, 2016

Percentage of Audit Plan Completed or In-progress:	36%
Number of Management or Special Requests received:	3
Number of months in Audit Cycle Time (opening conference to final report issuance):	8.75
Percentage conformance with standards as part of quality assurance and improvement program:	100%
Percentage of Internal Auditors with Professional Certifications and/or advanced degrees:	56%
Percentage of Internal Auditors in pursuit of Professional Certifications or advanced degrees:	44%

NSHE Internal Audit Department
 Exceptions Report Analysis
 For the six months ended December 31, 2016

Prior Period
 1/1/16 – 6/30/16

Current Period
 7/1/16 – 12/31/16

	TOTAL UNRESOLVED ITEMS	NEW ITEMS	CLOSED ITEMS	TOTAL UNRESOLVED	CUMULATIVE UNRESOLVED ITEMS
FINANCIAL	0	1	0	1	1
A-133	19	15	19	(4)	15
INSTITUTIONAL	22	60	57	3	25
TOTAL	41	76	76	0	41

NSHE Internal Audit Department
 Exceptions Report Analysis
 For the six months ended June 30, 2016

Prior Period
 7/1/15 – 12/31/15

Current Period
 1/1/16 – 6/30/16

	TOTAL UNRESOLVED ITEMS	NEW ITEMS	CLOSED ITEMS	TOTAL UNRESOLVED	CUMULATIVE UNRESOLVED ITEMS
FINANCIAL	0	0	0	0	0
A-133	19	0	0	0	19
INSTITUTIONAL	32	46	56	(10)	22
TOTAL	51	46	56	(10)	41

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
 Exception Report Analysis
 Institutional Findings - Cummulative Unresolved Items
 For the six months ended December 31, 2016

	7/1/2016 12/31/2016	1/1/2016 6/30/2016	1/1/2015 12/31/2015	Finding Number	1/1/2010- 12/31/2014	Finding Number	Total
	Current	Prior	2 year		3 year +		
UNR	2	1	0		0		3
UNLV	2	0	0		1	6	3
NSHE	6	1	1	14	0		8
NSC	0	0	0		0		0
TMCC	0	0	1	15	0		1
CSN	0	0	0		0		0
WNC	0	0	0		2	16-17	2
GBC	1	0	0		7	19-25	8
TOTAL	11	2	2		10		25

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended December 31, 2016

<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>									
UNLV	Reprographics/ Design Services	University Copier Program	5/20/16 6/28/16	34	We recommend Reprographics take greater care when billing university departments and to ensure the proper rate is used.	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> In these instances, departments were overbilled by a total amount of \$1735. It is important to note that these amounts were detected and adjusted by our department, so that overall, no overcharges (or undercharges) were made. A monthly report is now generated with line item breakouts for each copier in the fleet. This report now lists the current contracted CPC with its machine and is used to generate our customer billing.</p> <p><i>2) How compliance and future good management and practice will be measured and assured.</i> Compliance is documented with the monthly filing of each reconciled vendor CPC invoice and its corresponding customer billing paperwork.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i> The UCP manager holds first responsibility for the correct documentation; this is now double checked prior to customer billing by the UCP Admin and the UCP Director now performs regular quarterly reviews to ensure the procedures are in place.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i> These procedures were immediately implemented and</p>	CLOSED	9/8/2016

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended December 31, 2016

<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 ongoing.</p> <p>5) <i>How compliance and performance will be documented for future audits, management and performance review.</i></p> <p>Monthly vendor invoices and UCP customer billings are kept on file for review.</p>		
UNLV	Reprographics/ Design Services	Cash Controls	5/20/16 6/28/16	37	We recommend another employee be trained to prepare deposits in case the individual that currently performs this task is unavailable. To improve segregation of duties, we recommend the employee responsible for receiving mail check payments and preparing the bank deposit be a different individual than the person maintaining the accounts receivable records.	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> Reprographics has implemented both back-up employee training and separation of duties for receiving of checks.</p> <p>2) <i>How compliance and future good management and practice will be measured and assured.</i> Documented procedures have been updated including processes for check handling and deposits.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i> The department Director is responsible for ensuring these procedures are being followed.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> These procedures are now in place.</p> <p>5) <i>How compliance and performance will be documented for future audits, management and performance review.</i> The desk procedures manually document the process.</p>	CLOSED	9/8/2016

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended December 31, 2016

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UNLV	Reprographics/ Design Services	Job Pricing	5/20/16 6/28/16	4	We recommend the department create a price list for commonly ordered items to verify customers are billed as required by the UNLV service center policy. We recommend a review of the internal data table be performed to determine calculations being included in invoice totals. We additionally recommend during this review, making any necessary updates to the internal data table.	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> Reprographics is in the process of making a major overhaul of our Management Information System (MIS), which includes a complete upgrade of the old system to a newer technology. A critical and major part of this system is the creation of a new database and associated tables for pricing. This new pricing module also simplifies the process and allows an easier process for maintaining and updating the pricing tables.</p> <p><i>2) How compliance and future good management and practice will be measured and assured.</i> The scope of work detailing the implementation of the upgraded system includes creating a comprehensive pricing structure including a matrix price list for all printed items. This list will be updated when changes occur in any of the pricing structure, such as increased material costs, this will ensure that pricing is kept up to date and documented at all times.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i> The departments IT Technician and Department Director will be responsible for the upkeep of the price lists.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice</i></p>	OPEN	9/8/2016

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended December 31, 2016

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							<p><i>will be secured.</i></p> <p>The upgrade has begun and is in a 3-6 month implementation phase. We expect to have this process completed by October 31.</p> <p><i>5) How compliance and performance will be documented for future audits, management and performance review.</i></p> <p>Records of all price lists are on file and will be updated when needed.</p>		
GBC	Student Financial Aid	Return of Title IV Funds	7/1/16 7/21/16	54	We recommend that the Office of Student Financial Services develop a procedure to ensure Title IV funds are returned within the required time frame. As a best practice, we also recommend an explanation be provided and retained by GBC if Title IV funds are not returned in a timely manner.	Vice President for Business Affairs	<p><i>1) What will be one to avoid the identified problems and issues in the future?</i></p> <p>GBC's current procedure is to run the R2T4 query each month to stay in compliance with the 45 day return policy. However, in the past, due to changes in the regulations relating to modular classes, the queries have not accurately identified all of the R2T4 students. GBC has hired a half time employee who specializes in PeopleSoft query writing. The R2T4 queries will be reviewed and modified on an ongoing basis to make sure all R2T4 students are identified in the query and ensure that funds are returned to the DOE within the 45 day allowance period.</p> <p><i>2) How will compliance and future good management and practice be measure, monitored, and assured?</i></p> <p>Compliance will be monitored by any R2T4 students coming to the attention of financial aid personnel that do not have an R2T4 calculation. If modification of the query is</p>	CLOSED	9/8/2016

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended December 31, 2016

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							<p>required to pick up the identified student, the query will be modified at that time. An explanation of any Title IV funds that are not returned in a timely manner will be documented in the R2T4 notes screen.</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 Student Financial Services will be responsible and held accountable for the compliance in returning funds in a timely manner.</p> <p>4) <i>When will the measures be taken and on what schedule will compliance and good practice be secured?</i> These measures have already gone into effect and will continue to be monitored on a regular basis.</p> <p>5) <i>How will compliance and performance be documented for future audit, management and performance review?</i> An explanation of any Title IV funds that are not returned in a timely manner will be documented in the R2T4 notes screen.</p>		
GBC	Student Financial Aid	Federal Student Loans	7/1/16 7/21/16	55	We recommend the notification letters be revised so they include all of the required information and that students' are notified before the funds are credited to the students' accounts.	Vice President for Business Affairs	<p>1) <i>What will be one to avoid the identified problems and issues in the future?</i> There are two separate notifications that are required under this regulation. The 1st notice is the award notification which GBC has had problems with in the past with PeopleSoft. New award notifications were not always sent out when a new financial</p>	CLOSED	9/8/2016

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended December 31, 2016

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							<p>aid award or loan was added to a student's account. This problem was fixed in June 2016, so that now new award letters will be sent out whenever there is a change to the students' awards. The second required loan disbursement notification can be sent out 30 days before or 30 days after the loan dollars are disbursed. GBC is mailing a letter after the loan dollars have been disbursed, but we did not have the date and amount of the loan on that letter. GBC has updated our loan disbursement notification letter to include the amount of the loans and date the loans were paid to the student's account to be in compliance with federal regulations. GBC will continue to send this notification out after the disbursement date so that we know the amount and date the loans were disbursed. We will make this an automated process in PeopleSoft before the fall 2016 semester begins. GBC also implemented the shopping sheet in mid-July which will also cover the 1st notification requirement.</p> <p><i>2) How will compliance and future good management and practice be measure, monitored, and assured?</i></p> <p>GBC will randomly check a few students each semester that received loans to make sure they are receiving the two notifications and that the loan amount and date disbursed are in the 2nd notification. The Loan Coordinator will be responsible for compliance</p>		

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended December 31, 2016

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							<p>with these loan notification requirements.</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 Student Financial Services along with the Loan Coordinator will be responsible and held accountable for the compliance with these loan notification requirements.</p> <p>4) <i>When will the measures be taken and on what schedule will compliance and good practice be secured?</i> These measures have already gone into effect and will continue to be monitored on a regular basis.</p> <p>5) <i>How will compliance and performance be documented for future audit, management and performance review?</i> Student disbursement letters have been revised and will include amounts and date of disbursement.</p>		
UNR	Travel Office	Travel Procedures	6/24/16 8/1/16	1	We recommend the travel policies in the University Administrative Manual be updated with the necessary revisions.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>How compliance was achieved:</i> The University Administrative Manual (UAM) travel policy and the online travel section on the controller's website are currently under review to correct any inconsistencies.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> Requested changes to the travel policy will be reviewed for consistency across the UAM and our website as well as the PDF version.</p> <p>3) <i>How compliance and future good management and</i></p>	OPEN	9/8/2016

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended December 31, 2016

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							<p><i>practice will be measured, monitored and assured:</i> When a review of the travel policies identifies discrepancies, the UAM will be updated with needed changes. 4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The Associate Vice President, Business and Finance/ Controller. 5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> The travel policies are currently being reviewed for necessary updates and will be consistent among the multiple versions on all media. 6) <i>How compliance and performance will be documented for future audit, management and performance review:</i> Consistent policy and procedures manuals will be available to campus personnel.</p>		
UNR	Travel Office	Expenditures	6/24/16 8/1/16	16	We recommend greater care be taken when reviewing travel claims and supporting documentation to ensure expenses are accurately reported and substantiated. If the documentation provided to support travel expenses is insufficient we recommend employees be requested to provide the necessary information. Expenses that are not properly supported or are reported inaccurately should be adjusted on the travel claim form. We also recommend a determination be made whether	Associate Vice President, Business and Finance/ Controller	<p>1) <i>How compliance was achieved:</i> Travel claims or request without proper documentation will be returned to the traveler for corrections and/or additional information. Travelers were notified of errors and reimbursements were requested, where required. 2) <i>What will be done to avoid the identified problems and issues in the future?</i> Travel claims or requests without proper documentation will be returned to the traveler</p>	CLOSED	9/8/2016

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended December 31, 2016

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					to seek reimbursement from employees whose travel expenses were over reimbursed.		<p>for corrections and/or additional information.</p> <p><i>3) How compliance and future good management and practice will be measured, monitored and assured:</i> When we receive travel forms that do not comply with policy, we will forward an email to the traveler with the current travel policy, highlighting the error that was made.</p> <p><i>4) Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The traveler through their supervisor and/or the Accounts Payable Manager.</p> <p><i>5) When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Immediately, when we receive travel forms that do not comply with policy, we will forward and email to the traveler with the current travel policy highlighting the error that was made and request appropriate documentation be provided.</p> <p><i>6) How compliance and performance will be documented for future audit, management and performance review:</i> The travel department procedures manual has been updated with the required emails that must be sent to travelers who do not conform to policy.</p>		
UNR	Travel Office	Other	6/24/16 8/1/16	17	We recommend the School of Medicine coordinate with the Office of Sponsored Projects to review this transaction and make the appropriate adjustment to the	Associate Vice President, Business and Finance/ Controller	<p><i>1) How compliance was achieved:</i> Travel records were reviewed to connect travel to P-card purchases. It was noted on</p>	CLOSED	9/8/2016

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended December 31, 2016

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					grant accounts. In the future, we recommend greater care be taken to ensure expenditures charged to sponsored projects are directly related to the awards.		<p>the records that the travel was to be charged to the IDEA Network of Biomedical Research Excellence (INBRE) grant (managed by another office) but due to the end of the grant year, the charges were Jved to the next year's budget. In processing the travel through the School of Community Health Sciences (SCHS), the travel was charged to the Youth Risk Behavior Survey (YRBS) budget instead (managed by SCHS). The INBRE budget is no longer active so it is not possible to correct. Travel to Las Vegas was occurring for both INBRE and YRBS at the same time.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> Travel claims will be carefully reviewed for accuracy in assigning charges to the correct grant. During busy times (when grant funds are ending on multiple grants or travel is assigned to two or more grants), claims will receive extra review to ensure accuracy. In addition, a new staff member will be managing grant expenses as her primary duty.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> Within the SCHS, primary staff will have a second review by supervisory staff before official signatures are obtained and requests sent. Any discrepancies will be corrected before requests are sent on</p>		

Exception & Response Analysis
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							<p>and the processes reviewed to ensure that primary staff understand what was wrong and how to correct it. Continuing education may be prescribed if too many errors are identified during the second review.</p> <p><i>4) Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Ultimately the Director has responsibility for fiscal management within the SCHS. However, primary and supervisory staff are evaluated based on the accuracy of documents and may have prescribed education or be placed on probation if discrepancies are repeated.</p> <p><i>5) When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Review procedures are already in place for primary staff and meetings are held at the time of the error to correct them. In addition, the staff meet every week to review tasks and discuss the workflow issues.</p> <p><i>6) How compliance and performance will be documented for future audit, management and performance review:</i> As envisioned, there will be no further errors that reach outside of the SCHS for P-card allocation to grants, contracts and accounts.</p>		
UNR	Purchasing Card Program	Cardholder Interview	6/24/16 8/9/16	23	We recommend cardholders be reminded to keep cards on their person or in a secure area, such	Associate Vice President, Business and	1) <i>How compliance was achieved:</i> The Accounts Payable	CLOSED	9/8/2016

Exception & Response Analysis
 Significant Audit Findings
 By Campus/Topic
 For the Six Months Ended December 31, 2016

<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 lockable drawer to which only they or those authorized to use the cards have access. We recommend cardholders also be reminded that purchasing cards should only be used by the person to whom the card is issued or, in the case of a department purchasing card, by authorized employees within the department.	Finance/ Controller	<p>Manager attended the Personnel/Controller/Budget (PCB) meeting which the university fiscal officers attend and disseminated the purchasing card requirements as recommended. We also attended the Human Resources Network meeting which the administrative assistants attend to disseminate the same information.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> Communication efforts to applicable campus community groups and channels will continue. The P-Card list serve was updated to include all cardholders and processors in the department that match receipts to the statement of account. Recipients are not allowed to unsubscribe from the list serve and if an email account is closed, the P-Card office receives notification.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> Purchasing card staff will continue to communicate through the various campus groups and on the Controller's website about the requirements.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The purchasing card holder through their respective supervisor and/or the Accounts Payable Manager.</p> <p>5) <i>When the measures will be</i></p>		

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							<p><i>taken and on what schedule compliance and good practice will be secured:</i> Communications began with the purchasing card holder and departments immediately. 6) <i>How compliance and performance will be documented for future audit, management and performance review:</i> The purchasing card department procedures manual has been updated with the required emails that must be sent to card holders who do not conform to policy.</p>		
UNR	Purchasing Card Program	Inactive Cards	6/24/16 8/9/16	24	We recommend cardholder activity reports be reviewed periodically to identify inactive cards. Once identified, the cardholders should be contacted to determine whether they are still in possession of the card and whether it is still needed. Purchasing cards that are not needed should be deactivated.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>How compliance was achieved:</i> Procedures have been implemented for cardholder activity as recommended and will be reviewed quarterly. 2) <i>What will be done to avoid the identified problems and issues in the future?</i> During review of cardholder activity, if cards are identified as not being used or needed, the cards will be deactivated. 3) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> Desk procedures have been updated to include required quarterly review of active cards. 4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The Accounts Payable Manager. 5) <i>When the measures will be taken and on what schedule compliance and good practice</i></p>	CLOSED	9/8/2016

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							<p><i>will be secured:</i> The first quarter review will take place after the end of the first quarter of FY2017. 6) <i>How compliance and performance will be documented for future audit, management and performance review:</i> A quarterly review will be documented and any issues or discrepancies from the review will be brought to the attention of the Accounts Payable Manager for resolution.</p>		
UNR	Purchasing Card Program	Other-Terminated Employees	6/24/16 8/9/16	26	To help promote the timely completion of employee separation notices and subsequent purchasing card deactivations, we recommend this issue be addressed in the Human Resources Network meetings that are periodically held at the university.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>How compliance was achieved:</i> The Accounts Payable Manager attended the Human Resources Network meeting which administrative assistants attend to remind them that they must submit the Separation Notice. 2) <i>What will be done to avoid the identified problems and issues in the future?</i> Purchasing card staff will continue to communicate through periodic email reminders and at campus meetings about the requirements. 3) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> PCB and Human Resources Network meeting agendas and periodic email reminders from the purchasing card office will document the importance of submitting Separation Notices timely. 4) <i>Who will be responsible and may be held accountable in the future if repeat or similar</i></p>	CLOSED	9/8/2016

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							<p><i>problems arise:</i> The departments are responsible for submitting the Separation Notice timely. 5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> The Accounts Payable Manager attended the Human Resources Network meeting which administrative assistants attend to remind them that they must submit the Separation Notice. 6) <i>How compliance and performance will be documented for future audit, management and performance review:</i> PCB and Human Resources Network meeting agendas and periodic email reminders from the purchasing card office will document the importance of submitting Separation Notices timely.</p>		
NSHE	System Computing Services – Cloud Computing Management	Governance and Oversight	8/17/16 9/17/16	10	We recommend that NSHE as a system (including all Institutions) select and implement a comprehensive governance model for IT projects that includes proper representation across the system and involvement of the Information Security Officers from each campus and the System Security Officer.	Vice Chancellor Information Technology	NSHE is in the process of implementing an Information Security Governance model that includes representation from each institution and System Computing Services. The proposed Information Security Officers Council will be uniquely positioned to engage in the security aspects of all NSHE-wide IT projects. This new model should be fully in place by April, 2017.	OPEN	12/1/2016
NSHE	System Computing Services – Cloud Computing Management	Security	8/17/16 9/17/16	11	We recommend that information technology projects include a proper evaluation of the security considerations during the evaluation phase of the project. We further recommend that	Vice Chancellor Information Technology	NSHE is in the process of implementing an Information Security Governance model that includes representation from each institution and System Computing Services.	OPEN	12/1/2016

