

## MINUTES

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

September 14, 2011

**MEMBERS PRESENT:** Randall Kaplan, Harriett Smalls

**ABSENT WITH NOTICE:** Jean Davis, Bill Pratt

**OTHER BOARD MEMBERS/GUESTS PRESENT:** Cindy Reed, Don Skeen, Reade Taylor

**PROCEEDINGS:** Randall Kaplan called the meeting to order at 5:05 p.m. Due to the lack of a quorum, approval of the minutes from the April 19, 2011 committee meeting was postponed until the December 1, 2011 meeting.

#### **INFORMATION ITEM:**

##### Audit Review for Board of Trustees

Internal Auditor Don Skeen called attention to attachment AUD-1a, an overview of audit activity covering a five-year period including three prior fiscal years (2008-09 to 2010-11) and plans for 2011-12 and 2012-13. He explained that a risk assessment is performed to determine areas for review.

Internal audits were summarized as follows:

- 1) Weatherspoon Arts Foundation: The objective of this examination was to evaluate internal control relative to the art collection inventory of the Foundation, an approximate book value of \$22 million. There were no findings relative to this review of the inventory system as of June 30, 2011.
- 2) 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, 2011 were reviewed. There were minor findings relative to this review. Six Travel Authorization/Expense Reports from five individuals were submitted to accounts payable beyond the University's policy deadline of ten business days following the completion of travel. The individuals received written reminders of the University's travel policy.

External audits were summarized as follows:

- 3) SERVE, Inc.: A report by independent auditor Bernard Robinson & Co., LLP was issued on May 26, 2011 for the fiscal year ended November 30, 2010. There were no findings.

Compliance with Board of Governors Requirements:

Mr. Skeen provided an overview of documents (AUD-1d and AUD-1e) provided to General Administration. Attachment AUD-1d, "Internal Audit Plan Summary, Year Ending June 30, 2012," outlines objectives for the current fiscal year. Attachment AUD-1e, "Internal Audit Plan Summary, Year Ending June 30, 2011," summarizes results of the prior fiscal year. Two

certification letters addressed to the chair of the Board of Governors list the responsibilities of the Audit Committee and the Internal Auditor, respectively, and 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 5:30 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Cindy Reed". The signature is written in black ink and is positioned above the printed name.

Cindy Reed