MINUTES

The University of North Carolina at Greensboro
Board of Trustees
Audit Committee

August 24, 2010

MEMBERS PRESENT: Jean Davis (Chair), Randall Kaplan, William Pratt

ABSENT WITH NOTICE: Gwynn Swinson

OTHER BOARD MEMBERS/GUESTS PRESENT: Kate Barrett, Linda Brady, Bonita Brown, Cherry Callahan, Carolyn Ferree, John Gamble, Linda Hiatt, Donna Honeycutt, Katherine Marshall, Richard Moore, Kim Record, Cindy Reed, Steve Rhew, Susan Safran, Terri Shelton, Don Skee, Mike Tarrant, Reade Taylor, Martin Weissburg

PROCEDINGS: Chair Jean Davis called the meeting to order at 1:25 p.m. The minutes of the March 30, 2010 meeting were approved as submitted.

INFORMATION ITEM:

Audit Review for Board of Trustees

Don Skee summarized the audits performed since the last Audit Committee meeting.

Internal Audits:
1) EAGLE (Enhancing Accountability in Government through Leadership and Education): The Office of the State Controller requires that all State agencies perform a self-assessment of internal controls. The EAGLE program is the internal control program that was established in response to internal control legislation passed in 2007. Internal Audit assisted in documentation of processes and internal controls for accounts identified as areas of high and moderate risk. Ten processes of moderate risk were identified and evaluated. There were no findings.
2) Weatherspoon Arts Foundation: This review, performed every year, involves the observation of art collection items and related control procedures. There were no findings relative to this review of the inventory system as of June 30, 2010.
3) Travel Expenditures: This is a review of travel expenditures of management level employees who are not required to have advance authorization for travel. Travel itineraries, expenses, and reimbursements for activities conducted during the fiscal year ended June 30, 2010 were reviewed. There were no findings.

External Audits:
1) UNCG Financial Statement Audit: The exit conference relative to this review was held April 23, 2010. There was one significant finding related to inappropriate information system access. This item was corrected prior to completion of the audit by the State Auditors.
2) Gateway University Research Park, Inc.: A report by independent auditor Dixon Hughes, PLLC was issued on January 27, 2010 for the fiscal year ended September 30, 2009. There were no findings.

3) SERVE, Inc.: A report by independent auditor Bernard Robinson & Co., LLP was issued on May 17, 2010 for the fiscal year ended November 30, 2009. There were no findings.

Compliance with Board of Governors Requirements:
Mr. Skeen provided an overview of documents (AUD-1c and AUD-1d) provided to General Administration. Attachment AUD-1c, “Internal Audit Plan Summary, Year Ending June 30, 2011,” outlines objectives for the current fiscal year. Attachment AUD-1d, “Internal Audit Plan Summary, Year Ending June 30, 2010,” summarizes results of the prior fiscal year. He explained that attachments AUD-1e and AUD-1f are letters addressed to the chair of the Board of Governors listing the responsibilities of the Audit Committee and the Internal Auditor, respectively, that certify compliance with the Best Financial Practices Guidelines adopted by the Board of Governors.

With no further business to come before the committee, the meeting was adjourned at 1:45 p.m.

Respectfully submitted,

Cindy Reed