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					security design components of such projects have major involvement of SCS/NSHE personnel.		A change in IT leadership has placed greater emphasis on security oversight on current and future projects and will continue to embed security early in the IT project lifecycle. Additionally, the proposed Information Security Officer's Council, a component of the overall governance model, will be tasked with providing an NSHE-wide, security-focused working group for earlier security vetting of NSHE IT projects. System level project management will be required to include this security group as part of the overall project lifecycle.		
UNR	Rental Properties	Cash Controls	9/27/16 10/24/16	1	For improved control, we recommend two employees be involved each time a deposit is prepared and that both employees sign and date the deposit slip attesting to the accuracy of the deposit. We also recommend a periodic reconciliation be performed by an independent employee between the rental payments that are collected and deposited, and those that are posted to tenant accounts and to the financial accounting system. The reconciliation should consider total rents and fees owed during the period to payments collected and deposited.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> Each deposit is completed and verified by two staff members before being taken to the Cashiers office. Additionally the Lands Division Specialist reconciles the deposit records once each quarter to ensure accuracy.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> Each deposit slip is initialed by the two staff members who completed and verified it, the Lands Division Specialist verifies all deposits have two sets of initials during the reconciliation. The Lands Division Specialist reviews all deposits and compares them against records of moneys owed. The Lands Division specialist submits a report of his reconciliation to the</p>	CLOSED	12/1/2016

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							<p>Director of Real Estate who verifies that the reconciliation covered the appropriate items.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Real Estate Operations Manager.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Deposit verification has begun as of September 30, 2016. The Lands Division Specialist reconciles deposits quarterly, which began with the 1st quarter of Fiscal Year 2017 (July-September 2016).</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> All deposit slips are kept on record for future review. All reconciliations are documented and signed off by both the Lands Division specialist and the Director of Real Estate.</p>		
UNR	Rental Properties	Lease Application and Agreement Forms	9/27/16 10/24/16	7	We recommend this matter be reviewed with the UNR General Counsel's Office to determine whether the collection of renter's social security numbers is necessary to perform credit checks and if so, whether it is permissible under state law. If it is decided to continue to collect social security numbers, we recommend the rental application be updated to contain the notice provisions required by Board policy.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> The Real Estate office has eliminated the need for social security numbers and no longer collects them.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> The application has been updated and no longer asks for a social security number. All previous applications have</p>	CLOSED	12/1/2016

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							<p>social security numbers redacted.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Real Estate Operations Manager.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> As of October 2016 the rental application has been updated to not include social security numbers going forward.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> Applications are kept on file for future review.</p>		
UNR	Rental Properties	Fire Extinguishers	9/27/16 10/24/16	12	We recommend a replacement set of fire extinguishers be acquired so that one exists in each rental unit at all times. If necessary, we recommend the collection and maintenance of fire extinguishers be performed in smaller groups to match the number of replacements on hand.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> There are currently 20 fire extinguishers which were recertified prior to inspections to be replaced at the same time. The Real Estate Office worked with Fire, Life and Safety to decrease the certification timeframe to enable all extinguishers to be replaced within 24 hours.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> The Facilities Supervisor keeps a record of when each extinguisher is replaced in each rental unit.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar</i></p>	CLOSED	12/1/2016

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							<p><i>problems arise:</i> Real Estate Operations Manager. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Inspections took place on October 5, 2016 with all extinguishers being returned on October 6, 2016. 5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> The Facilities Supervisor's record for fire extinguishers is kept on file for review.</p>		
DRI	Purchasing Card Program	Transaction Testing	9/22/16 10/15/16	45	We recommend the cardholders be reminded of established purchasing procedures which require purchase orders to be completed for transactions of \$5,000 and above.	Assistant Vice President / Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> Notices will be sent to the cardholders and Division P-card staff reminding them that the splitting of P-card transactions for \$5,000 or greater is not allowed and circumvents purchasing policies. The P-card Statement of Account will continue to be reviewed for compliance with the Purchasing Card policies. 2) <i>How compliance and good management and practice will be measured, monitored and assured:</i> The P-card Statement of Account will continue to be reviewed weekly and if splits are identified, and infraction notice will be sent to the cardholder and the Division Business Manager. All infraction notices will be logged in and the resolutions</p>	CLOSED	12/1/2016

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							<p>noted. P-card policy reminders will continue to be sent to the cardholders and Division P-card staff throughout the fiscal year. It should be noted that the FSO P-card staff has developed a new report format that provides a better mechanism for monitoring and locating split purchases.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The Division Business Managers and the Assistant Controller.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Communications will begin immediately with the cardholder and Division P-card staff.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> The FSO P-card staff will continue to perform weekly reviews of the P-card Statement of Account noting any compliance issues and sending infraction notices to the cardholders. The Division Business Managers will be copied on the notices. All infraction notices will be logged in and the resolutions noted.</p>		
DRI	Purchasing Card Program	Merchant Category Codes	9/22/16 10/15/16	50	We recommend the list of authorized MCCs for these groups be reviewed and adjusted accordingly.	Assistant Vice President / Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> The codes of these MCC</p>	CLOSED	12/1/2016

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							<p>Groups will be reviewed and inappropriate MCCs identified. The credit card company will be contacted and a request submitted to eliminate the inappropriate codes.</p> <p><i>2) How compliance and good management and practice will be measured, monitored and assured:</i> Annually, the MCCs will be reviewed to determine if additional codes should be removed from the MCC Group.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Assistant Vice President/ Controller and the Assistant Controller.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured:</i> The MCC Group was revised immediately with the removal of the inappropriate codes.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review:</i> Reviews and revisions to the MCC Group will be recorded and the documentation maintained with the Purchasing Card files.</p>		
NSHE	System Office Travel	Expenditures	9/28/16 10/15/16	7	We recommend greater care be taken when reviewing travel claims and supporting documentation to ensure expenses are accurately reported and substantiated. If the documentation provided to support travel expenses is insufficient, we recommend	Vice Chancellor for Finance	The Vice Chancellor of Finance has contacted each employee or supervisor in question to either obtain the appropriate documentation or a reimbursement, however one individual is no longer employed by NSHE and follow-up was not possible.	OPEN	12/1/2016

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					employees be requested to provide the necessary information. Expenses that are not properly supported or are reported inaccurately should be adjusted on the travel claim form. We also recommend a determination be made whether to seek reimbursement from employees whose travel expenses were over reimbursed.		In reviewing these specific claims, it was noted that the travel policy for the SA units was not clear in several sections including these specific areas. A draft copy of a clarified travel policy was circulated to the Chancellor's Cabinet in October, 2016 and is expected to be approved at the November 15, 2016 Cabinet meeting. This revision also includes a check-list for travel claim preparation and review which is expected to avoid these types of concerns going forward.		
NSHE	System Office Travel	NSHE Travel Procedures- Procedures and guidelines Manual	9/28/16 10/15/16	9	We recommend the NSHE Procedures and guidelines Manual be updated with the above information for improved guidance and to promote compliance system-wide with the State's travel policies.	Vice Chancellor for Finance	As a global comment impacting all NSEH Institutions, the Vice Chancellor of Finance will bring these recommendations to the Business Officers Council at its November 30, 2016 meeting. These comments will be addressed and, as appropriate, included in the revised business processes or Procedures & Guidelines revisions that will be coming forward as part of the iNtegrate 2 implementation.	OPEN	12/1/2016

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<u>FINANCIAL STATEMENTS – External Auditors</u>									
Integrated Clinical Services, Inc.	Financial Statements 2016	Significant Deficiency over Patient Revenue and Receivables	10/30/16 11/5/16	1	We recommend that management develop and implement control processes over patient receivables to allow for the proper prevention and timely detection of errors within the billing process and decrease the time lag between services rendered and compensation collected.	Controller	UNR SOM/ICS have engaged consultants to identify areas of strengths and weakness of MSAS revenue cycle. In the Revenue Cycle process the consultants reviewed the whole revenue cycle beginning with the patient being scheduled (front end), physician documentation (Middle) and Billing (Back End). UNR SOM/ ICS received the consultants recommendations' August 3, 2016. In these recommendations with developing and implementing additional control processes. Some of these processes include: -Standardized clinical processes -Developing management dashboards -Clinical chairs must mandate and enforce 100% compliance for medical staff to properly document all patient treatment and services in the EMR System Implementation should start January 1, 2017.	OPEN	12/1/2016

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<u>A-133 SINGLE AUDIT – External auditors</u>									
CSN	2016 NSHE Single Audit Report –A133	Verification and Updating of Student Aid Application Information	10/30/16 11/5/16	1	We recommend CSN 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	The College of Southern Nevada (CSN) concurs with the finding and recommendation. Of 120 reviewed verifications, two were found to be incorrect as a result of third-party processor errors. Following last year's exception, CSN implemented a procedure whereby the College's financial aid personnel reviewed 20% of the verifications completed by the third-party processor. We believe that this contributed substantially to the reduction in the overall error rate as compared to prior years; however, CSN will continue to strive to achieve 100% accuracy. <i>What will be done to avoid the identified problems and issues in the future:</i> CSN utilizes a third-party processor for all the verification functions, and has written procedures in place that provide the specifics on how all aspects of federal verification are to be performed and what file corrections are necessary to achieve file accuracy. CSN's procedures are reviewed annually to ensure that federal updates, if any, are in place. CSN's procedures, which identify situations where the College has established that additional information may be necessary, are provided to our third-party processor. CSN implemented its own	OPEN	12/1/2016

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							<p>quality assurance process to monitor the verifications performed by the third-party processor. The results were such that CSN is actively seeking another verification processing company. To further the quality assurance effort, the College is hiring additional staff to perform a review of an even greater number of files.</p> <p><i>How compliance and future good management and practice will be measure, monitored and assured:</i></p> <p>As described above, staffing is being enhanced to provide for additional review of verification processing to ensure that policies and procedures are being consistently followed. A systematic monitoring of results will ensure that errors can be caught early on in the process and that issues, either procedural or personnel-related, can be remedied without delay.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i></p> <p>The Assistant Vice President of Financial Aid is responsible for all aspects of student aid eligibility processing, including actions performed by third party processor(s) on behalf of CSN.</p> <p><i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i></p> <p>CSN has implemented quality assurance measures that are monitored daily and the</p>		

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							<p>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. <i>How compliance and performance will be documented for future audit, management and performance review?</i> In the Financial Aid Department, compliance is taken very seriously. The department maintains documentation of all records that are audited, the error(s) noted, and when they are forwarded to the third-party processor to correct. In addition, a component of the personnel evaluation process for all levels of management and staff addresses each employee's compliance with student financial aid procedures.</p>		
UNLV	2016 NSHE Single Audit Report –A133	Verification and Updating of Student Aid Application Information	10/30/16 11/5/16	2	We recommend UNLV 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, ICA/TMC Business Services, Auxiliary Financial Services	UNLV agrees with the finding. The error was attributable to a manual data entry error. <i>What will be done to avoid the identified problems and issue in the future?</i> The office has training programs and a review process already in place and the office will continue current existing practices: random selections of work performed by supervisors, training and stressing accuracy of work, cross checking the work of others. If there is a concern with quality of work, the Associate and Assistant	OPEN	12/1/2016

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							<p>Directors of the Processing Unit provide guidance, additional training or monitor work flow until desired accuracy is reached.</p> <p><i>How compliance and future good management and practice will be measured, monitored and assured:</i></p> <p>Compliance is maintained on a consistent basis based upon available resources. Staff training is a continuous process. Staff who review verifications meet every two weeks with supervisors to discuss business processes. The work of new staff hired to review verification is reviewed (100% review) for accuracy for several months. Once the supervisor has determined that new staff is processing work accurately, random samples are selected on a quarterly basis. Although this training, review and random sampling is very effective at preventing errors, the manual nature of the verification process is such that some errors may go undetected. Our review and sampling procedures are designed to be focused on areas/ variables that prevent over/ under awards from occurring.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i></p> <p>The Associate and Assistant Directors of Processing are held accountable.</p> <p><i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i></p>		

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							There are existing practices in place already described. <i>How compliance and performance will be documented for future audit management and performance review:</i> Reviewed verification documents are signed off by a supervisor or staff member who completed the review. Supervisors assess the results for an appropriate response.		
UNR	2016 NSHE Single Audit Report –A133	Verification and Updating of Student Aid Application Information	10/30/16 11/5/16	3	We recommend 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/ Controller	<i>How compliance was achieved?</i> The applicant's FAFSA information was corrected in accordance with our federally approved Quality Assurance program and changes were submitted to the Secretary. <i>What will be done to avoid the identified problems and issues in the future:</i> Financial Aid staff is currently receiving additional training on verification procedures and the required documentation needed from students/parents for each verification group to ensure all information is requested and received in order to accurately complete verification of student files. In addition, verification forms have been updated to make them easy to complete for students and parents and avoid misinterpretation of information requested. We continue with the additional administrative review of each file. The Verification Lead will also review a portion of selected	OPEN	12/1/2016

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							<p>files in order to monitor the staff's work for accuracy. <i>How compliance and future good management and practice will be measured, monitored and assured:</i> UNR has a system in place to include a secondary review of files. In addition to this, a random sample of completed files is being selected for a third review. <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 & Scholarships provides oversight of verification processes and will be held accountable in the future for any issues which may arise. <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Full verification training will be performed prior to the verification of files for 2017-18. Weekly verification meetings will ensure verification procedures are being followed. <i>How compliance and performance will be documented for future audit, management and performance review:</i> Compliance and performance standards have been included in our Policies and Procedures manual, which is updated every year. The Verification P&P manual is updated based on new federal regulations for the awarding year and based on the prior year verification</p>		

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NSC	2016 NSHE Single Audit Report –A133	Verification and Updating of Student Aid Application Information	10/30/16 11/5/16	4	We recommend NSC 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>findings.</p> <p><i>What will be done to avoid the identified problems and issues in the future?</i> For the two students who submitted forms for the incorrect award year, NSC Financial Aid has reinstated the practice of including the award year at the top of all forms so they are easily identifiable to processing staff. For the one student for which NSC cannot provide documentation of income for a non-tax filer, NSC Financial Aid will ensure that all non-tax filers submit information on their worksheet that corresponds to information provided on the FAFSA, or request additional documentation from the student when that is not the case. <i>How compliance and future good management and practice will be measured, monitored and assured:</i> Processing staff will ensure that the forms submitted are for the correct year, and that all necessary information is received on the verification worksheet. This will be reviewed during the Verification QA process. <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 conducting Verification appropriately and will be held accountable in the future for</p>	OPEN	12/1/2016

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							<p>any issues which may arise. <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Review of files for 2016/2017 will begin once all initial Verification has been completed for the fall 2016 semester. Afterwards, selections will be made and assigned every six weeks, except during semester opening periods. <i>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 saved in the network, showing the files that were selected and the outcome of the review. The Assistant Director of Financial Aid will quarterly review 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.</p>		
WNC	2016 NSHE Single Audit Report –A133	Verification and Updating of Student Aid Application Information	10/30/16 11/5/16	5	We recommend WNC enhance internal controls to ensure updating of student aid application information is accurate, implement training to ensure verification is being	Controller	<p><i>What will be done to avoid the identified problems and issues in the future?</i> Western Nevada College Financial Assistance Office recognizes the issue related</p>	OPEN	12/1/2016

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					performed accurately and evaluate the existence of these issues of non-compliance in the remaining population and remediate as necessary.		to the two students identified in this finding and has already resolved the issues with the six total students impacted by this error with no cost findings. To avoid the identified problem in the future, the FAO has eliminated the special convenience form for parents that was asking the incorrect question and will require students and parents to provide information on our standard verification forms. Prior to publishing any forms on the web, all forms must now be reviewed by our new Financial Assistance Compliance Specialist and the Director of Financial Assistance. <i>How compliance and future good management and practice will be measured, monitored and assured:</i> Compliance and future good management and practice will be measured, monitored and assured through the Financial Assistance Compliance Specialist review of any new forms and the final sign-off by the Director of Financial Assistance. <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Financial Assistance Compliance Specialist and the Director of Financial Assistance will be held responsible. <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i>		

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							The College reviewed the six students impacted by this error in August 2016. The review and re-verification of these students resulted in zero cost findings. The measures for future compliance and good practice were implemented in August 2016. <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 review through accurate questions on all financial assistance forms.		
CSN	2016 NSHE Single Audit Report –A133	Special Tests and Provisions: Enrollment Reporting	10/30/16 11/5/16	6	We recommend CSN develop policies and procedures to ensure student status changes are uploaded timely and correctly to NSLDS. Additionally, we recommend that the Institutions review the remaining population of students and as well as student classifications to ensure that all are being properly reported.	Senior Vice President Finance and Administration	The College of Southern Nevada (CSN) concurs with the finding and recommendation that student status change was not reported to NSLDS within the 30 day or 60 day requirements noted above. <i>What will be done to avoid the identified problems and issues in the future?</i> The 2016 Enrollment Reporting finding determined that the graduation status of eight students was reported to the National Student Loan Data System (NSLDS) outside of the 60 day window. The Office of the Registrar reviewed the National Student Clearinghouse degree reporting schedule and modified the timeline of when degree reports are sent to the Clearinghouse on the Office of the Registrar's	OPEN	12/1/2016

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							<p>production calendar. The revised dates are in closer alignment with degree posting dates on the students' records, and thus graduation status will be reported timely.</p> <p><i>How compliance and future good management and practice will be measured, monitored and assured:</i> Compliance will be met by reviewing the National Student Clearinghouse degree transmission report at the end of every semester to ensure accuracy. The CSN Registrar will verify the degree transmission date in the Clearinghouse and will work with CSN's graduation team to ensure that all degrees are posted and reported by the designated transmission date.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The CSN Registrar will be responsible and accountable for reviewing the National Student Clearinghouse degree transmission report every semester and will be responsible for maintaining timely reporting dates on the Office of the Registrar's production calendar.</p> <p><i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Once the finding with regard to degree posting was identified, CSN achieved compliance by adjusting the timeline of the degree</p>		

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							transmission report dates. A reminder has been added to the Office of the Registrar's production calendar in order to verify dates at the end of every semester. <i>How compliance and performance will be documented for future audit, management and performance review:</i> The degree transmission history is stored in the National Student Clearinghouse, which will document compliance for future review.		
UNLV	2016 NSHE Single Audit Report –A133	Special Tests and Provisions: Enrollment Reporting	10/30/16 11/5/16	7	We recommend UNLV develop policies and procedures to ensure student status changes are uploaded timely and correctly to NSLDS. Additionally, we recommend that the Institutions review the remaining population of students and as well as student classifications to ensure that all are being properly reported.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	UNLV agrees with the finding. For four students enrolled in the UNLV nursing program, the graduation status changes were not forwarded from the Clearinghouse to the NSLDS due to a conflict between the graduation date for the nursing students (4/25/16) and the standard end date for the spring term (5/14/16). This is an anomaly due to the nursing program having a different academic calendar and our automated reporting process not adequately addressing this unique calendar. For two students, the changes were accurately reported to the Clearinghouse, but were not reported on the NSLDS. UNLV is working with National Student Clearinghouse customer support and the NSLDS customer support to determine why UNLV's information was not accurately reported within the	OPEN	12/1/2016

