MINUTES
The University of North Carolina at Greensboro
Board of Trustees
Audit Committee
August 25, 2009

MEMBERS PRESENT: Jean Davis (Chair; by telephone), Steve Hassenfelt, William Pratt, Gwynn Swinson (by telephone)

OTHER BOARD MEMBERS/GUESTS PRESENT: Kate Barrett, Richard Moore, Sharlene O’Neil, Susan Safran, Cindy Reed, Don Skeen, Reade Taylor

PROCEEDINGS: Jean Davis called the meeting to order at 10:00 a.m. The minutes of the April 2, 2009 meeting were approved as submitted.

ACTION ITEM:

Approval of the 2009-2010 Internal Audit Plan

The Audit Committee moved on the following action item.

That the Audit Committee of the Board of Trustees of The University of North Carolina at Greensboro accept and approve the 2009-2010 Internal Audit Plan for The University of North Carolina at Greensboro as prepared by the Office of the Internal Auditor.

Don Skeen stated that once the internal audit plan is approved by the Audit Committee, it will be submitted to the Office of Internal Audit in Raleigh by September 30. It will also be provided to General Administration.

Mr. Skeen provided background information about audit assignments listed on attachment AUD-1a, including Weatherspoon Arts Foundation, Travel Reimbursements, Intercollegiate Athletics Program, EAGLE Internal Control Walkthroughs & Testing, Purchasing Cards Transactions, Follow-up Resolution of Audit Findings of the Office of the State Auditor, Contracts & Grants (Time & Effort Reporting), Misuse or Theft of State Property, Contracted Services, Advancement Services (Gifts Processing), and Departmental Cash Receipts.

Mr. Skeen explained that he asked members of the Executive Staff to submit a maximum of three items in their areas and three items outside of their areas that they considered to be significant risks to the university. He pointed out that attachment AUD-1b summarizes the responses received. Items that are considered relevant to internal audit are ranked low, medium, or high risk based on judgment of internal audit, and items beyond the role or resources of internal audit are labeled “not applicable.” The columns on the right-hand side of the report identify items that might be reviewed in the current and next two fiscal years.

Reade Taylor pointed out that although some non-financial risk items are not necessarily in the scope of internal audit, they are important risks that the university reviews. He added that a request has been submitted for a new position with responsibility for enterprise risk management.
There was discussion among committee members regarding the possibility of receiving an overview at future meetings of the status of significant risk assessments. It was decided that prior to the next committee meeting, Jean Davis and Don Skeen will discuss which operational risk areas should be elevated for discussion at that meeting. Reade Taylor requested that the areas for discussion be determined sooner rather than later.

With no further discussion, all approved the 2009-2010 Internal Audit Plan and the motion carried.

**INFORMATION ITEM:**

Audit Review for Board of Trustees

Don Skeen provided an overview of attachment AUD-2a, “Summary of Internal Audits Performed - April 2009 Forward,” and AUD-2b, “Internal Audit Plan Summary.” He explained that attachments AUD-2c and AUD-2d are certification letters addressed to the chair of the Board of Governors listing the responsibilities of the Audit Committee and whether they have been completed according to the Best Financial Practices Guidelines issued by the Board of Governors.

With no further business to come before the Committee, the meeting was adjourned at 10:35 a.m..

Respectfully submitted,

Cindy Reed