MINUTES
The University of North Carolina at Greensboro
Board of Trustees
Audit Committee
December 4, 2012

COMMITTEE MEMBERS PRESENT BY TELEPHONE: Lee McAllister (Chair), Harriett Smalls

COMMITTEE MEMBERS ABSENT: Randall Kaplan, Susan Safran

OTHER BOARD MEMBERS/GUESTS PRESENT: Bonita Brown, Bruce Griffin, Cindy Reed, Steve Rhew, Don Skeen, David Sprinkle

PROCEEDINGS: Lee McAllister called the meeting to order at 2:02 p.m. Due to the lack of a quorum, approval of minutes from the September 18, 2012 meeting was postponed until the next meeting of the committee.

INFORMATION ITEM:

Audit Review

Internal Auditor Don Skeen summarized recent internal audits as follows:

1) Misuse or Theft of State Property – The objective of the audit is 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 audit examination encompassed the police incident reports submitted to the UNCG Department of Public Safety & Police from April 1, 2012 through September 30, 2012. There were no audit findings.

Mr. Skeen summarized external audits as follows:

1) Financial statement audit for the fiscal year ended June 30, 2012 (report of the North Carolina Office of the State Auditor dated October 19, 2012) – The exit conference was held on November 2, 2012. There were no audit findings. Relevant communications from the Office of the State Auditor included: 1) the Independent Auditor’s Report stating responsibilities of the auditor and management, the scope of the audit, including relevant professional standards, and the auditor’s opinion on the financial statements; 2) the Independent Auditor’s Report on Internal Control and Compliance; and 3) the independent auditor’s letter to the Board of Trustees.

2) Financial statement audits of the University’s endowment and the separate legal entities (e.g., foundations) affiliated with the University are communicated to the Boards and Audit Committees of those entities.
3) Financial statement audits of the affiliated entities included in the University’s basic financial statements for the fiscal year ended June 30, 2012 – these independent audits were conducted by McGladrey & Pullen, CPAs. Audit reports were issued in October 2012 with no reportable findings for the Endowment Fund of UNCG; UNCG Investment Fund, Inc.; UNCG Excellence Foundation, Inc.; and UNCG Human Environmental Sciences Foundation, Inc. Audit reports were issued in August 2012 with no reportable findings for the Capital Facilities Foundation, Inc. and the Weatherspoon Art Museum Association.

4) Financial statement audits of affiliated entities excluded from the University’s basic financial statement for the fiscal year ended June 30, 2012 – these independent audits were conducted by Dixon Hughes Goodman, CPAs. Audits included the Alumni Association of The University of North Carolina at Greensboro and Gateway University Research Park, Inc. There were no reportable findings for either audit.

With no further business to come before the committee, the meeting was adjourned at 2:15 p.m.

Respectfully submitted,

Cindy Reed

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