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							<p>National Student Loan Data System (NSLDS). Any changes that this further investigation indicates that need to be made will be addressed with the Student Clearinghouse and/or the NSLDS.</p> <p><i>What will be done to avoid the identified problems and issues in the future?</i></p> <p>The Office of the Registrar is working with Enterprise Applications Services (EAS) staff to update the procedure for reporting Nursing students' graduation date to resolve this reporting issue. In addition, as a secondary safe-guard designed as a broader preventive measure, the group will work to implement a modification on the technical process that pulls the students' information that is reported to Clearinghouse for further validation of enrollment status changes that are transmitted to the Clearinghouse. In addition to the above procedures, staff perform an ongoing procedure designed to ensure that file transmissions are processed by the Clearinghouse. While this procedure is effective in ensuring that entire file transmissions are processed, only 100% verification of each transaction in the NSLDS database would ensure all data reported to the Clearinghouse is further transmitted to the NSLDS.</p> <p><i>How compliance and future good management and practice will be measured,</i></p>		

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							<p><i>monitored and assured:</i> UNLV understands the importance of reporting the right information to NSC (Clearinghouse) and NSLDS. NSC had software conversion problems that failed in monitoring and correcting submission errors across many institutions. Some preliminary investigation has revealed that some level of error reporting in NSLDS exists and can be used to identify errors of the nature of those identified in the audit finding. UNLV will work with NSLDS customer service to use these error reporting features to identify these errors as they occur and manually correct them. We will also work with NSC and NSLDS to resolve these types of problems once we have enough information to determine the systemic causes of the problems.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Executive Director of Financial Aid will be responsible for running the error reports and manually correcting as appropriate. The Executive Director of Financial Aid will work with the Executive Director of Enterprise Application Services (EAS) unit and the University Registrar to identify and resolve problems that may exist between UNLV and NSC and NSLDS.</p> <p><i>When the measures will be taken and on what schedule</i></p>		

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							<i>compliance and good practice will be secured:</i> The working group intends to deliver the new measures before Fall 2016 semester ends in time for fall term reporting. <i>How compliance and performance will be documented for future audit management and performance review:</i> The new process will be documented and training will be provided to relevant staff. The results of the new process will be documented and compiled for review.		
NSC	2016 NSHE Single Audit Report –A133	Special Tests and Provisions: Enrollment Reporting	10/30/16 11/5/16	8	We recommend NSC develop policies and procedures to ensure student status changes are uploaded timely and correctly to NSLDS. Additionally, we recommend that the Institutions review the remaining population of students as well as student classifications to ensure that all are being properly reported.	Senior Vice President for Finance and Administration	<i>What will be done to avoid the identified problems and issues in the future?</i> As mentioned in the audit finding, we have updated our reporting schedule of Degree Verify reports to bi-weekly. The Institutional Research team will also be meeting with the Financial Aid team to refine processes to ensure enrollment status reporting is completed in an effective and efficient manner, including that the Clearinghouse enrollment report is updating prior to NSLDS transmission (primary report is sent before the 5 th of the month, secondary report is sent before the 16 th of the month). Crosscheck between submitted enrollment files and NSLDS information will be sent on a monthly basis between the reporting periods mentioned. <i>How compliance and future good management and</i>	OPEN	12/1/2016

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							<p><i>practice will be measured, monitored and assured:</i> Compliance will be managed through monthly validations between enrollment reports submitted and NSLDS information. Mandatory check-in meetings will be kept on the schedule, along with monthly update emails to management teams will be sent.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Institutional Research Analyst/ Coordinator will be held responsible for primary problems, followed by personnel in the Office of Financial Aid.</p> <p><i>When the measures will be taken and on what schedule</i> <i>compliance and good practice will be secured:</i> Measures are currently active at the onset of the audit finding. Scheduling has been made for bi-weekly enrollment and DegreeVerify reports to be submitted. Monthly email updates to management has been ongoing.</p> <p><i>How compliance and performance will be documented for future audit, management and performance review:</i> Email communications, Clearinghouse enrollment and DegreeVerify submissions are stored on local folders. Error Resolution reports are also copied and save onto local folders. Electronic copies of</p>		

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TMCC	2016 NSHE Single Audit Report –A133	Special Tests and Provisions: Enrollment Reporting	10/30/16 11/5/16	9	We recommend TMCC develop policies and procedures to ensure student status changes are uploaded timely and correctly to NSLDS. Additionally, we recommend that the Institutions review the remaining population of students as well as student classifications to ensure that all are being properly reported.	Vice President of Finance and Administrative Services	<p>correspondence between administration and the IR analyst is maintained in locally saved folders.</p> <p><i>What will be done to avoid the identified problems and issues in the future?</i> In the future, the person who works the Clearinghouse Error report will be better trained. It will be clearly stated in the training even though the student is still enrolled and attending an “Audit” class, this does not count towards enrollment for the Clearinghouse Report. <i>How compliance and future good management and practice will be measured, monitored and assured:</i> With every Clearinghouse Report, a list is generated for Financial Aid stating which students have changed enrollment status. Financial Aid will then spot check this list with NSLDS to make sure the transmission from the Clearinghouse to NSLDS is correct. The students who have a “Withdrawn” status will be placed on top of this list so they can be checked first. <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Assistant Director of Admissions & Records who works the Clearinghouse error report is responsible to make sure Audits are correctly reported. The Student Loan Coordinator checking the NSLDS list is</p>	OPEN	12/1/2016

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							<p>responsible for making sure the transmission from Clearinghouse to NSLDS has occurred.</p> <p><i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i></p> <p>The Clearinghouse Report is submitted every 30 to 60 days and the comparison check between PeopleSoft, Clearinghouse and NSLDS will be completed after the error report for each Clearinghouse Submission has been resolved.</p> <p><i>How compliance and performance will be documented for future audit management and performance review?</i></p> <p>The comparison report and emails submitted to Financial Aid will allow for tracking of students changing enrollment statuses for each enrollment report submitted to the Clearinghouse.</p>		
CSN	2016 NSHE Single Audit Report –A133	Special Tests and Provisions: Return of Title IV Funds for Withdrawn Students	10/30/16 11/5/16	10	We recommend CSN enhance internal controls and review the return of Title IV funds process to ensure that it is sufficient in determining those students requiring a return of Title IV funds calculation to be completed. Management should evaluate the existence of this issue of non-compliance in the remaining population and remediate as necessary.	Senior Vice President Finance and Administration	<p>The College of Southern Nevada (CSN) concurs with this finding and recommendation. The cause of this error was an issue with PeopleSoft reports whereby 41 students were not identified as requiring Return of Title IV (R2T4) funds. Subsequently the R2T4 calculations were completed and all funds have been returned.</p> <p><i>What will be done to avoid the identified problems and issues in the future?</i></p> <p>CSN will develop new queries in PeopleSoft that will identify</p>	OPEN	12/1/2016

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							<p>all students who need to be reviewed for an R2T4 calculation and it will be completed within the 30-day timeframe. The Financial Aid Information Technology work group will create a specific R2T4 report to identify all students with the following grades: F, W, I, AU, NP. The results of this report will be compared with the SINGLE AUDIT report that is provided to auditors. This comparison will identify all potential drops and withdrawals. The R2T4 team will test the accuracy of this report before moving it into production.</p> <p>The ability to run both reports independently of each other and then compare the results will identify missed students, if any, within a timeframe that allows for accurate and timely R2T4 processing.</p> <p><i>How compliance and future good management and practice will be measured, monitored and assured:</i> CSN has strengthened the quality assurance process to ensure that policies and procedures are appropriately applied. The process will be two-fold, initially to identify all students who should be processed for R2T4, and a second review will select a random population of students to verify that R2T4 was completed accurately, timely as directed by the FSA Handbook and other relevant regulations. Any errors that are discovered will be corrected immediately to ensure compliance.</p>		

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							<p><i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Assistant Vice President of Financial Aid is responsible for all aspects of student aid eligibility processing, and for ensuring that queries are working properly/ accurately. <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 Financial Aid Analyst will review the single audit report and the larger student population report to identify all students with F, W, I, AU, NP grades prior to the beginning of the processing of R2T4s each semester. This is done to ensure that they are afforded the highest priority possible to ensure compliance with R2T4 processing. <i>How compliance and performance will be documented for future audit, management and performance review:</i> To ensure that updated information and implementation schedule are available for future audit and/ or other performance review(s), the FA System Analyst will forward the single audit and student populations reports to the Assistant Director of Financial Aid for review and for archival purposes.</p>		
WNC	2016 NSHE	Special Tests	10/30/16	11	We recommend that WNC	Controller	<i>What will be done to avoid</i>	OPEN	12/1/2016

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	Single Audit Report –A133	and Provisions: Return of Title IV Funds for Withdrawn Students	11/5/16		enhance internal controls to improve the accuracy of reporting to COD.		<p><i>the identified problems and issues in the future?</i> Western Nevada College Financial Assistance recognizes the one error identified in the sample. The individual responsible for the incorrect data entry was informed of the error and took appropriate steps to correct the R2T4 calculation. The office already uses a second check process to identify and correct these errors, however Spring 2016 R2T4 calculations had not been through the second check process during the time of the field visit. Staff members responsible for R2T4 calculations are now required to double check their work prior to finishing the R2T4 calculation.</p> <p><i>How compliance and future good management and practice will be measured, monitored and assured:</i> Compliance and future good management and practice will be measured, monitored and assured through the office's R2T4 secondary check process.</p> <p><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 and the Financial Aid Advisor responsible for R2T4 calculations will be held accountable.</p> <p><i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> The identified error was</p>		

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							<p>immediately corrected in the R2T4 calculation. Compliance and good practice has been secured immediately by requiring staff to cross check their own R2T4 calculation and still have a secondary check completed by an additional staff member.</p> <p><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 the R2T4 secondary check process already in place.</p>		
UNLV	2016 NSHE Single Audit Report –A133	Special Tests and Provisions: Return of Title IV Funds for Withdrawn Students	10/30/16 11/5/16	12	We recommend that UNLV enhance internal controls to improve the accuracy of reporting to COD.	Associate Vice President, ICA/TMC Business Services, Auxiliary Financial Services	<p>UNLV agrees with the finding. The Return of Title IV funds process was initially completed correctly and within the federal regulation time frame. Upon further review, a job within PeopleSoft called Pell validation ran and overrode the adjustments made by a staff member. The funds were returned again to the U.S. Department of Education.</p> <p><i>What will be done to avoid the identified problems and issues in the future?</i> The office strengthened internal controls to lock manual Pell grant award adjustments attributable to the Return of Title IV funds process. In addition, a query was developed to verify the Pell grant amount adjusted within the Return to Title IV</p>	OPEN	12/1/2016

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							<p>funds PeopleSoft table matched the adjusted Pell grant amount within the award table to ensure that this was an isolated incident and there were no other cases that occurred as a result of this system issue.</p> <p><i>How compliance and future good management and practice will be measured, monitored and assured:</i></p> <p>The Pell validation job is run on a mass scale several times through the first week of classes. The query to verify the Pell grant adjusted within the Return of Title IV funds PeopleSoft table matched the award table would be run after the first week of classes as a quality control measure. If there are any anomalies, adjustments would be made at that time to meet regulatory requirements.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i></p> <p>The Associate and Assistant Directors of Processing are held accountable.</p> <p><i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i></p> <p>The measures as described have already been implemented.</p> <p><i>How compliance and performance will be documented for future audit management and performance review:</i></p> <p>The Associate or Assistant Director of Processing will</p>		

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NSC	2016 NSHE Single Audit Report –A133	Special Tests and Provisions: Disbursements To or On Behalf of Students	10/30/16 11/5/16	13	We recommend that the NSC enhance controls to ensure the required monitoring and return of student funds occurs within the required period.	Senior Vice President for Finance and Administration	<p>verify the quality control query was run after the first week of classes. They will also verify if any adjustments were required to meet compliance.</p> <p><i>What will be done to avoid the identified problems and issues in the future?</i> The Bursar must maintain a list of checks aged 90 days or longer related to student account records and will document efforts to contact the student to reissue the checks. If unsuccessful, Bursar will notify the Senior Accountant (will copy to the Controller) and the Director of Financial Aid, at which point the Office of Controller will stop payment on the stale dated check. The Office of Controller will reconcile the Bursar's check list to bank records and resolve any check status variances in coordination with the Bursar and the bank. The Office of Financial Aid will reverse the disbursement authorization for any amount of Federal Pell Grant, Federal Direct Loan, or FSEOG credit balance payment not successfully delivered to a student before 240 days from the date of the first check and report the change to the U.S. Department of Education as appropriate, at which point the Office of Controller will return funds as needed to the Department of Education. <i>How compliance and future good management and practice will be measured,</i></p>	OPEN	12/1/2016

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							<p><i>monitored and assured:</i> College reports show no active checks dated beyond 90 days and all undisbursed Federal aid is returned to the Department of Education prior to 240 days from date of issue.</p> <p><i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Bursar is responsible for monitoring aged checks and for notifying the Senior Accountant (will copy to the Controller) and the Director of Financial Aid of any check status variances. The Financial Aid Director will be responsible for reversing the disbursement authorization for any amount of any Federal Pell Grant, Federal Direct Loan or FSEOG award credit balance payment not successfully disbursed and delivered and for notifying the Controller to return the funds. The Controller is responsible for reconciling outstanding checks to bank data and for returning undisbursed Federal aid.</p> <p><i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Review will be monthly and on a rolling 90 day basis.</p> <p><i>How compliance and performance will be documented for future audit, management and performance review:</i> The check list is filed in a shared folder available to the Vice President of Finance</p>		

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CSN	2016 NSHE Single Audit Report –A133	Special Tests and Provisions: Federal Work Study	10/30/16 11/5/16	14	We recommend that CSN develop policies and procedures to ensure all agreements are properly completed, and updated timely, before a student’s employment begins.	Senior Vice President Finance and Administration	and Business Operations, the Bursar, the Director of Financial Aid, the Senior Accountant and the Controller. The College of Southern Nevada (CSN) concurs with this finding and recommendation. One off-site agreement had expired and a new agreement was not in place. This was an oversight by a newly-assigned staff member with responsibility over Work Study and appropriate employee training has since occurred. <i>What will be done to avoid the identified problems and issues in the future?</i> The College has approved a new off-site agreement that does not expire unless either party cancels the contract within 30 days. CSN General Counsel has approved the new agreement template and it is being used for all off-site locations. CSN will ensure that all off-site agreements are signed and kept for verification purposes. <i>How compliance and future good management and practice will be measured, monitored and assured:</i> CSN’s Assistant Director of Financial Aid oversees Work Study and will verify that all off-site agreements are current, valid and signed. This position will provide signed copies of all agreements to the Assistant Vice President of Financial Aid.	OPEN	12/1/2016

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							<p><i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The Assistant Vice President of Financial Aid is responsible for all aspects of student aid eligibility processing, and record-keeping.</p> <p><i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Prior to the beginning of each award year, all off-site work agreements will be obtained by the Assistant Director of Financial Aid and verified for currency, validity, signatures, etc.</p> <p><i>How compliance and performance will be documented for future audit, management and performance review:</i> The Assistant Vice President of Financial Aid will review and maintain all signed copies of off-site agreements, ensure that they are current, and maintain copies for review by audit, management and or other performance review.</p>		
UNR TMCC	2016 NSHE Single Audit Report –A133	Procurement, Suspension and Debarment	10/30/16 11/5/16	15	We recommend that UNR and TMCC document their decision to use the procurement standards in the previous OMB guidance for an additional two fiscal years subsequent to December 26, 2014.	BCN Director of Purchasing	<p><i>What will be done to avoid the identified problems and issues in the future?</i> Business Center North (BCN) Purchasing Guidelines have been updated to reflect the decision to use the procurement standards in the previous OMB guidance.</p> <p><i>How compliance and future good management and practice will be measured, monitored and assured:</i></p>	OPEN	12/1/2016

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							<p>New standards and/or regulations affecting the procurement function will be monitored for implementation deadlines and requirements. <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> BCN Purchasing Director. <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> The decision has been documented and is available for review on the BCN website. <i>How compliance and performance will be documented for future audit, management and performance review:</i> Documentation can be viewed on the BCN website.</p>		

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<u>UNR INTERNAL AUDIT REPORTS</u>									
UNR	Travel Office	Travel Procedures	6/24/16 8/1/16	1	We recommend the travel policies in the University Administrative Manual be updated with the necessary revisions.	Associate Vice President, Business and Finance/ Controller	<p><i>1) How compliance was achieved:</i> The University Administrative Manual (UAM) travel policy and the online travel section on the controller's website are currently under review to correct any inconsistencies.</p> <p><i>2) What will be done to avoid the identified problems and issues in the future?</i> Requested changes to the travel policy will be reviewed for consistency across the UAM and our website as well as the PDF version.</p> <p><i>3) How compliance and future good management and practice will be measured, monitored and assured:</i> When a review of the travel policies identifies discrepancies, the UAM will be updated with needed changes.</p> <p><i>4) Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The Associate Vice President, Business and Finance/ Controller.</p> <p><i>5) When the measures will be taken and on what schedule compliance and good practice will be secured:</i> The travel policies are currently being reviewed for necessary updates and will be consistent among the multiple versions on all media.</p> <p><i>6) How compliance and performance will be documented for future audit, management and performance review:</i> Consistent policy and</p>	OPEN	9/8/2016

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							procedures manuals will be available to campus personnel.		
UNR	Purchasing Card Program	Procedures	6/24/16 8/9/16	2	We recommend the development of desk procedures that could be used to train new employees and to help ensure procedures are standardized within the office.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>How compliance was achieved:</i> Desk procedures have been written and are in the process of being reviewed.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> The procedures manual is available to all controller's office staff should any questions arise.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> The procedures manual is continuously being updated and changes to policy or procedures will be updated as they arise in the auditing of purchasing card transactions.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The Accounts Payable Manager.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> The procedures manual is reviewed at the end of the fiscal year by the Accounts Payable Manager as well as the Accounting Technician who oversees the area.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review:</i> The procedures manual is</p>	OPEN	9/8/2016

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							reviewed at the end of the fiscal year by the Accounts Payable Manager as well as the Accounting Technician who oversees the area.		
UNR	Facilities Management Services	Tools and Supplies Inventories	10/9/15 11/20/15	3	For improved control over this area, we recommend FMS continue to pursue a centralized function for its supply inventories, including bringing all such inventories into the electronic maintenance management system.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>How compliance was achieved.</i> In September 2013 FMS began a 5 year planned process to centralize the acquisition, storage, and receipt of its supplies inventory. The process of centralization is in progress, but not yet complete.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> All supplies and the usage of those supplies are tracked through an electronic computerized maintenance management system, TMA. Purchasing and receiving is accomplished through a centralized process. Supplies are stored in a centralized controlled warehouse with the exception of minimal shop level supplies that are issued in bulk through the warehouse.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured.</i> Compliance and future good management and practice are measure, monitored, and assured through monthly training of the Maintenance Support Services Staff, automated reports generated by TMA, cycle counting of inventory, and annual inventory operations.</p> <p>4) <i>Who will be responsible and</i></p>	OPEN	3/3/2016

