

ASSEMBLY BILL NO. 416—COMMITTEE ON EDUCATION

MARCH 25, 2021

Referred to Committee on Education

SUMMARY—Directs the Legislative Auditor to conduct audits of the Nevada System of Higher Education. (BDR S-753)

FISCAL NOTE: Effect on Local Government: No. Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to higher education; requiring the Legislative Auditor to conduct audits of the Nevada System of Higher Education; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 This bill requires the Legislative Auditor to conduct performance and
2 compliance audits during the 2021-2023 biennium of the Nevada System of Higher
3 Education for the Fiscal Years 2014-2015 to 2021-2022. This bill sets forth the
4 requirements for the audits.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. 1. The Legislative Auditor shall conduct a
2 performance audit and compliance audit during the 2021-2023
3 biennium of the Nevada System of Higher Education for the Fiscal
4 Years 2014-2015 to 2021-2022 and any additional fiscal years the
5 Legislative Auditor deems necessary to audit. The audit must
6 include, without limitation, an examination and analysis of:

7 (a) The amount of money for all budget accounts within the
8 System, including, without limitation, accounts that are funded in
9 whole or in part by public money, accounts that are self-supported,
10 reserve accounts and investment accounts;

11 (b) The use of money in the accounts audited pursuant to
12 paragraph (a);



1 (c) All controls over the collection, distribution and expenditure
2 of all money within the System, disaggregated by public money and
3 nonpublic money;

4 (d) The bonding capacity and bonded debt at all institutions
5 within the System;

6 (e) The Nevada System Sponsored Programs and Established
7 Program to Stimulate Competitive Research;

8 (f) The salaries and other compensation for all employees within
9 the System; and

10 (g) The compliance of institutions within the System with
11 federal, state and local laws, regulations, agreements and policies
12 that are applicable to any relevant programs administered by an
13 institution within the System.

14 2. The Legislative Auditor shall audit all sources of funding for
15 capital projects completed by an institution within the System
16 during the Fiscal Years 1999-2000 to 2021-2022, inclusive.

17 3. On or before February 4, 2023, the Legislative Auditor shall
18 present a final written report of the audits performed pursuant to this
19 section to the Audit Subcommittee of the Legislative Commission.

20 4. The provisions of NRS 218G.010 to 218G.350, inclusive,
21 apply to the audits performed pursuant to this section.

22 5. As used in this section, "System" means the Nevada System
23 of Higher Education.

24 **Sec. 2.** Notwithstanding the provisions of NRS 218D.430 and
25 218D.435, a committee, other than the Assembly Standing
26 Committee on Ways and Means and the Senate Standing Committee
27 on Finance, may vote on this act before the expiration of the period
28 prescribed for the return of a fiscal note in NRS 218D.475. This
29 section applies retroactively from and after March 22, 2021.

30 **Sec. 3.** This act becomes effective on July 1, 2021.

