

**ADOPTED REGULATION OF THE DIVISION OF  
INTERNAL AUDITS OF THE OFFICE OF FINANCE  
IN THE OFFICE OF THE GOVERNOR**

**LCB File No. R101-15**

Effective September 9, 2016

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §1, NRS 353A.055.

A REGULATION relating to governmental administration; revising provisions that require certain employees of certain state agencies to receive training regarding the administration of budgetary accounts; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law requires the Division of Internal Audits of the Office of Finance in the Office of the Governor to adopt regulations requiring that employees of agencies who are responsible for administering budgetary accounts be provided with training concerning the administration of such accounts. (NRS 353A.055) Under existing regulations, the head of an agency and any employee of an agency whose duties include administering budgetary accounts are required to attend training provided by the Division regarding the administration of such accounts at least once every 5 years. (NAC 353A.100) This regulation requires instead that the head of an agency and the employee attend the training: (1) within 90 days after being hired for or promoted or otherwise transferred into a position whose duties include administering budgetary accounts unless the person has previously attended the training; (2) if the person's attendance is recommended by the Division following a review or audit of the agency; or (3) in the case of an employee of an agency, if directed to attend by the head of the agency.

**Section 1.** NAC 353A.100 is hereby amended to read as follows:

353A.100 1. ~~The~~ *Except as otherwise provided in NRS 353A.055, the* head of an agency and any employee of an agency whose duties include administering budgetary accounts shall ~~at least once every 5 years,~~ attend training provided by the Division of Internal Audits ~~+~~ :

*(a) Within 90 days after being hired for or promoted or otherwise transferred into a position whose duties include administering budgetary accounts, unless the person has previously attended such training;*

*(b) If attendance is recommended by the Division following a review or audit of the agency; or*

*(c) In the case of an employee of an agency, if directed to attend by the head of the agency.*

↪ Each agency is responsible for the attendance of any employee required to attend training.

2. The training must include instruction in:

(a) Systems of internal accounting and administrative controls;

(b) Methods for documenting systems of internal accounting and administrative controls;

(c) Methods for evaluating the effectiveness of a system of internal accounting and administrative controls;

(d) Any subject which is of concern to a particular agency relating to its system of internal accounting and administrative controls;

(e) Laws and regulations of this state and the Federal Government concerning systems of internal accounting and financial management that are applicable to the operations of a particular agency; and

(f) Any other areas of financial management which affect the budgetary accounts of any agency.

3. An employee who attends such training shall answer any question submitted by the Division of Internal Audits to evaluate the effectiveness of the training provided to the employee.

4. An agency shall notify the Division of Internal Audits within 30 days after an employee is hired for or promoted or otherwise transferred into a position whose duties include administering budgetary accounts and arrange training for the employee.

5. As used in this section:

(a) “Administering budgetary accounts” means the financial administration of the resources of an agency and the protection of those resources against waste, loss and misuse.

(b) “Agency” has the meaning ascribed to it in NRS 353A.010.

(c) “Training” means a curriculum of instruction approved by the Administrator of the Division of Internal Audits which is provided in a classroom or similar setting.

**Informational Statement**  
**LCB File #R101-15**

**1. A clear and concise explanation of the need for the adopted regulation.**

The amendment to this regulation will require agency heads and employees administering budgetary accounts to attend the Internal Controls training class offered by the Division of Internal Audits within 90 days of assuming their position, unless they have previously attended this training. The amendment also allows the Division of Internal Audits to require an agency to attend Internal Controls training after an audit or review, and agency heads to request the training for their employees.

**2. Description of how public comment was solicited, a summary of public response, and an explanation of how other interested persons may obtain a copy of the summary.**

Copies of the proposed regulations, notices of workshop, and notices of intent to act upon a regulation were made available on the Division of Internal Audits website - [www.iaudits.nv.gov](http://www.iaudits.nv.gov), the Legislative Counsel Bureau (LCB) website - [www.leg.state.nv.us](http://www.leg.state.nv.us), the Nevada Public Notice website - [www.notice.nv.gov](http://www.notice.nv.gov), emailed to all county libraries in Nevada, and physically posted at the following locations:

Blasdel Building  
209 E. Musser Street  
Carson City, NV 89701  
Nevada State Library and Archives  
100 Stewart Street  
Carson City, NV 89701

Grant Sawyer State Office Bldg.  
555 E. Washington Blvd.  
Las Vegas, NV 89101  
Legislative Building  
401 S. Carson Street  
Carson City, NV 89701

A regulation workshop was conducted by the Division of Internal Audits on October 29, 2015.

During the workshop, comments were received in support of the proposed change; however, the two testifiers did comment that employees might not be able to attend the required training within the 90 day timeframe for the employees.

There was no comment received at the public hearing held by the Executive Branch Audit Committee on June 20, 2016.

Comments from the workshop and hearing can be obtained from the Division of Internal Controls by contacting Connie Boynton at [cboynton@finance.nv.gov](mailto:cboynton@finance.nv.gov) or calling (775) 687-0120.

3. **The number of persons who:**  
    (a) **Attended each workshop/hearing:** October 29, 2015 – 5; June 20, 2016 - 0  
    (b) **Testified at each workshop/hearing:** October 29, 2015 – 2; June 20, 2016 - 0  
    (c) **Submitted written comments:** 0
4. **For each person identified in paragraphs (b) and (c) of number 3 above, the following information if provided to the agency conducting the hearing:**

Duane Anderson, Internal Auditor  
Department of Employment, Training and Rehabilitation  
500 E Third Street  
Carson City, NV 89701  
775)684-3903  
deanderson@state.nv.us

Denise Martinez, Budget Analyst 3  
Department of Corrections  
5500 Snyder Avenue  
Carson City, NV 89701  
775)887-3218  
dmartinez@doc.nv.gov

5. **A description of how comment was solicited from affected businesses, a summary of their response and an explanation of how other interested persons may obtain a copy of the summary.**

Comments were not solicited from businesses, as the regulation does not affect businesses. Comments were solicited from effected parties which were executive branch agency employees. Comments from the workshop and Executive Branch Audit Commission hearing can be obtained from the Division of Internal Controls by contacting Connie Boynton at cboynton@finance.nv.gov or calling (775) 687-0120.

6. **If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.**

This regulation was adopted without changing any part of the proposed regulation. Although there were comments in the workshop that training might not occur within the required 90 days, extending the number of days to attend training would not ensure that all applicable employees would attend training within the required timeframe. The Executive Branch Audit Committee unanimously approved it.

7. **The estimated economic effect of the regulation on the business which it is to regulate and on the public.**  
(a) **Estimated economic effect on the businesses which they are to regulate.**  
(b) **Estimated economic effect on the public which they are to regulate.**

This regulation does not have a direct economic effect on either a regulated business or the public. It only impacts State of Nevada executive branch agency employees.

8. **The estimated cost to the agency for enforcement of the proposed regulation:**

There is no additional cost to the agency for enforcement of this regulation.

9. **A description of any regulations of other State or governmental agencies which the regulation overlaps or duplicates and a statement explaining why the duplication or overlap is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.**

The regulation does not overlap any federal or state mandated regulation.

10. **If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.**

The regulation does not include any provisions that are more stringent than any federal regulation.

11. **If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.**

No fees are associated with this regulation.