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							<p><i>may be held accountable in the future if repeat or similar problems arise.</i></p> <p>The Assistant Director, Maintenance Support Services is accountable for ensuring compliance.</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 planned process to centralization is 75% complete and is on target for completion December 2016. Centralized receipt of goods is 100% compliant as of July 1, 2014 and working as designed.</p> <p><i>6) How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>Compliance and performance documentation is available through reports generated in TMA. TMA tracks the data for all purchasing, receiving, inventory and movement of supplies.</p> <p>Follow Up Response 8/2/16: The planned centralization process is 80% complete as of July 1, 2016 with a targeted completion date of June, 2017.</p> <p>Follow Up Response 12/31/16: The planned centralization process is 95% completed and on track for the targeted June 2017 implementation.</p>		

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<u>UNLV INTERNAL AUDIT REPORTS</u>									
UNLV	Reprographics/ Design Services	Job Pricing	5/20/16 6/28/16	4	We recommend the department create a price list for commonly ordered items to verify customers are billed as required by the UNLV service center policy. We recommend a review of the internal data table be performed to determine calculations being included in invoice totals. We additionally recommend during this review, making any necessary updates to the internal data table.	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> Reprographics is in the process of making a major overhaul of our Management Information System (MIS), which includes a complete upgrade of the old system to a newer technology. A critical and major part of this system is the creation of a new database and associated tables for pricing. This new pricing module also simplifies the process and allows an easier process for maintaining and updating the pricing tables.</p> <p>2) <i>How compliance and future good management and practice will be measured and assured.</i> The scope of work detailing the implementation of the upgraded system includes creating a comprehensive pricing structure including a matrix price list for all printed items. This list will be updated when changes occur in any of the pricing structure, such as increased material costs, this will ensure that pricing is kept up to date and documented at all times.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i> The departments IT Technician and Department Director will be responsible for the upkeep of the price lists.</p> <p>4) <i>When the measures will be</i></p>	OPEN	9/8/2016

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							<p><i>taken and on what schedule compliance and good practice will be secured.</i></p> <p>The upgrade has begun and is in a 3-6 month implementation phase. We expect to have this process completed by October 31.</p> <p><i>5) How compliance and performance will be documented for future audits, management and performance review.</i></p> <p>Records of all price lists are on file and will be updated when needed.</p>		
UNLV	Reprographics/ Design Services	Contracts	5/20/16 6/28/16	5	We recommend contracts be in compliance with institutional and NSHE contract policy.	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>Reprographics is in the process of working with Nevada State College in composing a MOU/Contract that is in accordance with NSHE requirements.</p> <p><i>2) How compliance and future good management and practice will be measured and assured.</i></p> <p>A signed MOU/Contract will be developed and signed by the appropriate parties at each institution.</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 Department Directors/Managers for each institution will be responsible for these procedures.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>Documentation is being created at this time and</p>	OPEN	9/8/2016

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							approved documents will be in place no later than September 15, 2016. 5) <i>How compliance and performance will be documented for future audits, management and performance review.</i> Field documentation will be available for review.		
UNLV	Network Security	Policies, Procedures and Best Practices	7/30/11 6/30/16	6	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	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. 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 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. We expect to have this recommendation fully implemented by 12/31/15. Follow-Up 7/16/15: 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	OPEN	5/31/2012

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							<p>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 become an ongoing operational activity.</p> <p>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</p>		

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							<p>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> <p>Follow-Up Response 6/30/16: The new member of the OIT security team has started work and quickly assumed responsibility for the day-to-day operations of ISORA, the new risk management software being deployed at UNLV. The ISORA software is now fully installed and all features are functional. The inventories and organizational data for the machines in the pilot phase have been loaded into the software. The pilot group is in the process of responding and responses are due by July 1. The feedback from this group of surveys will drive any needed changes to the configuration of the software and/or procedures associated with the risk assessment process. Once</p>		

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							<p>any needed revisions are made, the campus-wide implementation will begin. Barring any unanticipated issues identified in the pilot, the campus deployment will begin January 2017. 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.</p> <p>We anticipate this item to be completed by January 31, 2019.</p> <p>Follow Up Response 12/31/16:</p> <p>The pilot was completed and feedback from the pilot group was used to modify procedures. The modified procedures are being tested by a second pilot group. We expect campus-wide deployment to begin by March and still expect to meet the January 31, 2019 completion date.</p>		

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<u>NSHE INTERNAL AUDIT REPORTS</u>									
NSHE	System Office Travel	Expenditures	9/28/16 10/15/16	7	We recommend greater care be taken when reviewing travel claims and supporting documentation to ensure expenses are accurately reported and substantiated. If the documentation provided to support travel expenses is insufficient, we recommend employees be requested to provide the necessary information. Expenses that are not properly supported or are reported inaccurately should be adjusted on the travel claim form. We also recommend a determination be made whether to seek reimbursement from employees whose travel expenses were over reimbursed.	Vice Chancellor for Finance	The Vice Chancellor of Finance has contacted each employee or supervisor in question to either obtain the appropriate documentation or a reimbursement, however one individual is no longer employed by NSHE and follow-up was not possible. In reviewing these specific claims, it was noted that the travel policy for the SA units was not clear in several sections including these specific areas. A draft copy of a clarified travel policy was circulated to the Chancellor's Cabinet in October, 2016 and is expected to be approved at the November 15, 2016 Cabinet meeting. This revision also includes a check-list for travel claim preparation and review which is expected to avoid these types of concerns going forward.	OPEN	12/1/2016
NSHE	System Office Travel	Travel Checklist	9/28/16 10/15/16	8	We recommend a travel checklist be developed and used by System Office units.	Vice Chancellor for Finance	We agree with the auditors' comments and a travel checklist has been prepared and will be made available to all personnel upon approval of the clarified travel policy by the Chancellor's Cabinet on November 15, 2016.	OPEN	12/1/2016
NSHE	System Office Travel	NSHE Travel Procedures- Procedures and guidelines Manual	9/28/16 10/15/16	9	We recommend the NSHE Procedures and guidelines Manual be updated with the above information for improved guidance and to promote compliance system-wide with the State's travel policies.	Vice Chancellor for Finance	As a global comment impacting all NSEH Institutions, the Vice Chancellor of Finance will bring these recommendations to the Business Officers Council at its November 30, 2016 meeting. These comments will be addressed and, as appropriate, included	OPEN	12/1/2016

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NSHE	System Computing Services – Cloud Computing Management	Governance and Oversight	8/17/16 9/17/16	10	We recommend that NSHE as a system (including all Institutions) select and implement a comprehensive governance model for IT projects that includes proper representation across the system and involvement of the Information Security Officers from each campus and the System Security Officer.	Vice Chancellor Information Technology	in the revised business processes or Procedures & Guidelines revisions that will be coming forward as part of the iNtegrate 2 implementation. NSHE is in the process of implementing an Information Security Governance model that includes representation from each institution and System Computing Services. The proposed Information Security Officers Council will be uniquely positioned to engage in the security aspects of all NSHE-wide IT projects. This new model should be fully in place by April, 2017.	OPEN	12/1/2016
NSHE	System Computing Services – Cloud Computing Management	Security	8/17/16 9/17/16	11	We recommend that information technology projects include a proper evaluation of the security considerations during the evaluation phase of the project. We further recommend that security design components of such projects have major involvement of SCS/NSHE personnel.	Vice Chancellor Information Technology	NSHE is in the process of implementing an Information Security Governance model that includes representation from each institution and System Computing Services. A change in IT leadership has placed greater emphasis on security oversight on current and future projects and will continue to embed security early in the IT project lifecycle. Additionally, the proposed Information Security Officer's Council, a component of the overall governance model, will be tasked with providing an NSHE-wide, security-focused working group for earlier security vetting of NSHE IT projects. System level project management will be required to include this security group as part of the overall project lifecycle.	OPEN	12/1/2016
NSHE	System	Cloud	8/17/16	12	We recommend Cloud Computing	Vice Chancellor	As stated, NSHE is in the	OPEN	12/1/2016

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	Computing Services – Cloud Computing Management	Computing Policies-NSHE	9/17/16		policies be developed for inclusion in the Board of Regents Handbook and/or the NSHE Procedures and Guidelines Manual. We recommend the policies address general guidelines/ best practices for establishing and administering Cloud computing contracts.	Information Technology	process of implementing an Information Security Governance model that includes representation from each institution and System Computing Services. A component of this governance model is the Information Security Officers Council whose members will be tasked with developing and proposing policies related to cloud computing and use of self-provisioned cloud services. It is anticipated that the newly formed group will address this topic by the end of FY2017 and produce a draft policy for review in this time frame. Additionally, this group will be engaged in developing strategies to educate the NSHE user community on the appropriate use of cloud services.		
NSHE	Social Media	Other- Social Media Policies- NSHE	3/17/16 4/20/16	13	We recommend that social media policies be developed for inclusion in the Board of Regents Handbook and/or the NSHE Procedures and Guidelines Manual. We recommend the policies address general guidelines/ best practices for establishing and administering social media accounts, security, plan and strategy of the accounts, and standards to ensure content is in compliance with applicable laws. We recommend the Government and Community Affairs Office develop an initial draft of the policies for review and approval by required parties.	Manager of Public Information	1) <i>What will be done to avoid the identified problems and issues in the future?</i> NSHE Government and Community Relations and Legal Affairs staff will work with the eight institutions to review the existence, and forthcoming, campus social media policies to ensure consistency and adherence to current policies in the Board of Regents Handbook and Procedures & Guidelines Manual. In addition, recommendations will be developed based on national best practices in higher education social media policies. 2) <i>How compliance and future</i>	OPEN	12/1/2016

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							<p><i>good management and practice will be measured and assured.</i></p> <p>NSHE Government & Community Relations and Legal Affairs staff will work with the eight institutions to provide guidance on the development of each institution's social media policy.</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>If additional policies need to be created in the Board of Regents Handbook or Procedures & Guidelines Manual, NSHE Government & Community Relations and Legal Affairs staff will develop those policies in partnership with the eight institutions.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>Social media policy review and recommendations will be completed no later than December 31, 2016.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>Any new System social media policies will be documented in the Board of Regents Handbook and/or the NSHE Procedures & Guidelines Manual. Institutional policies that are currently documented, or will be documented, will be maintained by each institution.</p> <p>Follow-up 12/1/16: Government and Community Affairs is continuing to work</p>		

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NSHE	System Computing Services- Network Security	UNIX Based Servers	2/5/15 6/30/16	14	We recommend that SCS follow the guidance provided in the benchmark tool reports for correcting the various deficiencies.	Vice Chancellor Information Technology	with NSHE Legal Affairs to review guidelines and existing policies within the Board of Regents Handbook and NSHE Procedures & Guidelines Manual. We anticipate the possibility of bringing proposed policy changes to the board of Regents in early 2017. 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	OPEN	6/11/2015

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							<p>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.</p> <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</p>		

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							<p>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> <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</p>		

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							<p>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 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</p>		

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							<p>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 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.</p> <p>Direct login have been eliminated for the UNR and Shared Instances.</p> <p>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.</p> <p>Follow Up Response 6/30/16: A list of service accounts with non-expiring passwords has been generated and provided to representatives of the UNLV, UNR, and Shared Campus Solutions Instances as well as to SCS for server accounts. SCS has mitigated this for SCS and the Shared instance by removing direct logins to service accounts. Additional efforts are underway to limit these accounts to only what is required for system operations.</p> <p>The review of non-expiring Linux accounts was put on hold due to lack of staff resources. We will resume the</p>		

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							<p>review of accounts in August and all non-expiring accounts will be locked by September 12, 2016. Accounts requiring continued access will be required to comply with current password policies. UNR and the Shared instance have eliminated direct login to generic service accounts, requiring a non-privileged staff account to login first and then elevate to the privileged account. This process is logged and monitored.</p>		

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<u>TMCC INTERNAL AUDIT REPORTS</u>									
TMCC	Vending Services	Vending Machine Reconciliation	8/24/15 6/9/16	15	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 will be updated.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice</i></p>	OPEN	12/3/2015

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							<p><i>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><i>5) 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> <p>Follow-Up Response 6/9/16: As of December 31, 2015 the Cantaloupe/Seed software upgrade has been completed. However, due to some external factors, Integrate II obligations, and personnel changes this recommendation has not yet been fully implemented. Auxiliary Services expects full implementation to be completed by June 30, 2016.</p>		

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<u>WNC INTERNAL AUDIT REPORTS</u>									
WNC	PeopleSoft Security Audit	Security Administration- Roles and Permissions	1/10/14 6/30/16	16	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	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. <i>System Level Coordinated Effort</i> 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 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.	OPEN	12/4/2014

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							<p>WNC will create documentation for roles/permission lists that will be rebuilt after System Computing Services migrates the role/permission lists to production.</p> <p>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.</p> <p>WNC expects this project to begin upon commencement of the SCS coordinated effort.</p> <p>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.</p> <p>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</p>		

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							<p>(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 time as resolution is not merely a WNC issue.</p> <p>Follow Up Response 6/30/16: 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> <p>Follow Up Response 12/31/16: The following update was provided by SCS: Having predicted wrong in each of the last three years, I'm hesitant to commit to a firm</p>		

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							<p>deadline as to when the security rebuild project will finish. As has been the case since the projects inception, the biggest difficulty continues to be the lack of resources for the project, in particular the availability of functional staff at the institutions who are regularly diverted to higher priority work that more directly impacts their mission and their students.</p> <p>Testing for the Student Financials module is close to completion and I anticipate that the module will go live sometime in the second quarter of 2017. Financial Aid was making consistent progress up until about the middle of November but is currently stalled out. Assuming we can regain momentum we sustained last fall, Financial Aid should go live at some point later this year. The work on Student Records was broken up into two modules, Admissions and then Student Records. The Admissions module is currently in the build stage while no work has begun on the Student Records portion. By far the most time consuming process in the rebuild project is testing and evaluation once the security is actually built, so I am not confident that either Admissions or Student Records will complete this year.</p>		
WNC	PeopleSoft Security Audit	Role and Permission List Usage and Design Philosophy	1/10/14 6/30/16	17	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	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	OPEN	12/4/2014

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					roles and permission lists toward the design philosophy noted above.		<p>design philosophy. <i>System Level Rebuild</i> 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> 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: If the new roles/permission lists meet WNC security needs, WNC will replace the current security with that developed for the shared version. 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. 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</p>		

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							<p>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 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 Prouction. Completion for Student Financial (SF), Financial Assistance (FA), Student Records (SR), Admissions (AD), and the Campus Community (CC) modules is targeted for</p>		

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							<p>December 2016. Efforts are ongoing but require additional time as resolution is not merely a WNC issue.</p> <p>Follow Up Response 6/30/16: 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> <p>Follow Up Response 12/31/16: The following update was provided by SCS: Having predicted wrong in each of the last three years, I'm hesitant to commit to a firm deadline as to when the security rebuild project will finish. As has been the case since the projects inception, the biggest difficulty continues to be the lack of resources for the project, in particular the availability of functional staff at the institutions who are regularly diverted to higher priority work that more directly impacts their mission and their students. Testing for the Student Financials module is close to completion and I anticipate that the module will go live sometime in the second quarter of 2017. Financial Aid was making consistent</p>		

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							<p>progress up until about the middle of November but is currently stalled out. Assuming we can regain momentum we sustained last fall, Financial Aid should go live at some point later this year. The work on Student Records was broken up into two modules, Admissions and then Student Records. The Admissions module is currently in the build stage while no work has begun on the Student Records portion. By far the most time consuming process in the rebuild project is testing and evaluation once the security is actually built, so I am not confident that either Admissions or Student Records will complete this year.</p>		

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<u>GBC INTERNAL AUDIT REPORTS</u>									
GBC	Student Financial Aid	Statement of Revenues and Expenditures	7/1/16 7/21/16	18	We recommend the college review the accounts to determine the reason for the deficits so that the appropriate corrections can be made in the financial accounting system. We also recommend a procedure be developed for periodically reviewing and correcting deficit account balances.	Vice President for Business Affairs	<p>1) <i>What will be one to avoid the identified problems and issues in the future?</i> The Business Affairs department provides Student Financial Services monthly financial reports that show revenues, expenditures and ending balances for each account. The transition of Foundation personnel delayed some scholarship funding which resulted in deficit balances. The Assistant Director of Student Financial Services will review any deficit balances on a monthly basis and work with the Foundation office to ensure funding is received.</p> <p>2) <i>How will compliance and future good management and practice be measure, monitored, and assured?</i> GBC will strive to avoid any future deficit balances in the scholarship accounts. These accounts will be reviewed monthly.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise?</i> The responsibility will be shared with the Assistant Director of Student Financial Services, the Foundation Director and the Vice President of Business Affairs. The responsibilities will be divided based upon the type of scholarship.</p> <p>4) <i>When will the measures be taken and on what schedule will compliance and good practice be secured?</i></p>	OPEN	9/8/2016

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							<p>These measures have partially been implemented and will be fully completed by September 30, 2016.</p> <p>5) <i>How will compliance and performance be documented for future audit, management and performance review?</i></p> <p>Monthly review, documentation, and discussions with all responsible parties will occur to ensure that funding is received in a timely manner. Compliance will be documented by no findings of deficit balances at the end of each fiscal year.</p>		
GBC	PeopleSoft Security	Security Administration- Roles and Permissions	1/14/14 6/30/16	19	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).	Vice President for Business Affairs	<p><u>Correction</u></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. A better narrative description of roles and permissions will be developed as we proceed.</p> <p><i>SCS Response</i></p> <p>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</p>	OPEN	12/4/2014

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							<p>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: <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. 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</p>		

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							<p>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> <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</p>		

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							<p>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> <p>Follow Up Response 6/30/16: GBC continues to work with SCS and the other Shared Instance institutions on the Security Rebuild project. Student Financials is wrapping up final testing of their new roles. Financial Aid, Student Records, and Admissions are working on setup and testing their new roles and permissions. Estimated completion date is December 2016.</p> <p>Follow Up Response 12/31/16: GBC continues to work with SCS and the other Shared Instance institutions on the Security Rebuild project. Testing for the Student Financials module is close to</p>		

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GBC	PeopleSoft Security	Security Administration- Roles and Permissions	1/14/14 6/30/16	20	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.	Vice President for Business Affairs	<p>completion and anticipated that the module will go live sometime in the second quarter of 2017. Financial Aid was making consistent progress up until about the middle of November but is currently stalled out. Assuming that momentum can be regained as it was last fall, Financial Aid should go live at some point later this year. The work on Student Records was broken up into two modules, Admissions and then Student Records. The Admissions module is currently in the build stage while no work has begun on the Student Records portion. By far the most time consuming process in the rebuild project is testing and evaluation once the security is actually built. It is uncertain whether Admissions or Student Records will be complete this year.</p> <p><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. 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</p>	OPEN	12/4/2014

