

MINUTES

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

February 15, 2012

COMMITTEE MEMBERS PRESENT: Lee McAllister (Chair), Randall Kaplan

ABSENT: Harriett Smalls

OTHER BOARD MEMBERS/GUESTS PRESENT: Kate Barrett, Linda Brady, Bonita Brown, Cherry Callahan, Helen Hebert, Linda Hiatt, Kelley Mills, Dave Perrin, Cindy Reed, Steve Serck, Don Skeen, David Sprinkle, Reade Taylor

PROCEEDINGS: Lee McAllister called the meeting to order at 4:04 p.m. Minutes from the December 1, 2011 meeting were approved.

INFORMATION ITEM:

Audit Review for Board of Trustees

Internal Auditor Don Skeen summarized internal audits as follows:

- 1) Intercollegiate Athletics Program – NCAA Agreed-Upon Procedures: The objective of this examination was to assist the external auditor, McGladrey & Pullen, CPAs, with completion of an agreed-upon procedures report in accordance with financial reporting legislation of the NCAA. The scope of the examination was Intercollegiate Athletics Program activities of fiscal year ended June 30, 2011. The reports are required to be completed by January 15th following the end of the fiscal year. The agreed-upon procedures report is not a financial statement audit, but outlines specific audit procedures performed and the related audit findings based upon NCAA guidelines. The primary purpose of the report is to ensure that the Chancellor is aware of athletics financial activity. It is not filed with the NCAA. No exceptions were reported.
- 2) Misuse or Theft of State Property: The objective of this review was to ensure compliance with North Carolina statutory requirements for reporting the misuse or theft of state property to the State Bureau of Investigation. The scope of the examination was police incident reports submitted to the UNCG Department of Public Safety & Police from July 1, 2011 through December 31, 2011. There were no findings.

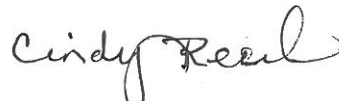
External audits were summarized as follows:

- 1) The University of North Carolina at Greensboro Financial Statement Audit: Mr. Skeen explained that this audit was conducted by the North Carolina Office of the State Auditor for fiscal year ended June 30, 2011. The report was issued and the exit conference was held on November 10, 2011. There were no reportable findings. The primary communication from the external auditor is the independent auditors report which provides an opinion on the financial statements. The objective is to receive a clean opinion. There is also an independent auditors report on internal control and compliance. Lastly, there is an

independent auditors letter to the Board of Trustees addressing any concerns relative to significant accounting estimates, difficulties in performing the audit, misstatements that required correction, disagreements with management, etc.

With no further business to come before the committee, the meeting was adjourned at 4:15 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