

**NEVADA DEPARTMENT OF CORRECTIONS
ADMINISTRATIVE REGULATION
128**

OUTSIDE FINANCIAL AUDITS/REVIEWS

Supersedes: (Temporary, 07/07/10); 08/13/10; (Temporary, 02/13/17)
Effective date: 03/07/17

AUTHORITY:

NRS 218G; NRS 353A; State Administrative Manual (SAM) 2400

PURPOSE

An audit is an evaluation of a person, organization, process or product. Audits are performed to determine the validity and reliability of information and can also provide an assessment of an organization's internal controls. The regulation provides continuity in responding to outside financial audits and/or reviews.

RESPONSIBILITY

The Deputy Director of Support Services is responsible for the administration and implementation of policies and procedures for outside financial audits and/or reviews.

All Department employees are responsible to comply with procedures set forth in this regulation.

128.01 AUDIT NOTIFICATION

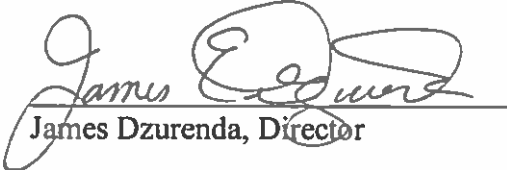
1. The Deputy Director of Support Services should be notified within 24 hours when an employee receives verbal or written communication of an outside financial audit.
2. The Deputy Director of Support Services may designate an employee as a liaison for the audit.
3. If a response is anticipated to result in a material compromise to the Department's effectiveness, the Deputy Director of Support Services shall notify the Director of any audit or review and seek guidance whether the formal response will be from the Director or a designee.
4. Department employees should assist the entity conducting the audit with obtaining any requested information in a cooperative and timely manner (NRS 218G).

128.02 AUDIT RESPONSE

1. The Director/designee should develop a written response to the report of preliminary audit findings and recommendations, which should include a written statement of acceptance, explanation or rebuttal concerning the audit findings, within the timeframes set forth under NRS 218G and SAM 2404.0.
2. If the audit recommendations include any corrective actions, the Director/designee should develop a plan of corrective action and respond to the entity conducting the audit in accordance with NRS 218G and SAM 2402.0.
3. Audit compliance reports for any remaining recommendations should be prepared in accordance with NRS 218G, SAM 2402.0, and SAM 2404.0.
4. The completion date for the Department's audit responses should be on or before five (5) working days of the final due date, in order to allow the Director/designee time for review and approval.
5. Interim reports, if any, will continue on a schedule determined by the auditors, or until all accepted recommendations have been fully implemented, or the Department determines no further action will be taken.

APPLICABILITY

1. This regulation requires an Operational Procedure for the Support Services Division.
2. This regulation is subject to audit and requires an audit as part of the annual review of internal controls pursuant to SAM 2418.0.


James Dzurenda, Director

3/7/17
Date