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							<p>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 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.</p> <p>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</p>		

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							<p>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.</p> <p>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</p>		

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							<p>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> <p>Follow Up Response 6/30/16: GBC continues to work with SCS and the other Shared Instance institutions on the Security Rebuild project. Student Financials is wrapping up final testing of their new roles. Financial Aid, Student Records, and Admissions are working on setup and testing their new roles and permissions. Estimated completion date is December 2016.</p> <p>Follow Up Response 12/31/16: GBC continues to work with SCS and the other Shared Instance institutions on the Security Rebuild project. Testing for the Student Financials module is close to completion and anticipated that the module will go live sometime in the second quarter of 2017. Financial Aid was making consistent progress up until about the middle of November but is currently stalled out. Assuming that momentum can be regained as it was last fall,</p>		

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GBC	PeopleSoft Security	Role and Permission List Usage and Design Philosophy	1/14/14 6/30/16	21	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.	Vice President for Business Affairs	<p>Financial Aid should go live at some point later this year. The work on Student Records was broken up into two modules, Admissions and then Student Records. The Admissions module is currently in the build stage while no work has begun on the Student Records portion. By far the most time consuming process in the rebuild project is testing and evaluation once the security is actually built. It is uncertain whether Admissions or Student Records will be complete this year.</p> <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. <i>SCS Response</i> 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</p>	OPEN	12/4/2014

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							<p>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>SCS Response 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 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</p>		

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							<p>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 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</p>		

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							<p>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 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.</p> <p>The SR module encompasses curriculum management, student records, admissions, and recruiting. SR is the</p>		

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							<p>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> <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</p>		

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							<p>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> <p>Follow Up Response 6/30/16: GBC continues to work with SCS and the other Shared Instance institutions on the Security Rebuild project. Student Financials is wrapping up final testing of their new roles. Financial Aid, Student Records, and Admissions are working on setup and testing their new roles and permissions. Estimated completion date is December 2016.</p> <p>Follow Up Response 12/31/16: GBC continues to work with SCS and the other Shared Instance institutions on the Security Rebuild project. Testing for the Student Financials module is close to completion and anticipated that the module will go live sometime in the second quarter of 2017. Financial Aid was making consistent progress up until about the middle of November but is currently stalled out. Assuming that momentum can be regained as it was last fall, Financial Aid should go live at some point later this year. The work on Student Records was broken up into two modules,</p>		

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GBC	Network Security	Firewall Testing	8/31/10 6/30/16	22	We recommend that GBC create written policies and procedures for the administration and configuration of the firewall.	Vice President for Business Affairs	<p>No progress has been made on this item. Still working on written procedures.</p> <p>Follow Up 12/31/14: This policy has been completed and is going through final approval.</p> <p>Follow-Up 7/20/15: Firewall policy is going through final approval process.</p> <p>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.</p> <p>Follow Up Response 6/30/16: 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.</p> <p>Follow Up Response 12/31/16: Due to other priorities and one employee in the department out of the office for most of this time, not much progress has been made on these items in the last six months. There have been some revisions made to the policies and they</p>	OPEN	6/16/2011

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							are being circulated for review. NSHE is in the process of approving some new security guidelines and policies, so we will need to review our policies again when the ones at the NSHE level have been completed. Dwaine Hiles has been put on the NSHE Information Security Officers Committee and the NSHE Information Steering Committee as part of the review process for the new security guidelines. As a part of the NSHE Information Security Officers Committee each institution has been ask to fill out a NIST CSF Current Profile report. That report covers the subjects listed in the Audit report that are still outstanding. As we come to understand this report, it will give us a clearer understanding of the changes that will need to be included in our policies and risk assessment. We will be working on the audit requirements as part of this report that is due by July 2017.		
GBC	Network Security	Policies, Procedures and Best Practice	8/31/10 6/30/16	23	We recommend that GBC update their policies and procedures to address the issues noted in items one and three, above.	Vice President for Business Affairs	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	OPEN	6/16/2011

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							<p>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.</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> <p>Follow Up Response 6/30/16: Staff has been able to devote some time to updating and developing policies. Our student data analyst continues to assist our IT department with this project.</p> <p>Follow Up Response 12/31/16: Due to other priorities and one employee in the department</p>		

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							<p>out of the office for most of this time, not much progress has been made on these items in the last six months. There have been some revisions made to the policies and they are being circulated for review. NSHE is in the process of approving some new security guidelines and policies, so we will need to review our policies again when the ones at the NSHE level have been completed. Dwaine Hiles has been put on the NSHE Information Security Officers Committee and the NSHE Information Steering Committee as part of the review process for the new security guidelines. As a part of the NSHE Information Security Officers Committee each institution has been ask to fill out a NIST CSF Current Profile report. That report covers the subjects listed in the Audit report that are still outstanding. As we come to understand this report, it will give us a clearer understanding of the changes that will need to be included in our policies and risk assessment. We will be working on the audit requirements as part of this report that is due by July 2017.</p>		
GBC	Network Security	Policies, Procedures and Best Practice	8/31/10 6/30/16	24	We recommend that GBC consider performing an IT risk assessment and developing a contingency plan.	Vice President for Business Affairs	<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</p>	OPEN	6/16/2011

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							<p>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 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> <p>Follow Up Response 6/30/16: Staff has been able to devote some time to updating and developing policies. Our</p>		

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							<p>student data analyst continues to assist our IT department with this project.</p> <p>Follow Up Response 12/31/16: Due to other priorities and one employee in the department out of the office for most of this time, not much progress has been made on these items in the last six months. There have been some revisions made to the policies and they are being circulated for review. NSHE is in the process of approving some new security guidelines and policies, so we will need to review our policies again when the ones at the NSHE level have been completed. Dwaine Hiles has been put on the NSHE Information Security Officers Committee and the NSHE Information Steering Committee as part of the review process for the new security guidelines. As a part of the NSHE Information Security Officers Committee each institution has been ask to fill out a NIST CSF Current Profile report. That report covers the subjects listed in the Audit report that are still outstanding. As we come to understand this report, it will give us a clearer understanding of the changes that will need to be included in our policies and risk assessment. We will be working on the audit requirements as part of this report that is due by July 2017.</p>		
GBC	Network Security	Security Incident Process	8/31/10 6/30/16	25	We recommend that GBC develop an IT security incident policy and procedure.	Vice President for Business Affairs	Little progress due to staffing issues. The person that was assigned to help with this	OPEN	6/16/2011

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							<p>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 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</p>		

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							<p>would be online that a person could complete in case of a security breach.</p> <p>Follow Up Response 6/30/16: Staff has been able to devote some time to updating and developing policies. Our student data analyst continues to assist our IT department with this project.</p> <p>Follow Up Response 12/31/16: Due to other priorities and one employee in the department out of the office for most of this time, not much progress has been made on these items in the last six months. There have been some revisions made to the policies and they are being circulated for review. NSHE is in the process of approving some new security guidelines and policies, so we will need to review our policies again when the ones at the NSHE level have been completed. Dwaine Hiles has been put on the NSHE Information Security Officers Committee and the NSHE Information Steering Committee as part of the review process for the new security guidelines. As a part of the NSHE Information Security Officers Committee each institution has been ask to fill out a NIST CSF Current Profile report. That report covers the subjects listed in the Audit report that are still outstanding. As we come to understand this report, it will give us a clearer understanding of the changes that will need to be included in our policies and risk assessment. We will be</p>		

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<u>UNR INTERNAL AUDIT REPORTS</u>									
UNR	Rental Properties	Cash Controls	9/27/16 10/24/16	1	For improved control, we recommend two employees be involved each time a deposit is prepared and that both employees sign and date the deposit slip attesting to the accuracy of the deposit. We also recommend a periodic reconciliation be performed by an independent employee between the rental payments that are collected and deposited, and those that are posted to tenant accounts and to the financial accounting system. The reconciliation should consider total rents and fees owed during the period of payments collected and deposited.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> Each deposit is completed and verified by two staff members before being taken to the Cashiers office. Additionally the Lands Division Specialist reconciles the deposit records once each quarter to ensure accuracy.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> Each deposit slip is initialed by the two staff members who completed and verified it, the Lands Division Specialist verifies all deposits have two sets of initials during the reconciliation. The Lands Division Specialist reviews all deposits and compares them against records of moneys owed. The Lands Division specialist submits a report of his reconciliation to the Director of Real Estate who verifies that the reconciliation covered the appropriate items.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Real Estate Operations Manager.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Deposit verification has begun as of September 30, 2016. The Lands Division Specialist</p>	CLOSED	12/1/2016

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							reconciles deposits quarterly, which began with the 1 st quarter of Fiscal Year 2017 (July-September 2016). <i>5) How compliance and performance will be documented for future audit, management and performance review:</i> All deposit slips are kept on record for future review. All reconciliations are documented and signed off by both the Lands Division specialist and the Director of Real Estate.		
UNR	Rental Properties	Cash Controls	9/27/16 10/24/16	2	For improved security, we recommend that the Rental Properties Office purchase a combination safe which can be securely affixed to a wall or floor and to which a limited number of employees have access.	Associate Vice President, Business and Finance/ Controller	1) <i>What will be done to avoid the identified problems and issues in the future:</i> A combination safe has been purchased and is bolted to the floor in the closet of the Real Estate Operations Manager's office. The safe combination has only been provided to the Director of Real Estate and the Real Estate Operations Manager. 2) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> The Director of Real Estate and the Real Estate Operations Manager are the only employees with the combination to the safe. Should either employee leave their position the combination to the safe will immediately be changed. Should the Director of Real Estate and Real Estate Operations Manager be out of the office during the same time, the combination will be given to the Lands Division Specialist, once either returns to the office	CLOSED	12/1/2016

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							<p>the combination will be changed.</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 Real Estate.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> The safe has been installed and is being utilized for all rental payments.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> The department maintains a log of when the safe combination has been changed and who it was given to.</p>		
UNR	Rental Properties	Software Application	9/27/16 10/24/16	3	We recommend the software vendor be contacted to determine whether the application can produce reports that contain the above information that could provide assistance in monitoring tenant accounts and completing the reconciliation process.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> Reporting capabilities are being utilized for tenant balances, accounts receivable, revenue and invoicing.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> The monthly reports are filed monthly, the Lands Division Specialist reviews them quarterly, during which time they are initialed and dated to document review.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Real Estate Operations Manager.</p>	CLOSED	12/1/2016

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							<p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Reports are generated monthly beginning with October 2016. 5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> All reports are kept on file and are available for review.</p>		
UNR	Rental Properties	Rental Files	9/27/16 10/24/16	4	We recommend greater care be taken to ensure lease agreements are signed, dated and initialed by all parties.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> A checklist has been created to ensure that all elements of the rental contracts are included and executed completely. 2) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> Each checklist is signed off and verified by two employees. Twice each year the Real Estate Operations Manager will submit a list of all contracts that have been signed in the last six months, to the Lands Division Specialist who will select a random sampling of contracts and verify that the checklist was completed and the contracts are executed properly, any findings will be submitted to the Director of Real Estate. 3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Real Estate Operations Manager. 4) <i>When the measures will be</i></p>	CLOSED	12/1/2016

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							<p><i>taken and on what schedule compliance and good practice will be secured:</i> The checklist has been created, as of October 2016, and is in use for any contracts moving forward. The Lands Division Specialist reviews the checklists and contracts beginning in January 2017 and every six months thereafter. <i>5) How compliance and performance will be documented for future audit, management and performance review:</i> All checklists and the Lands Division Specialist findings will be maintained on file.</p>		
UNR	Rental Properties	Rental Files	9/27/16 10/24/16	5	We recommend that approvals of security deposit waivers, transfers, and other similar actions be documented and approved in writing and maintained in the rental file.	Associate Vice President, Business and Finance/ Controller	<p><i>1) What will be done to avoid the identified problems and issues in the future:</i> A form has been created to be used any time in which a deposit has been waived or reduced. This form includes a reason for the change in deposit and is signed off by the Director of Real Estate and the Real Estate Operations Manager. <i>2) How compliance and future good management and practice will be measured, monitored and assured:</i> Twice each year the deposits will be audited by the Lands Division Specialist for the preceding six months and he/she will verify there is a completed form on file for any deposit waived or reduced. <i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i></p>	CLOSED	12/1/2016

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							<p>Real Estate Operations Manager. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> The form is completed and in effect as of October of 2016. The Lands Division Manager will perform an audit of the rental deposits in January 2017. 5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> Waiver forms are kept on file and waived deposits are accounted for. Additionally, the Lands Division Specialist will document each audit performed.</p>		
UNR	Rental Properties	Rental Files	9/27/16 10/24/16	6	We recommend greater care be taken to ensure security deposits are posted to the correct account and rental forms are completed and maintained in the rental file.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> Reconciliation is conducted between the renter's account report, the deposit information and the general ledger account in the Advantage Financial System. A checklist has been created to ensure that all elements of the rental contracts are included and executed completely and accurately. 2) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> During the six month review by the Lands Division Specialist the reconciliation as well as the checklists are reviewed and any discrepancies will be submitted to the Director of</p>	CLOSED	12/1/2016

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							<p>Real Estate. 3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Real Estate Operations Manager. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> The checklist, contracts and reconciliation will be reviewed in January 2017 and every six months thereafter. 5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> All checklists, contract files and reconciliations are maintained in file, the Land Division Specialist findings will also be maintained in file.</p>		
UNR	Rental Properties	Lease Application and Agreement Forms	9/27/16 10/24/16	7	We recommend this matter be reviewed with the UNR General Counsel's Office to determine whether the collection of renter's social security numbers is necessary to perform credit checks and if so, whether it is permissible under state law. If it is decided to continue to collect social security numbers, we recommend the rental application be updated to contain the notice provisions required by Board policy.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> The Real Estate office has eliminated the need for social security numbers and no longer collects them. 2) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> The application has been updated and no longer asks for a social security number. All previous applications have social security numbers redacted. 3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i></p>	CLOSED	12/1/2016

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UNR	Rental Properties	Lease Application and Agreement Forms	9/27/16 10/24/16	8	We recommend the lease agreement be provided to the UNR General Counsel's Office for review and approval.	Associate Vice President, Business and Finance/ Controller	<p>Real Estate Operations Manager. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> As of October 2016 the rental application has been updated to not include social security numbers going forward. 5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> Applications are kept on file for future review.</p> <p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> The Lease Agreement has been reviewed by UNR General Counsel and they have provided an updated Lease Agreement. 2) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> The Lease Agreement will be submitted for review to the General Counsel's office once each calendar year. 3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Real Estate Operations Manager. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> As of October 4, 2016 an updated Lease Agreement has been provided for</p>	CLOSED	12/1/2016

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UNR	Rental Properties	Expenditures	9/27/16 10/24/16	9	We recommend greater care be taken when completing and reviewing employee travel claims to ensure expenses are accurately reported. We also recommend consideration be given for seeking reimbursement from the employee.	Associate Vice President, Business and Finance/ Controller	<p>implementation, all future Lease Agreements will be drafted utilizing the updated template.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review:</i> Contracts are kept on file for future review and a revision date will appear on contracts moving forward.</p> <p><i>1) What will be done to avoid the identified problems and issues in the future:</i> A checklist has been created to verify and check which meals and expenses were included with any conference fees versus those paid by the employee.</p> <p><i>2) How compliance and future good management and practice will be measured, monitored and assured:</i> All checklists are verified by a staff member other than the traveler.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Director of Real Estate.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured:</i> As of October 2016, the checklist has been created and implemented. Additionally, the employee has reimbursed the University for the meal in question.</p> <p><i>5) How compliance and performance will be</i></p>	CLOSED	12/1/2016

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							<i>documented for future audit, management and performance review: Checklists are kept on file along with all travel paperwork for future review.</i>		
UNR	Rental Properties	Expenditures	9/27/16 10/24/16	10	We recommend the NSHE contract and pricing agreement be used for rental car purchases.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> Travel claims are reviewed for compliance with policy and procedures and accuracy prior to submitting for approval and reimbursements.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> Travel records will be reviewed for accuracy and compliance prior to submitting for payment.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Director of Real Estate.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Travel records will be reviewed for accuracy and compliance prior to submitting for payment.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> Travel documents are kept on file for review.</p>	CLOSED	12/1/2016
UNR	Rental Properties	Expenditures	9/27/16 10/24/16	11	We recommend Independent Contractor Agreement forms be completed and approved prior to the date of service.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> Staff has been re-trained and provided the requirements for</p>	CLOSED	12/1/2016

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							<p>independent contractors. 2) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> Internal policy has been revised to require all work involving a financial transaction needs to be approved by the Real Estate Operations Manager to ensure that any needed Independent Contractor Agreements are completed in advance before any work is ordered. 3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Director of Real Estate. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> As of October 2016 the staff has been re-trained on Independent Contractor requirements. 5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> Staff has signed documentation that they have received a copy of the University policy on Independent Contractor Agreements.</p>		
UNR	Rental Properties	Fire Extinguishers	9/27/16 10/24/16	12	We recommend a replacement set of fire extinguishers be acquired so that one exists in each rental unit at all times. If necessary, we recommend the collection and maintenance of fire extinguishers be performed in smaller groups to match the	Associate Vice President, Business and Finance/ Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> There are currently 20 fire extinguishers which were recertified prior to inspections to be replaced at the same time. The Real Estate Office</p>	CLOSED	12/1/2016

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					number of replacements on hand.		<p>worked with Fire, Life and Safety to decrease the certification timeframe to enable all extinguishers to be replaced within 24 hours.</p> <p>2) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> The Facilities Supervisor keeps a record of when each extinguisher is replaced in each rental unit.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Real Estate Operations Manager.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Inspections took place on October 5, 2016 with all extinguishers being returned on October 6, 2016.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> The Facilities Supervisor's record for fire extinguishers is kept on file for review.</p>		
UNR	Rental Properties	Equipment Inventory	9/27/16 10/24/16	13	We recommend the Business Center North (BCN) Purchasing Department be contacted to update the EX license plate numbers and remove the laptop from the equipment inventory report. We also recommend the department's sensitive equipment list be updated with the new computer.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> The Real Estate Office Operations Manager will coordinate with the Purchasing Department annually to ensure all necessary information is accurate.</p> <p>2) <i>How compliance and future good management and</i></p>	CLOSED	12/1/2016

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							<p><i>practice will be measured, monitored and assured:</i> Annual checks of the inventory are kept on record. 3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Director of Real Estate. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> As of October 2016 the Purchasing department has been contacted and the fixed asset report and sensitive equipment list have been updated. Annual checks will be performed via the Purchasing department's schedule. 5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> Documentation of annual checks is kept on file for review.</p>		
UNR	Rental Properties	Statement of Revenues and Expenditures	9/27/16 10/24/16	14	We recommend a review of the account be performed and that an adjusting entry made to bring the deficit balance to zero, We also recommend the account be closed.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> This account has been brought to a zero balance and closed. The open rental property accounts will be reviewed each year to determine that all are in use and needed. 2) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> The Real Estate Operations Manager will review all open accounts in May of each year and close any unnecessary</p>	CLOSED	12/1/2016

