MINUTES
The University of North Carolina at
Greensboro Board of Trustees
Audit Committee December 3, 2014
Teleconference

MEMBERS PRESENT BY PHONE: Lee McAllister (Chair), Brad Hayes, Randall Kaplan,
Ward Russell and Harriett Smalls

NO MEMBERS ABSENT

OTHERS PRESENT: Charlie Maimone, Bonita Brown, Imogene Cathey, Don Skeen, Rollin
Donelson, Kathy Fair.

Lee McAllister called the meeting to order at 2:00 p.m.

Minutes of the September 3, 2014 meeting were presented. Brad Hayes made the motion for the minutes to be approved. Randall Kaplan seconded and the motion was approved.

Information Items:

Don Skeen presented the following:

1) Summary of Internal Audits Performed – Misuse or Theft of State Property – There were minor findings. All reportable incidents were forwarded to the SBI in accordance with the NC statute. Six incident reports were not forwarded on a timely basis (beyond the ten days requirement). Four of the six were a misunderstanding of the statute and the other two were due to the absence of the person responsible (vacation or other leave). These minor findings have been resolved.

2) Summary of External Audits – Skeen reported on the fiscal year ending June 30, 2014 financial statement audits of the University’s Endowment & the separate legal entities (e.g., foundations) affiliated with the University. The independent auditor (Bernard Robinson & Co., LLP) expressed the opinion that the financial statements were presented fairly, in all material respects and reported no significant findings. An independent auditor’s report on internal control and compliance was provided to the Board of The Endowment Fund of UNCG as required by governmental auditing standards (no deficiencies were identified).

Financial statement audits of entities excluded from the University’s basic financial statement for the fiscal year ended June 30, 2014 are as follows:

Weatherspoon Art Museum - The independent auditor (Bernard Robinson & Co., LLP) expressed the opinion that the financial statements were presented fairly, in all material respects and reported no significant findings. The Board asked about the method for the Weatherspoon audit. Skeen explained that the audit is primarily an inventory test which is accompanied by one of the State auditors during the review.

Gateway University Research Park Inc. - Independent auditors (Dixon Hughes Goodman, LLP), issued a September 2014 report expressing the opinion that the financial statements were fairly presented, in all material respects, with no significant audit findings.

The Board asked if the university relies upon the auditor reports and management letters for guidance on internal controls. Skeen explained that the auditors do not perform audits with a specific view to internal
controls, except for The Endowment Fund of UNCG, which does so in accordance with government auditing standards. If the independent auditors saw a deficiency in internal controls, they would report it.

3) The Exit Interview for the University full audit review took place on December 2, 2015. The report has not yet been published, but there were no reportable findings.

Vice Chancellor & Chief of Staff Bonita Brown gave an update on the Director of Compliance position. The search was more challenging than anticipated and was suspended due to multiple withdrawals of candidates. Simultaneous to the decision to suspend the search, the fall semester began and the number of Title IX cases rose which prompted a risk analysis and the reconsideration of appointing a Title IX coordinator in advance of a Director of Compliance. It was decided prudent to post a Title IX position immediately and that search is now underway. There is anticipated funding in the next fiscal year to ultimately fill the Director of Compliance position. It is not likely that the DoC pool of candidates will have the same skill sets as needed for Title IX coordinator. The Title IX coordinator will ultimately report to a DoC and the UNC system is also investigating additional funding across all campuses to support the Title IX area of compliance.

With no further business for the committee, McAllister adjourned the meeting at 2:17 p.m.

Respectfully submitted

Bonita Brown
Assistant Secretary to the Board