

**BOARD OF TRUSTEES OF THE NEBRASKA STATE COLLEGES**  
**ITEMS FOR DISCUSSION AND ACTION\FISCAL, FACILITIES AND AUDIT**

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**ACTION:** **First and Final Round Approval of Revisions to Board Policy 9007; Revenue Bonds; Audits**

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Policy 9007 is being updated, reformatted, renumbered and renamed 9700 - Audits. The policy is being moved to a section of policies related to audits. There are no substantive changes to the policy.

The policy has been reviewed by the appropriate councils and legal counsel.

The System Office recommends approval of the Revisions to Board Policy 9007; Revenue Bonds; Audits.

**ATTACHMENTS:**

- Revisions to Board Policy 9007 (PDF)

## Board of Trustees of the Nebraska State Colleges

### Auxiliary System

POLICY NAME: Revenue Bonds; Audits

POLICY NUMBER: 90079700

#### A. PURPOSE

To identify the process used to select the auditor following the audit requirements for the Auxiliary System.

#### B. DEFINITIONS

1. Auxiliary System – Facilities comprised of housing facilities, buildings and structures used for athletic and wellness purposes, student centers, medical centers and parking facilities that are pledged under a bond resolution.

#### C. POLICY

##### 1. Selection of Auditor

The Board will solicit proposals and appoint an independent certified public accountant or firm of independent certified public accountants licensed, registered or entitled to practice as such under the laws of the State of Nebraska to undertake an annual examination of the financial records of the State Colleges' ~~revenue bond programs~~ Auxiliary System.

##### 1.1. Timing

Within one hundred twenty (120) days of the close of the fiscal year, the Board will cause its accounting records and related documentation ~~records and books of account~~ with respect to the Auxiliary System ~~revenue bond facilities~~, to be audited ~~by the Accountant~~. ~~Copies of the~~ Auxiliary System ~~revenue bond operations~~ audits shall be completed ~~filed promptly with the System Office~~ by November 1 each year.

##### 1.2. Distribution

The Board will take action after receiving the completed audit ~~at a subsequent meeting~~ to accept the reports, after which copies will be distributed by the System Office to the Bond Trustee and to the bondholders or other entities who request the same in writing.

## 2. Audit Requirements

### 2.1. Audit Detail

~~Such~~ The audit will include the following elements ~~show~~ in reasonable detail:

- The revenue credited to the revenue fund during the year and the deductions and payments made therefrom;
- The financial statement of the facilities, the funds and accounts established in the bond resolutions;
- The transactions during the year relating to said funds and accounts;
- A review of the insurance carried on the facilities;
- The percentage of occupancy and use of the facilities and the number of students with respect to whom any fees are pledged and charged; and
- Any other matters deemed relevant and necessary by the Audit Firm ~~Accountant~~ to make the audit informative.

### 1.2.2.2. Management Letter

The audit firm ~~accountant~~ shall provide a management letter with comments and recommendations arising from the examination to the college administrators and the Board. At a subsequent meeting the Colleges will submit written responses to the Board on the actions taken to correct the problem areas identified in the Auxiliary System revenue bond program audit.

## **FORMS/APPENDICES:**

None

~~Legal Reference: Section 56.6 State College Revenue Bond Resolutions~~

~~Policy Adopted: 3/11/94~~

~~Policy Revised: 1/14/14~~

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## **SOURCE:**

**Legal Reference:** Section 65.6 of the Master Resolution      State College Revenue Bond Resolutions

**Policy Adopted:** March 1994

**Policy Revised:** January 2014, June 2023~~4~~