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							<p>accounts. 3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Real Estate Operations Manager. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> As of October 2016 the account in question has been closed without a negative balance. 5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> Account closures are kept on file for review.</p>		
UNR	Travel Office	Expenditures	6/24/16 8/1/16	15	We recommend employees be reminded of the requirements for the completion, approval, and submission of travel request, travel claim, and group travel claim forms. We also recommend the ICA Department be reminded that transactions should not be charge to purchasing cards unrelated to the transaction to avoid the limitations place on cards.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>How compliance was achieved:</i> The Accounts Payable Manager attended the Personnel/Controller/Budget (PCB) meeting which the university fiscal officers attend and disseminated the travel requirements as recommended. We also attended the Network meeting which the administrative assistants attend to disseminate the same information. ICA was notified of appropriate procedures for requesting limit increases for sports team travel. 2) <i>What will be done to avoid the identified problems and issues in the future?</i> Communication efforts to applicable campus community</p>	CLOSED	9/8/2016

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							<p>groups and channels will continue through the Workday implementation. Improved business processes within Workday will ensure improved compliance.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> Travel staff will continue to communicate through the various campus groups and on the travel website about the requirements.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The traveler through their respective supervisor and/or the Accounts Payable Manager.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Communications begin with the traveler (employee) and departments immediately.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review:</i> The travel department procedures manual has been updated with the required emails that must be sent to travelers who do not conform to policy.</p>		
UNR	Travel Office	Expenditures	6/24/16 8/1/16	16	We recommend greater care be taken when reviewing travel claims and supporting documentation to ensure expenses are accurately reported	Associate Vice President, Business and Finance/ Controller	1) <i>How compliance was achieved:</i> Travel claims or request without proper documentation will be returned to the traveler	CLOSED	9/8/2016

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					and substantiated. If the documentation provided to support travel expenses is insufficient we recommend employees be requested to provide the necessary information. Expenses that are not properly supported or are reported inaccurately should be adjusted on the travel claim form. We also recommend a determination be made whether to seek reimbursement from employees whose travel expenses were over reimbursed.		for corrections and/or additional information. Travelers were notified of errors and reimbursements were requested, where required. <i>2) What will be done to avoid the identified problems and issues in the future?</i> Travel claims or requests without proper documentation will be returned to the traveler for corrections and/or additional information. <i>3) How compliance and future good management and practice will be measured, monitored and assured:</i> When we receive travel forms that do not comply with policy, we will forward an email to the traveler with the current travel policy, highlighting the error that was made. <i>4) Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The traveler through their supervisor and/or the Accounts Payable Manager. <i>5) When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Immediately, when we receive travel forms that do not comply with policy, we will forward and email to the traveler with the current travel policy highlighting the error that was made and request appropriate documentation be provided. <i>6) How compliance and performance will be documented for future audit, management and performance</i>		

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UNR	Travel Office	Other	6/24/16 8/1/16	17	We recommend the School of Medicine coordinate with the Office of Sponsored Projects to review this transaction and make the appropriate adjustment to the grant accounts. In the future, we recommend greater care be taken to ensure expenditures charged to sponsored projects are directly related to the awards.	Associate Vice President, Business and Finance/ Controller	<p><i>review:</i> The travel department procedures manual has been updated with the required emails that must be sent to travelers who do not conform to policy.</p> <p>1) <i>How compliance was achieved:</i> Travel records were reviewed to connect travel to P-card purchases. It was noted on the records that the travel was to be charged to the IDEA Network of Biomedical Research Excellence (INBRE) grant (managed by another office) but due to the end of the grant year, the charges were JVed to the next year's budget. In processing the travel through the School of Community Health Sciences (SCHS), the travel was charged to the Youth Risk Behavior Survey (YRBS) budget instead (managed by SCHS). The INBRE budget is no longer active so it is not possible to correct. Travel to Las Vegas was occurring for both INBRE and YRBS at the same time.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> Travel claims will be carefully reviewed for accuracy in assigning charges to the correct grant. During busy times (when grant funds are ending on multiple grants or travel is assigned to two or more grants), claims will receive extra review to ensure accuracy. In addition, a new staff member will be managing</p>	CLOSED	9/8/2016

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							<p>grant expenses as her primary duty.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> Within the SCHS, primary staff will have a second review by supervisory staff before official signatures are obtained and requests sent. Any discrepancies will be corrected before requests are sent on and the processes reviewed to ensure that primary staff understand what was wrong and how to correct it. Continuing education may be prescribed if too many errors are identified during the second review.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Ultimately the Director has responsibility for fiscal management within the SCHS. However, primary and supervisory staff are evaluated based on the accuracy of documents and may have prescribed education or be placed on probation if discrepancies are repeated.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Review procedures are already in place for primary staff and meetings are held at the time of the error to correct them. In addition, the staff meet every week to review tasks and discuss the workflow issues.</p> <p>6) <i>How compliance and</i></p>		

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							<p><i>performance will be documented for future audit, management and performance review:</i> As envisioned, there will be no further errors that reach outside of the SCHS for P-card allocation to grants, contracts and accounts.</p>		
UNR	Travel Office	Other	6/24/16 8/1/16	18	In the future, we recommend the College of Engineering obtain advanced approval when seeking reimbursement from grants that are not consistent with expenses normally paid by the university.	Associate Vice President, Business and Finance/ Controller	<p><i>1) How compliance was achieved:</i> The faculty member requested that the Office of Sponsored Projects contact the sponsor and request approval. Approval was granted by the sponsoring agency after the fact.</p> <p><i>2) What will be done to avoid the identified problems and issues in the future?</i> On August 1, 2016, an email was sent to all College of Engineering faculty to remind them of the university travel policy. They were also advised to obtain approval for exceptions in advance.</p> <p><i>3) How compliance and future good management and practice will be measured, monitored and assured:</i> The Accounts Payable Manager attended the PCB meeting which the university fiscal officers attend and explained the necessity for obtaining prior approval.</p> <p><i>4) Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The faculty member is responsible for ensuring approval is requested in advance for exceptions to</p>	CLOSED	9/8/2016

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							<p>university policy.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Measures have been taken to inform faculty of the requirement for advance approval.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review:</i> The travel department was made aware of the requirement to obtain prior approval and return this type of travel request to the faculty member to obtain the necessary approval.</p>		
UNR	Purchasing Card Program	Transaction Testing	6/24/16 8/9/16	19	We recommend cardholders be instructed to submit proper supporting documentation as well as Statements of Account that are signed by the required parties when this information is not submitted or is submitted incorrectly to the Controller's Office.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>How compliance was achieved:</i> The Accounts Payable Manager attended the Personnel/Controller/Budget (PCB) meeting which the university fiscal officers attend and disseminated the Purchasing Card (P-Card) requirements as recommended. We also attended the Human Resources Network meeting which the administrative assistants attend to disseminate the same information.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> Communication efforts to applicable campus community groups and channels will continue. P-Card staff will</p>	CLOSED	9/8/2016

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							<p>continue to communicate through the various campus groups and on the Controller's website about the requirements. The P-Card list serve was updated to include all cardholders and processors in the department that match receipts to the statement of account. Recipients are not allowed to unsubscribe from the list serve and if an email is closed the P-Card office receives notification.</p> <p><i>3) How compliance and future good management and practice will be measured, monitored and assured:</i> P-Card staff will continue to communicate through the various campus groups and on the Controller's website about the requirements.</p> <p><i>4) Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The Accounts Payable Manager.</p> <p><i>5) When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Communications begin with the P-Card holder and departments immediately.</p> <p><i>6) How compliance and performance will be documented for future audit, management and performance review:</i> The P-Card procedures manual has been updated with the required emails that must be sent to P-Card holders and processors who do not conform to policy.</p>		

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UNR	Purchasing Card Program	Application and Agreement Forms	6/24/16 8/9/16	20	We recommend the Purchasing Card Application and Agreement form be completed in its entirety for improved recordkeeping.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>How compliance was achieved:</i> P-Card staff have been advised to more closely monitor for signatures and if the form is not in compliance to take it to the Accounts Payable Manager.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> A periodic quality assurance review will be performed by the Account Technician who oversees the P-Card area.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> A quality assurance review that identifies errors such as an incomplete form will be brought to the Accounts Payable Manager's attention for resolution and completion.</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 Vice President, Business and Finance/Controller and the Accounts Payable Manager.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> The quarterly quality assurance reviews will begin after the end of the first quarter of FY2017.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review:</i> Desk procedures have been updated to include quality</p>	CLOSED	9/8/2016

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UNR	Purchasing Card Program	Application and Agreement Forms	6/24/16 8/9/16	21	We recommend greater care be taken to ensure that requested documentation is returned and properly maintained.	Associate Vice President, Business and Finance/ Controller	assurance review measures. Quarterly reviews and follow-up actions will be documented. <i>1) How compliance was achieved:</i> P-Card staff have been advised to be more careful when scanning and filing documents. <i>2) What will be done to avoid the identified problems and issues in the future?</i> Continuous training of purchasing card staff regarding scanning and filing. <i>3) How compliance and future good management and practice will be measured, monitored and assured:</i> Documents are readily available for retrieval upon request. <i>4) Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The Accounts Payable Manager. <i>5) When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Purchasing card staff have been trained. <i>6) How compliance and performance will be documented for future audit, management and performance review:</i> Documents are readily available for retrieval upon request.	CLOSED	9/8/2016
UNR	Purchasing Card Program	Purchasing Card Renewal Log	6/24/16 8/9/16	22	We recommend greater care be taken to ensure the renewal log is signed each time a card is distributed.	Associate Vice President, Business and Finance/ Controller	<i>1) How compliance was achieved:</i> When a single person is picking up multiple cards, a	CLOSED	9/8/2016

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							<p>procedure has been implemented to have an indexed reference noted in the log with the corresponding signature and approval documentation.</p> <p><i>2) What will be done to avoid the identified problems and issues in the future?</i> A periodic quality assurance review will be performed by the Account Technician who oversees the purchasing card area during the distribution period.</p> <p><i>3) How compliance and future good management and practice will be measured, monitored and assured:</i> Prior to the end of each fiscal year the log will be reviewed to verify the indexing has been completed.</p> <p><i>4) Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The Accounts Payable Manager.</p> <p><i>5) When the measures will be taken and on what schedule compliance and good practice will be secured:</i> New procedures have been implemented for the next distribution scheduled for February 2017.</p> <p><i>6) How compliance and performance will be documented for future audit, management and performance review:</i> Desk procedures have been updated to reflect the process.</p>		

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UNR	Purchasing Card Program	Cardholder Interview	6/24/16 8/9/16	23	We recommend cardholders be reminded to keep cards on their person or in a secure area, such as a lockable drawer to which only they or those authorized to use the cards have access. We recommend cardholders also be reminded that purchasing cards should only be used by the person to whom the card is issued or, in the case of a department purchasing card, by authorized employees within the department.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>How compliance was achieved:</i> The Accounts Payable Manager attended the Personnel/Controller/Budget (PCB) meeting which the university fiscal officers attend and disseminated the purchasing card requirements as recommended. We also attended the Human Resources Network meeting which the administrative assistants attend to disseminate the same information.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> Communication efforts to applicable campus community groups and channels will continue. The P-Card list serve was updated to include all cardholders and processors in the department that match receipts to the statement of account. Recipients are not allowed to unsubscribe from the list serve and if an email account is closed, the P-Card office receives notification.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> Purchasing card staff will continue to communicate through the various campus groups and on the Controller's website about the requirements.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The purchasing card holder</p>	CLOSED	9/8/2016

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							<p>through their respective supervisor and/or the Accounts Payable Manager.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i></p> <p>Communications began with the purchasing card holder and departments immediately.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review:</i></p> <p>The purchasing card department procedures manual has been updated with the required emails that must be sent to card holders who do not conform to policy.</p>		
UNR	Purchasing Card Program	Inactive Cards	6/24/16 8/9/16	24	We recommend cardholder activity reports be reviewed periodically to identify inactive cards. Once identified, the cardholders should be contacted to determine whether they are still in possession of the card and whether it is still needed. Purchasing cards that are not needed should be deactivated.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>How compliance was achieved:</i></p> <p>Procedures have been implemented for cardholder activity as recommended and will be reviewed quarterly.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i></p> <p>During review of cardholder activity, if cards are identified as not being used or needed, the cards will be deactivated.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured:</i></p> <p>Desk procedures have been updated to include required quarterly review of active cards.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i></p>	CLOSED	9/8/2016

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							<p>The Accounts Payable Manager. 5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> The first quarter review will take place after the end of the first quarter of FY2017. 6) <i>How compliance and performance will be documented for future audit, management and performance review:</i> A quarterly review will be documented and any issues or discrepancies from the review will be brought to the attention of the Accounts Payable Manager for resolution.</p>		
UNR	Purchasing Card Program	Other-Expenditures	6/24/16 8/9/16	25	We recommend the cardholder be notified that transactions with independent contractors are required to be processed on an Independent Contractor Agreement form.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>How compliance was achieved:</i> Training for professional development program staff on payment to independent contractors, speakers and LOA's is now held on a continuing basis to review potential issues for compliance. NSHE policies are reviewed and discussed with EXS HR staff for clarification on uncertainties. P-Card policies are also reviewed during the in-house training. 2) <i>What will be done to avoid the identified problems and issues in the future?</i> Purchasing cardholder has placed this notice in the purchasing card folder as a reminder, as well as putting notice in the course file as well as the Extended Studies ("EXS") registration database record for the instructor to be</p>	CLOSED	9/8/2016

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							<p>paid as an IC instead of using the purchasing card. Notice was also listed in the EXS course electronic file.</p> <p><i>3) How compliance and future good management and practice will be measured, monitored and assured:</i> Confirmed instructors and speakers for all gaming courses are listed in electronic course files at EXS during budgeting, and Operations Manager (purchasing cardholder) will review the fee payment structure for each instructor/speaker before pay documents are sent to them. This includes preliminary discussions with EXS HR to assure that EXS is paying the instructor/speaker in the appropriate manner.</p> <p><i>4) Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Operations Manager for gaming management program will be held accountable, as they prepare, manage and review all expenses for gaming management courses at EXS, along with course budgets and closeouts prepared by gaming staff members.</p> <p><i>5) When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Operations Manager will review gaming course budgets monthly for proposed instructor/speaker payments, and discuss with direct supervisor and/or EXS HR staff to assure that the appropriate</p>		

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							<p>paperwork is completed for payment.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review:</i></p> <p>Each gaming staff member currently maintains a log of instructor/speaker proposed payments for each course they are responsible for, based on the original budget and course outline information from the operations manager, who will review these logs again before payment documents are prepared and sent to instructor/speaker for completion.</p> <p>Operations Manager will also review these proposed and completed payments when finalizing financial closeouts of each completed gaming course, which is typically one to two months after the course is finished.</p>		
UNR	Purchasing Card Program	Other-Terminated Employees	6/24/16 8/9/16	26	To help promote the timely completion of employee separation notices and subsequent purchasing card deactivations, we recommend this issue be addressed in the Human Resources Network meetings that are periodically held at the university.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>How compliance was achieved:</i></p> <p>The Accounts Payable Manager attended the Human Resources Network meeting which administrative assistants attend to remind them that they must submit the Separation Notice.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i></p> <p>Purchasing card staff will continue to communicate through periodic email reminders and at campus meetings about the requirements.</p>	CLOSED	9/8/2016

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							<p>3) <i>How compliance and future good management and practice will be measured, monitored and assured:</i> PCB and Human Resources Network meeting agendas and periodic email reminders from the purchasing card office will document the importance of submitting Separation Notices timely.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The departments are responsible for submitting the Separation Notice timely.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> The Accounts Payable Manager attended the Human Resources Network meeting which administrative assistants attend to remind them that they must submit the Separation Notice.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review:</i> PCB and Human Resources Network meeting agendas and periodic email reminders from the purchasing card office will document the importance of submitting Separation Notices timely.</p>		
UNR	Facilities Management Services	Recharge	10/9/15 11/20/15	27	We recommend FMS complete the process of identifying and documenting the relevant criteria that are used to determine	Associate Vice President, Business and Finance/ Controller	1) <i>How compliance was achieved.</i> The documentation, criteria, policies and procedures are	CLOSED	9/8/2016

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					recharge activity.		<p>being reviewed, finalized and the affected staff trained. Criteria will be available electronically to the staff for quick centralized reference in a dedicated FMS folder.</p> <p><i>2) What will be done to avoid the identified problems and issues in the future?</i> A work review meeting occurs weekly to discuss work requests involving recharge. The members of the work review team will be trained on the appropriate policies, procedures, and criteria annually.</p> <p><i>3) How compliance and future good management and practice will be measured, monitored and assured.</i> Documentation of the relevant criteria and policies and procedures will be reviewed annually by the Assistant Director of Maintenance Support Services to ensure accuracy and compliance.</p> <p><i>4) Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> The Assistant Director, Maintenance Support Services is accountable for ensuring compliance.</p> <p><i>5) When the measures will be taken and on what schedule compliance and good practice will be secured.</i> This will be 100% in compliance as of February 1, 2016.</p> <p><i>6) How compliance and performance will be documented for future audit, management and performance</i></p>		

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UNR	Facilities Management Services	Defensive Driving Courses	10/9/15 11/20/15	28	We recommend employees complete defensive driving and refresher courses, as required. We also recommend FMS take greater care in reviewing employee driving records to ensure those that have not completed the course are notified to do so in a timely manner.	Associate Vice President, Business and Finance/ Controller	<p><i>review.</i> The Assistant Director of Maintenance Support Services will pull records from TMA software to audit against Recharge Policies and Procedures. Follow Up Response 8/2/16: The corrective action was implemented.</p> <p>1) <i>How compliance was achieved.</i> FSD Human Resources conducted an audit in June 2015. All personnel files were checked to ensure employees had a current Defensive Driving Certificate. Employees who did not have a current Defensive Driving Certificate were enrolled in either a defensive driving course or a refresher course. Defensive Driving Certificates are being placed in personnel files as they are received. All employees will have a current Defensive Driving Certificate by January 1, 2016.</p> <p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> FSD Human Resources will audit employee personnel files annually in June. An updated report will be sent to the Senior Director to ensure employees complete refresher courses. All new Facilities employees are notified during new hire orientation of the responsibility to complete the defensive driving course within four months of hire. During the first week of employment each employee supervisor will</p>	CLOSED	9/8/2016

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							<p>ensure that new employees are registered for the first available defensive driving course.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured.</i> FSD Human Resources will audit employee files annually. A report will be sent to the Senior Director to ensure employees complete the course. FSD Human Resources will be responsible to monitor and make sure that certificates for each employee are received.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> The FSD Human Resources Specialist has the responsibility for ensuring new employees complete the defensive driving course within the first four months of hire. The FSD Human Resources Specialist has the responsibility for ensuring employees are notified in a timely manner and defensive driving refresher courses are completed by employees every four years</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> The new process has been implemented and will be 100% compliant on January 1, 2016.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review.</i> FSD Human Resources will</p>		

