

Audit Committee Meeting Overview of Types of Audits – Exhibit A

The University and its affiliated foundations are subjected to a variety of audits or reviews annually by State Auditors and Agencies, Federal Auditors and Agencies, an independent CPA firm, and Internal Auditors. The nature of these audits and reviews are different for each. The State Auditors perform a very detailed audit of the University's Financial Statements and transactions including a review of compliance with state rules and regulations. The external CPA firm also audit the University's Intercollegiate Athletic Program in accordance with NCAA audit guidelines. Reviews by State Agencies, Federal Auditors and Federal Agencies are usually very narrow in scope and focus on details of compliance in a specific area or the financial components of a specific contract or grant. The independent CPA firm audit of the University Endowment, Investment Fund, and Affiliated Foundations is a more typical financial audit in which materiality is considered in the nature and extent of work performed. The reviews performed by the Internal Auditors focus mainly on internal control and compliance with University policies and procedures, and federal and state rules and regulations.

Fiscal Integrity:

**Clean Financial Audits - No Major Audit Findings for 25+ years
Number and Length of Audits is great**

Types and Nature of "Audits" Conducted:

State Auditors - Financial:

Comprehensive Annual Financial Report for the State
(Part of Single Audit of the State of North Carolina)
UNCG Annual Financial Report
4-5 Auditors - 4 months

State Auditors - EDP:

General Controls Review of University Computing Environment
4-5 Auditors - 2 months (Approximately once every 3-4 years) (No Audit in 2005-06)

Independent CPA Firm:

University Endowment, Investment Fund and Affiliated Foundations
2-3 Auditors - 2 Months - \$150+ Million Endowment
Intercollegiate Athletic Program (NCAA Audit - Agreed Upon Procedures)
1-2 Auditors - 1 month

Federal Auditors:

Contracts & Grants
2 Auditors - 3 weeks (No Audit for 2005-06)
US Department of Labor - Violations of Federal Laws (I-9, Affirmative Action, etc.)
1-2 Auditors - 1 week (No Audit for 2005-06)

Others:

Compliance Audit from State Department of Purchase & Contract
1 Auditor - 1 Week (Approximately once every 2 years) (No Audit for 2005-06)
State & Local Agencies - Program & Fiscal Monitoring of Contracts & Grants
1-5 Auditors - 1-3 days

Internal Auditors:

Payroll	Contracts & Grants	Financial Aid
Purchasing	Cash Counts	Internal Controls
Cash Disbursements	Gift Receipts	Auxiliary Operations
Travel	Ticket Sales	Special Investigations
<i>2 Auditors</i>		