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							keep the Defensive Driving Certificate in each employee file. Employee files will be audited yearly by FSD Human Resources to ensure employees are current with Defensive Driving Certificates. Supervisors and Assistant Directors will ensure that employees turn in certificates to FSD Human Resources after completion of the course. Follow Up Response 8/2/16: The corrective action was implemented.		
UNR	Child & Family Research Center	Cash Controls	11/30/15 1/22/16	29	For improved control, we recommend that a portion of the above duties be assigned to another employee. We recommend two employees be involved in the preparation of the deposit and that both employees sign the deposit slip. We also recommend a periodic reconciliation be performed by an independent employee between the receipts that are collected and deposited, and those that are posted to the software management and financial accounting systems.	Associate Vice President, Business and Finance/ Controller	1) <i>How compliance was achieved.</i> Preparation of the deposit will be performed by two employees. One employee will post tuition to the software management system, print a posting report and prepare the deposit slip. A second employee will collect tuition, review the posting report and deposit slip. Both employees will sign the deposit slip. The office manager will review and reconcile the deposit slips, software management system posting report, and financial accounting systems reports for accuracy each month. Fee adjustments to tuition will require written approval from the director or assistant director prior to posting adjustments to accounts. The director and office manager will meet quarterly to review software management system and financial accounting systems reports. 2) <i>What will be done to avoid</i>	CLOSED	9/8/2016

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							<p><i>the identified problems and issues in the future?</i> Four employees will be trained in collecting, posting, preparation of deposit slips and deposit duties to provide segregation of duties in the deposit process. One employee will post the tuition, prepare the deposit slip and posting report. Another employee will collect tuition, review the posting report and deposit slip. Both employees will sign the deposit slip. No fee adjustments will be posted without written approval from the director or assistant director. The office manager will reconcile the deposit records, software management system reports and financial accounting systems reports monthly. The office manager will date and sign the monthly reconciliations. The director and office manager will meet quarterly to review the software management system and financial accounting systems reports and correct any problems in procedure.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured.</i> The office manager will monitor, reconcile and document compliance with each deposit.</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 and office manager are responsible for</p>		

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							<p>best practices and may be held accountable in the future if repeat or similar problems arise.</p> <p><i>5) When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p> <p>Implementation of the segregation of deposit duties will be secured by February 1, 2016. Schedule of compliance will be documented by signature on each deposit. A monthly reconciliation will be performed by the office manager and confirmed at quarterly director/office manager meetings.</p> <p>As of January 4, 2016 written documentation of director/ assistant director approval for fee adjustments are on file for all exceptions.</p> <p><i>6) How compliance and performance will be documented for future audit, management and performance review.</i></p> <p>Compliance and performance will be on file in the back-up documentation of each deposit, by signature of employees performing the duties.</p> <p>Follow Up Response 8/2/2016: The corrective action was implemented.</p>		
UNR	Child & Family Research Center	Cash Controls	11/30/15 1/22/16	30	We recommend greater care be taken to ensure payments are processed upon receipt so deposits can be prepared in a timely manner.	Associate Vice President, Business and Finance/ Controller	<p><i>1) How compliance was achieved.</i></p> <p>Four employees will be trained in the process of collecting, posting and depositing of tuition, ensuring adequate staffing for a minimum of two persons to process deposits as</p>	CLOSED	9/8/2016

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							<p>received. Collecting, posting and deposit will be designated as a first priority for the employees assigned these duties.</p> <p><i>2) What will be done to avoid the identified problems and issues in the future?</i> Maintaining four employees trained in the collection, posting and deposit process and its divided duties will provide daily coverage and ensure that tuition and deposits are prepared and posted correctly and in a timely manner.</p> <p><i>3) How compliance and future good management and practice will be measured, monitored and assured.</i> Collecting, posting and deposit processes will be designated as a first priority for the employees assigned these duties, adequate staffing will enable the duties to be performed as tuition is received. The office manager will monitor deposit processes daily and ensure prompt implementation. The assistant director will serve as backup in the absence of the office manager.</p> <p><i>4) Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> The office manager and assistant director may be held accountable in the future if repeat or similar problems arise.</p> <p><i>5) When the measures will be taken and on what schedule compliance and good practice will be secured.</i></p>		

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							Measures for compliance of good practice will be secured by February 1, 2016, and monitored with each deposit by the office manager. <i>6) How compliance and performance will be documented for future audit, management and performance review.</i> Each deposit and its back up documentation will confirm compliance and performance for future audit, management and performance review. Follow Up Response 8/2/2016: The corrective action was implemented.		
UNR	Child & Family Research Center	Cash Controls	11/30/15 1/22/16	31	We recommend deposits be transported in accordance with university policy.	Associate Vice President, Business and Finance/ Controller	1) <i>How compliance was achieved.</i> Deposits over \$1000.00 will be made by two employees. Adequate staffing will ensure that deposits are transported in accordance with University Policy. 2) <i>What will be done to avoid the identified problems and issues in the future?</i> Two employees will be available for making deposits at all times. Staffing will be scheduled to ensure that deposits are transported in accordance with University Policy. 3) <i>How compliance and future good management and practice will be measured, monitored and assured.</i> Chain of Custody logs will be maintained for all deposits, and will document compliance. The office manager and assistant director will monitor logs for	CLOSED	9/8/2016

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							<p>compliance.</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 manager will be accountable should repeat or similar problems arise.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> Measures for good practice and documentation of same will be taken by February 1, 2016. The office manager will review Chain of Custody logs for each deposit.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review.</i> The deposit Chain of Custody log documenting the date and signature of the staff performing the duties will be available for future audit, management and performance review.</p> <p>Follow Up Response 8/2/2016: The corrective action was implemented.</p>		
UNR	Child & Family Research Center	Cash Controls	11/30/15 1/22/16	32	We recommend adequate supporting documentation for deposits be maintained, as required.	Associate Vice President, Business and Finance/ Controller	<p>1) <i>How compliance was achieved.</i> A written list of essential backup documents and training in best practice, including electronic storage of documentation, is now part of the job description and duties of employees performing these tasks. Adequate staffing will allow employees to perform the duties appropriately.</p>	CLOSED	9/8/2016

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							<p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> Adequate staffing and training, including a written list of essential backup documents and best practice, conducted with each employee assigned to tuition collection, posting and deposit duties, will ensure compliance.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured.</i> The office manager will monitor each deposit and its back up documentation at the time of collection, posting and deposit.</p> <p>4) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise.</i> Employees not able to perform these duties satisfactorily may be replaced. The office manager will monitor employee performance and be accountable for discrepancies.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> Measures for good practice and documentation of same will be taken by February 1, 2016. The office manager will confirm good practice at the time of each deposit.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review.</i> The backup documentation for each deposit made will be available for future audit,</p>		

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							management and performance review. Follow Up Response 8/2/2016: The corrective action was implemented.		
UNR	Child & Family Research Center	Accounts Receivable	11/30/15 1/22/16	33	We recommend procedures for monitoring and collecting past due accounts be established and documented in the CFRC Operations Manual. We recommend the procedures include a process for generating an accounts receivables report from the software management system and reviewing the report on a periodic basis, such as each month, to determine appropriate collection activities. We recommend consideration be given for sending accounts that have been inactive for an extended period of time to a collections agency. We also recommend accounts receivables balances be reported to the Controller's Office at the conclusion of each fiscal year.	Associate Vice President, Business and Finance/ Controller	1) <i>How compliance was achieved.</i> The following will be documented in the Parent Handbook and Operations Manual, "Payment for the upcoming month is due within 72 hours of the first business day of the month. If payment is not received, an email reminder will be sent and a \$25.00 fee assessed to the late payee's account. If full payment is not received within 5 business days of the first working day of the month, a two week notice will be issued by the Child & Family Research Center and the child care slot will be offered to the next family on the list, the past due account will be sent to collection." The office manager will generate an accounts receivables report from the software management system and review the report monthly to determine appropriate collection activities, review of inactive past due accounts to determine if they will be sent to a collections agency. The office manager will work with the Cashier's Office and use their collection agency accounts. The office manager will report accounts receivable balances to the Controller's Office at the conclusion of each fiscal year.	CLOSED	9/8/2016

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							<p>2) <i>What will be done to avoid the identified problems and issues in the future?</i> The office manager will generate and review software management generated accounts receivables reports each month, to determine appropriate collection activities, using the established procedures for monitoring and collecting past due accounts. Payment for the upcoming month is due within 72 hours of the first business day of the month. If payment is not received, an email reminder will be sent and a \$25.00 fee assessed to the late payee's account. If full payment is not received within 5 business days of the first working day of the month, a two week notice will be issued by the Child & Family Research Center and the child care slot will be offered to the next family on the list, the past due account will be sent to collection. Inactive/past due accounts will be identified and investigated, and may be sent to a collection agency. Written policy will dictate that CFRC will report accounts receivable balance to the Controller's Office at the conclusion of each fiscal year.</p> <p>3) <i>How compliance and future good management and practice will be measured, monitored and assured.</i> Monthly review of software management generated accounts receivables reports and quarterly director/office manager meeting will measure,</p>		

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							<p>monitor and assure compliance and future good management and practice.</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 manager will be responsible and may be held accountable in the future if repeat or similar problems arise.</p> <p>5) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> Procedures for monitoring and collecting past due accounts, and documentation of the process in the CFRC Operations Manual will be complete by February 1, 2016. Implementation will begin immediately thereafter and include review of software management generated accounts receivables reports each month, quarterly meetings of the director and office manager to determine appropriate collection activities, and investigation of inactive/ past due accounts to determine if they will be sent to a collection agency.</p> <p>6) <i>How compliance and performance will be documented for future audit, management and performance review.</i> Compliance and performance will be documented by review of software management generated accounts receivables reports each month, and annual reporting of accounts receivables to the</p>		

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							Controller's Office at the end of the fiscal year will be documentation for future audit, management and performance review. Follow Up Response 8/2/2016: The corrective action was implemented.		

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<u>UNLV INTERNAL AUDIT REPORTS</u>									
UNLV	Reprographics/ Design Services	University Copier Program	5/20/16 6/28/16	34	We recommend Reprographics take greater care when billing university departments and to ensure the proper rate is used.	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> In these instances, departments were overbilled by a total amount of \$1735. It is important to note that these amounts were detected and adjusted by our department, so that overall, no overcharges (or undercharges) were made. A monthly report is now generated with line item breakouts for each copier in the fleet. This report now lists the current contracted CPC with its machine and is used to generate our customer billing.</p> <p>2) <i>How compliance and future good management and practice will be measured and assured.</i> Compliance is documented with the monthly filing of each reconciled vendor CPC invoice and its corresponding customer billing paperwork.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i> The UCP manager holds first responsibility for the correct documentation; this is now double checked prior to customer billing by the UCP Admin and the UCP Director now performs regular quarterly reviews to ensure the procedures are in place.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice</i></p>	CLOSED	9/8/2016

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							<p><i>will be secured.</i> These procedures were immediately implemented and will be ongoing. 5) <i>How compliance and performance will be documented for future audits, management and performance review.</i> Monthly vendor invoices and UCP customer billings are kept on file for review.</p>		
UNLV	Reprographics/ Design Services	University Copier Program	5/20/16 6/28/16	35	We recommend for rates billed at other than the contractor rates, Reprographics contact the vendor to correct the billing errors.	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> For the billing errors noted above, the errors were in our favor by about \$3500. We have contacted the vendor and notified them of this error, but will not make payment until/ unless it is requested. Beginning June 1, 2016 the vendor contract was extended for a period of 36 months; this contract extension included new reduced pricing and simplified the CPC rate structure so that there are only two rates charged for copies, Black & White and Color. This in and of itself will simplify the ability to reconcile vendor invoices with UCP records and allow for a monthly report that shows the CPC rates for that month. 2) <i>How compliance and future good management and practice will be measured and assured.</i> UCP will continue to use a monthly report that was put into place during FY16, which compares and reconciles the UCP and vendor charge rates. 3) <i>Who will be responsible and</i></p>	CLOSED	9/8/2016

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							<p><i>may be held accountable in the future if repeat or similar problems occur?</i> The UCP Program Manager and the department Director will be fully responsible to insure that the procedures for accounting are followed and reported. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> Monthly records will be kept on file of the billing/invoice reconciliations. The department will also perform a quarterly inspection of records as a safe guard. 5) <i>How compliance and performance will be documented for future audits, management and performance review.</i> Monthly records will be kept on file.</p>		
UNLV	Reprographics/ Design Services	University Copier Program	5/20/16 6/28/16	36	We recommend another employee be trained to administer the program in case the individual that currently performs this task is unavailable. We recommend a desk procedures manual be developed to establish guidance and promote consistency in implementing the program.	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 UCP Program Manager has documented procedures for all duties related to the UCP and will update them as necessary. An employee to act as a back-up for the program manager has been identified and has been trained in all areas and procedures of the position. 2) <i>How compliance and future good management and practice will be measured and assured.</i> A printed and digital record of UCP procedures will be kept on file. 3) <i>Who will be responsible and</i></p>	CLOSED	9/8/2016

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							<p><i>may be held accountable in the future if repeat or similar problems occur?</i> The UCP Program Manager and department Director will be responsible for the upkeep and filing of the UCP procedures. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> The procedures are in place. An employee has been cross-trained to perform the responsibilities of this position. 5) <i>How compliance and performance will be documented for future audits, management and performance review.</i> A hard copy and digital file of the procedures will be available for inspection. A training log will be developed and documented.</p>		
UNLV	Reprographics/ Design Services	Cash Controls	5/20/16 6/28/16	37	We recommend another employee be trained to prepare deposits in case the individual that currently performs this task is unavailable. To improve segregation of duties, we recommend the employee responsible for receiving mail check payments and preparing the bank deposit be a different individual than the person maintaining the accounts receivable records.	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> Reprographics has implemented both back-up employee training and separation of duties for receiving of checks. 2) <i>How compliance and future good management and practice will be measured and assured.</i> Documented procedures have been updated including processes for check handling and deposits. 3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i> The department Director is responsible for ensuring these</p>	CLOSED	9/8/2016

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							<p>procedures are being followed. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> These procedures are now in place. 5) <i>How compliance and performance will be documented for future audits, management and performance review.</i> The desk procedures manually document the process.</p>		
UNLV	Reprographics/ Design Services	Cash Controls	5/20/16 6/28/16	38	We recommend a new change fund be requested from the Controller's Office, as required, and that the current change fund be deposited at the Cashier's Office.	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> Reprographics has requested from the Controller's Office and received a new change fund. The previous change fund was deposited. 2) <i>How compliance and future good management and practice will be measured and assured.</i> Reprographics and the Controller's Office now have documentation of the source of the change fund. 3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i> Reprographics Department Director is responsible for ensuring this practice was/is in place. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured.</i> This measure has already been put into place. 5) <i>How compliance and performance will be documented for future audits,</i></p>	CLOSED	9/8/2016

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							<i>management and performance review.</i>		
UNLV	Reprographics/ Design Services	Cash Controls	5/20/16 6/28/16	39	We recommend deposits be made in accordance with the university's cash deposit procedures.	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> Reprographics has already put this practice and process into place.</p> <p><i>2) How compliance and future good management and practice will be measured and assured.</i> This procedure has been documented in the desk procedural manual and daily receipts for the cash deposits are kept on file.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems occur?</i> Reprographics Department Director is responsible for ensuring this practice is in place.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured.</i> The procedures are currently in place.</p> <p><i>5) How compliance and performance will be documented for future audits, management and performance review.</i> Daily deposit receipts are kept on file for review.</p>	CLOSED	9/8/2016
UNLV	Reprographics/ Design Services	Equipment	5/20/16 6/28/16	40	We recommend Equipment Loan Agreement forms be completed in accordance with UNLV Inventory Control policy.	Associate Vice President, ICA/TMC Business Services, Auxiliary	<p><i>1) What will be done to avoid the identified problems and issues in the future?</i> All ELA's have been updated</p>	CLOSED	9/8/2016

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						Financial Services	<p>and accounted for as of this time. Any loaned equipment will be performed by the department director, who will be responsible for ensuring the proper paperwork is prepared.</p> <p>2) <i>How compliance and future good management and practice will be measured and assured.</i></p> <p>Reprographics will follow documented procedures for all current and new equipment that will be used for off premises needs.</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>Reprographics Department Director is responsible for ensuring this practice is in place.</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 procedures are currently in place.</p> <p>5) <i>How compliance and performance will be documented for future audits, management and performance review.</i></p> <p>Filed documentation will be available for review.</p>		

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<u>NSHE INTERNAL AUDIT REPORTS</u>									
NSHE	System Office Travel	Expenditures	9/28/16 10/15/16	41	We recommend greater care be taken to ensure travel expenditures are properly approved.	Vice Chancellor for Finance	We agree with the auditors' comments that the travel claim must include approval from an authorized account signer which, in these cases, was an individual other than the employee's supervisor. This requirement has been added to the travel claim check-list noted above which should address this concern going forward.	CLOSED	12/1/2016
NSHE	System Office Travel	Expenditures	9/28/16 10/15/16	42	We recommend all travel expenses associated with a trip that have been paid by the System Office be included on the travel claim	Vice Chancellor for Finance	We agree with the auditors comments, and department travel personnel have been advised of the need to document all travel related costs, including those that are not reimbursed to employees, on the claim form for tracking purposes.	CLOSED	12/1/2016
NSHE	Social Media	Governance and Oversight	3/17/16 4/20/16	43	We recommend a detailed social media charter be created for the System Office that includes approval flow charts, defined roles and responsibilities, and crisis management policies.	Manager of Public Information	<p>1) <i>What will be done to avoid the identified problems and issues in the future?</i> The NSHE Government and Community Affairs department will document current procedures, as well as the relevant social media roles in the Position Description Questionnaires (PDQ) of the three employees in the department.</p> <p>2) <i>How compliance and future good management and practice will be measured and assured.</i> Compliance and management will be formally reviewed on an annual basis during each employee's performance review.</p> <p>3) <i>Who will be responsible and</i></p>	CLOSED	12/1/2016

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							<p><i>may be held accountable in the future if repeat or similar problems occur?</i></p> <p>The Manager of Public Information will maintain the documents and work with department head to make certain they are current as needs change.</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 documentation will be in place by the end of May 2016 and will be reviewed on an annual basis.</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 through the PDQ and performance will be evaluated during the employee's annual review.</p> <p>Follow-Up 12/1/16: The PDQs for staff in Government and Community Affairs have been updated to reflect each individual's role concerning System Administration's planning and execution of social media. An internal set of guidelines was also created on August 1, 2016 to formalize the previous work practices.</p>		

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<u>DRI INTERNAL AUDIT REPORTS</u>									
DRI	Purchasing Card Program	Transaction Testing	9/22/16 10/15/16	44	We recommend greater care be taken to ensure hosting expenditures are properly documented and approved. We also recommend consideration be given for requiring host forms to be completed for all hosting expenditures to help ensure these transactions are properly documented and approved.	Assistant Vice President / Controller	We agree with this recommendation in regards to proper documentation and approvals. Completion of the Host Expense Authorization form will continue to be optional. The DRI Host policy provides a list of required documentation and approvals that must accompany the Host expense receipt. <i>1) What will be done to avoid the identified problems and issues in the future:</i> Notices will be sent to the cardholder and Division P-card staff reminding of the host documentation and approval requirements. The P-card Statement of Account will continue to be reviewed for compliance with policy. <i>2) How compliance and good management and practice will be measured, monitored and assured:</i> The P-card Statement of Account will continue to be reviewed weekly and if non-compliance findings with the Host policy are identified, an infraction notice will be sent to the cardholder and the Division Business Manager. All infraction notices will be logged in and the resolutions noted. P-card policy reminders will continue to be sent to the cardholders and Division P-card staff through-out the fiscal year. <i>3) Who will be responsible and may be held accountable in the future if repeat or similar</i>	CLOSED	12/1/2016

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							<p><i>problems arise:</i> The Division Business Managers and the Assistant Controller. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Communications will begin immediately with the cardholder and Division P-card staff. 5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> The Financial Services Office (FSO) P-card staff will continue to perform weekly reviews of the P-card Statement of Account noting any compliance issues and sending infraction notices to the cardholders. The Division Business Managers will be copied on the notices. All infraction notices will be logged in and the resolutions noted.</p>		
DRI	Purchasing Card Program	Transaction Testing	9/22/16 10/15/16	45	We recommend the cardholders be reminded of established purchasing procedures which require purchase orders to be completed for transactions of \$5,000 and above.	Assistant Vice President / Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> Notices will be sent to the cardholders and Division P-card staff reminding them that the splitting of P-card transactions for \$5,000 or greater is not allowed and circumvents purchasing policies. The P-card Statement of Account will continue to be reviewed for compliance with the Purchasing Card policies. 2) <i>How compliance and good management and practice will be measured, monitored and assured:</i> The P-card Statement of Account will continue to be</p>	CLOSED	12/1/2016

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							<p>reviewed weekly and if splits are identified, and infraction notice will be sent to the cardholder and the Division Business Manager. All infraction notices will be logged in and the resolutions noted. P-card policy reminders will continue to be sent to the cardholders and Division P-card staff through-out the fiscal year. It should be noted that the FSO P-card staff has developed a new report format that provides a better mechanism for monitoring and locating split purchases.</p> <p><i>3) Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The Division Business Managers and the Assistant Controller.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Communications will begin immediately with the cardholder and Division P-card staff.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review:</i> The FSO P-card staff will continue to perform weekly reviews of the P-card Statement of Account noting any compliance issues and sending infraction notices to the cardholders. The Division Business Managers will be copied on the notices. All infraction notices will be logged in and the resolutions noted.</p>		

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DRI	Purchasing Card Program	Transaction Testing	9/22/16 10/15/16	46	We recommend transactions with independent contractors be processed on an Independent Contractor Agreement form as required. If such transactions are noted by the Financial Services Office during the review process, we recommend the cardholder be requested to prepare the Independent Contractor Agreement form.	Assistant Vice President / Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> Notices will be sent to the cardholders and Division P-card staff reminding them that Independent Contractor services cannot be made with a P-card and must be processed with an Independent Contractor Agreement. The P-card Statement of Account will continue to be reviewed for compliance with the Purchasing Card policies.</p> <p>2) <i>How compliance and good management and practice will be measured, monitored and assured:</i> The P-card Statement of Account will continue to be reviewed weekly, and if an independent contractor service has been purchased with a P-card, an infraction notice will be sent to the cardholder and Division Business Manager. Also, the cardholder will be required to complete the Independent Contractor Agreement after the fact. P-card policy reminders will continue to be sent to the cardholders and Division P-card staff through-out the fiscal year.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The Division Business Managers and the Assistant Controller.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Communications will begin immediately with the cardholder</p>	CLOSED	12/1/2016

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							and Division P-card staff. 5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> The FSO P-card staff will continue to review the P-card Statement of Account and if any compliance issues are noted, send an infraction notices to the cardholders. The Division Business Managers will be copied on the notices. All infraction notices will be logged in and the resolutions noted.		
DRI	Purchasing Card Program	Transaction Testing	9/22/16 10/15/16	47	We recommend the cardholders be reminded of NSHE's tax-exempt status. If the payment of sales tax cannot be avoided at the time a purchase is made or is not noticed until later; we recommend cardholders be instructed to request a credit from the vendor.	Assistant Vice President / Controller	We agree with this recommendation that sales tax should not be incurred on P-card transactions. And, on those occasions when sales tax is charged, we'll seek reimbursement for the tax unless the cost to do so is greater than the cost of the tax. 1) <i>What will be done to avoid the identified problems and issues in the future:</i> Notices will be sent to the cardholders and Division P-card staff regarding DRI's tax-exempt status. The P-card Statement of Account will continue to be reviewed for compliance with the P-card policy. 2) <i>How compliance and good management and practice will be measured, monitored and assured:</i> The P-card Statement of Account will continue to be reviewed weekly and if sales tax has been charged, a notice will be sent to the cardholder requesting s/he seek reimbursement from the merchant or reimburse DRI from	CLOSED	12/1/2016

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							<p>his/her personal funds. It should be noted that DRI will not seek reimbursement of the sales tax if the cost to do so would be greater than the cost of the sales tax. The Division Business Manager will be copied on the notice. All infraction notices will be logged in and the resolutions noted. P-card policy reminders will continue to be sent to the cardholders and Division P-card staff through-out the fiscal year. It should be noted that the FSO P-card staff has developed a report format that provides a better mechanism for monitoring and locating sales tax charges.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> The Division Business Managers and the Assistant Controller.</p> <p>4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Communications will begin immediately with the cardholder and Division P-card staff.</p> <p>5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> The FSO P-card staff will continue to review the P-card Statement of Account and if any compliance issues are noted, send an infraction notice to the cardholders. The Division Business Managers will be copied on the notices. All infraction notices will be logged in and the resolutions noted.</p>		

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DRI	Purchasing Card Program	Transaction Testing	9/22/16 10/15/16	48	We recommend cardholders be reminded to provide the business purpose.	Assistant Vice President / Controller	<p><i>1) What will be done to avoid the identified problems and issues in the future:</i> Notices will be sent to the cardholders and Division P-card staff reminding them that the business purpose must be recorded on the receipt or written on the Statement of Account. The P-card Statement of Account will continue to be reviewed for compliance with the Purchasing Card policies.</p> <p><i>2) How compliance and good management and practice will be measured, monitored and assured:</i> The P-card Statement of Account will continue to be reviewed weekly, non-compliance findings identified and infraction notices sent to the cardholder and the Division Business Manager. P-card policy reminders will continue to be sent to the cardholders and Division P-card staff through-out the fiscal 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 Division Business Managers and the Assistant Controller.</p> <p><i>4) When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Communications will begin immediately with the cardholder and Division P-card staff.</p> <p><i>5) How compliance and performance will be documented for future audit, management and performance review:</i></p>	CLOSED	12/1/2016

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DRI	Purchasing Card Program	Transaction Testing	9/22/16 10/15/16	49	We recommend the Statement of Account that is maintained and on file be signed as required.	Assistant Vice President / Controller	<p>The FSO P-card staff will continue to review the P-card Statement of Account and if any compliance issues are noted, send infraction notices to the cardholders. The Division Business Managers will be copied on the notices. All infraction notices will be logged in and the resolutions noted.</p> <p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> Notices will be sent to the cardholders and Division P-card staff reminding them that the Statement of Account needs to be signed by the cardholder's Division Business Manager and either the receipts or the Statement of Account needs to be signed by the cardholder. The P-card Statement of Account needs to be signed by the cardholder. The P-card Statement of Account will continue to be reviewed for compliance with the Purchasing Card policies.</p> <p>2) <i>How compliance and good management and practice will be measured, monitored and assured:</i> The P-card Statement of Account will continue to be reviewed weekly, non-compliance findings identified and infraction notices sent to the cardholder and the Division Business Manager. P-card policy reminders will continue to be sent to the cardholders and Division P-card staff through-out the fiscal year.</p> <p>3) <i>Who will be responsible and may be held accountable in the future if repeat or similar</i></p>	CLOSED	12/1/2016

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							<p><i>problems arise:</i> The Division Business Managers and the Assistant Controller. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Communications will begin immediately with the cardholder and Division P-card staff. 5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> The FSO P-card staff will continue to review the P-card Statement of Account and if any compliance issues are noted, send infraction notices to the cardholders. The Division Business Managers will be copied on the notices. All infraction notices will be logged in and the resolutions noted.</p>		
DRI	Purchasing Card Program	Merchant Category Codes	9/22/16 10/15/16	50	We recommend the list of authorized MCCs for these groups be reviewed and adjusted accordingly.	Assistant Vice President / Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> The codes of these MCC Groups will be reviewed and inappropriate MCCs identified. The credit card company will be contacted and a request submitted to eliminate the inappropriate codes. 2) <i>How compliance and good management and practice will be measured, monitored and assured:</i> Annually, the MCCs will be reviewed to determine if additional codes should be removed from the MCC Group. 3) <i>Who will be responsible and may be held accountable in the future if repeat or similar</i></p>	CLOSED	12/1/2016

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							<p><i>problems arise:</i> Assistant Vice President/ Controller and the Assistant Controller. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> The MCC Group was revised immediately with the removal of the inappropriate codes. 5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> Reviews and revisions to the MCC Group will be recorded and the documentation maintained with the Purchasing Card files.</p>		
DRI	Purchasing Card Program	Merchant Category Codes	9/22/16 10/15/16	51	We recommend this group be reviewed to determine whether it could be eliminated and the cardholder assigned to another MCC group. Alternatively, we recommend the list of authorized vendors assigned to the group be further restricted.	Assistant Vice President / Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> The MCCs will be reviewed and inappropriate codes identified. The credit card company will be contacted and a request submitted to eliminate the inappropriate codes. 2) <i>How compliance and good management and practice will be measured, monitored and assured:</i> Annually, the MCCs will be reviewed to determine if additional codes should be removed from the MCC Group. 3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Assistant Vice President/ Controller and the Assistant Controller. 4) <i>When the measures will be taken and on what schedule</i></p>	CLOSED	12/1/2016

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							<p><i>compliance and good practice will be secured:</i> The MCC Group was revised immediately with the removal of the inappropriate codes. 5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> Reviews and revisions to the MCC Group will be recorded and the documentation maintained with the Purchasing Card files.</p>		
DRI	Purchasing Card Program	Cardholder Account and Agreement Forms	9/22/16 10/15/16	52	For improved recordkeeping, we recommend the Purchasing Card Cardholder Account Form be completed in its entirety.	Assistant Vice President / Controller	<p>1) <i>What will be done to avoid the identified problems and issues in the future:</i> The procedure for completing the Purchasing Cardholder Account Form updates will be modified requiring the form be completed in its entirety. 2) <i>How compliance and good management and practice will be measured, monitored and assured:</i> The Division P-card staff will be notified of the change in procedure. Also, the FSO P-card staff will be advised to review the Purchasing Cardholder Account form for completeness. 3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Assistant Vice President/ Controller and the Assistant Controller. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> Communications will begin immediately with the cardholder</p>	CLOSED	12/1/2016

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							and Division P-card staff. 5) <i>How compliance and performance will be documented for future audit, management and performance review:</i> The Financial Services Office P-card staff will continue to review the Purchasing Cardholder Account form for completeness and the Assistant Controller will perform a final review before approving the application.		
DRI	Purchasing Card Program	Purchasing Card User Manual	9/22/16 10/15/16	53	We recommend the purchasing card user manual be updated to reflect this information.	Assistant Vice President / Controller	1) <i>What will be done to avoid the identified problems and issues in the future:</i> The Purchasing Card Manual will be updated to include the option for the cardholders to approve their P-card transactions by signing the Statement of Account. 2) <i>How compliance and good management and practice will be measured, monitored and assured:</i> As policies and procedures are revised, the Purchasing Card manual will be revised by the FSO P-card staff and reviewed/approved by the Assistant Controller and the Assistant Vice President/ Controller. 3) <i>Who will be responsible and may be held accountable in the future if repeat or similar problems arise:</i> Assistant Vice President/ Controller and the Assistant Controller. 4) <i>When the measures will be taken and on what schedule compliance and good practice will be secured:</i> The Purchasing Card Manual was revised immediately.	CLOSED	12/1/2016

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							<i>5) How compliance and performance will be documented for future audit, management and performance review: The Assistant Vice President/ Controller reviewed and approval of the revision was documented.</i>		

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<u>GBC INTERNAL AUDIT REPORTS</u>									
GBC	Student Financial Aid	Return of Title IV Funds	7/1/16 7/21/16	54	We recommend that the Office of Student Financial Services develop a procedure to ensure Title IV funds are returned within the required time frame. As a best practice, we also recommend an explanation be provided and retained by GBC if Title IV funds are not returned in a timely manner.	Vice President for Business Affairs	<p>1) <i>What will be one to avoid the identified problems and issues in the future?</i> GBC's current procedure is to run the R2T4 query each month to stay in compliance with the 45 day return policy. However, in the past, due to changes in the regulations relating to modular classes, the queries have not accurately identified all of the R2T4 students. GBC has hired a half time employee who specializes in PeopleSoft query writing. The R2T4 queries will be reviewed and modified on an ongoing basis to make sure all R2T4 students are identified in the query and ensure that funds are returned to the DOE within the 45 day allowance period.</p> <p>2) <i>How will compliance and future good management and practice be measure, monitored, and assured?</i> Compliance will be monitored by any R2T4 students coming to the attention of financial aid personnel that do not have an R2T4 calculation. If modification of the query is required to pick up the identified student, the query will be modified at that time. An explanation of any Title IV funds that are not returned in a timely manner will be documented in the R2T4 notes screen.</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 Student</p>	CLOSED	9/8/2016

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							<p>Financial Services will be responsible and held accountable for the compliance in returning funds in a timely manner.</p> <p>4) <i>When will the measures be taken and on what schedule will compliance and good practice be secured?</i> These measures have already gone into effect and will continue to be monitored on a regular basis.</p> <p>5) <i>How will compliance and performance be documented for future audit, management and performance review?</i> An explanation of any Title IV funds that are not returned in a timely manner will be documented in the R2T4 notes screen.</p>		
GBC	Student Financial Aid	Federal Student Loans	7/1/16 7/21/16	55	We recommend the notification letters be revised so they include all of the required information and that students' are notified before the funds are credited to the students' accounts.	Vice President for Business Affairs	<p>1) <i>What will be one to avoid the identified problems and issues in the future?</i> There are two separate notifications that are required under this regulation. The 1st notice is the award notification which GBC has had problems with in the past with PeopleSoft. New award notifications were not always sent out when a new financial aid award or loan was added to a student's account. This problem was fixed in June 2016, so that now new award letters will be sent out whenever there is a change to the students' awards. The second required loan disbursement notification can be sent out 30 days before or 30 days after the loan dollars are disbursed. GBC is mailing a letter after the loan dollars</p>	CLOSED	9/8/2016

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							<p>have been disbursed, but we did not have the date and amount of the loan on that letter. GBC has updated our loan disbursement notification letter to include the amount of the loans and date the loans were paid to the student's account to be in compliance with federal regulations. GBC will continue to send this notification out after the disbursement date so that we know the amount and date the loans were disbursed. We will make this an automated process in PeopleSoft before the fall 2016 semester begins. GBC also implemented the shopping sheet in mid-July which will also cover the 1st notification requirement.</p> <p><i>2) How will compliance and future good management and practice be measure, monitored, and assured?</i></p> <p>GBC will randomly check a few students each semester that received loans to make sure they are receiving the two notifications and that the loan amount and date disbursed are in the 2nd notification. The Loan Coordinator will be responsible for compliance with these loan notification requirements.</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 Student Financial Services along with the Loan Coordinator will be responsible and held accountable for the compliance with these loan notification requirements.</p>		

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							<p>4) <i>When will the measures be taken and on what schedule will compliance and good practice be secured?</i> These measures have already gone into effect and will continue to be monitored on a regular basis.</p> <p>5) <i>How will compliance and performance be documented for future audit, management and performance review?</i> Student disbursement letters have been revised and will include amounts and date of disbursement.</p>		
GBC	Student Financial Aid	Student Award Letters	7/1/16 7/21/16	56	We recommend award letters be issued to students as required.	Vice President for Business Affairs	<p>1) <i>What will be one to avoid the identified problems and issues in the future?</i> GBC knew that new award letters were not being generated for students after their financial aid had been adjusted. GBC has been working with SCS to fix the problem for months and the problem is now resolved in PeopleSoft. Any adjustments to a student's financial aid will cause a new award letter to be sent.</p> <p>2) <i>How will compliance and future good management and practice be measure, monitored, and assured?</i> GBC will randomly review the communications to students each semester to make sure they are receiving updated award letters each time their awards are adjusted.</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 of Student Financial Services will</p>	CLOSED	9/8/2016

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							<p>be responsible and held accountable for sending and reviewing award letters to students.</p> <p>4) <i>When will the measures be taken and on what schedule will compliance and good practice be secured?</i> These measures have already gone into effect and will continue to be monitored on a regular basis.</p> <p>5) <i>How will compliance and performance be documented for future audit, management and performance review?</i> Student's accounts will display updated award letters after each adjustment to their award screen.</p>		
GBC	Student Financial Aid	PeopleSoft Application	7/1/16 7/21/16	57	In order to maintain as complete and accurate records within the PeopleSoft application as possible, we recommend the above mentioned module be completed in its entirety. This practice could be beneficial to department personnel when reviewing student records or generating reports.	Vice President for Business Affairs	<p>1) <i>What will be one to avoid the identified problems and issues in the future?</i> GBC is not required to use the R2T4 calculation module in PeopleSoft. The Department of Education provides their own software program for this calculation. However, since GBC is using this module in PeopleSoft, GBC has agreed to mark the completed box after the R2T4 funds have been calculated and returned to the Department of Education. GBC had not done it in the past as it was not required by DOE regulations and for increased efficiency.</p> <p>2) <i>How will compliance and future good management and practice be measure, monitored, and assured?</i> The R2T4 screen will be updated to reflect that the R2T4 calculation has been completed.</p>	CLOSED	9/8/2016

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							<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 Student Financial Services will be responsible for implementing this recommendation of checking the completed box in the R2T4 module.</p> <p>4) <i>When will the measures be taken and on what schedule will compliance and good practice be secured?</i> These measures have already gone in to effect and will continue to be monitored on a regular basis.</p> <p>5) <i>How will compliance and performance be documented for future audit, management and performance review?</i> The R2T4 screen will display that the R2T4 calculation has been completed.</p>		