MINUTES
The University of North Carolina at Greensboro
Board of Trustees
Audit Committee
February 14, 2017

MEMBERS PRESENT: Ward Russell (Chair), Brad Hayes, Dean Priddy, and Susan Safran

OTHERS PRESENT: Chancellor Gilliam, Charles Maimone, Don Skeen, Jerry Blakemore, Waiyi Tse, and Shannon Bennett

Russell called the meeting to order at 9:31 a.m.

Russell reminded the Committee members of their duty under the State Government Ethics Act to avoid conflicts of interest and advised that any conflict of interest or appearance thereof with respect to any matter before the Board or the Committee needed to be raised at that time. None were identified.

Quorum was confirmed through roll call. The minutes of the December meeting was presented for approval and passed.

Discussion Items:

Skeen presented the following items for discussion:

Internal Audits Performed

- NCAA Agreed-Upon Procedures-NCAA member institutions have two basic NCAA requirements for reporting financial data. One requires an agreed-upon procedures report regarding all revenues, expenses, and capital expenditures for or on behalf of the intercollegiate athletics program be submitted to the Chancellor. The other requires online reporting of financial data to the NCAA. NCAA guidelines provide for reporting in a manner like that required by the Department of Education for information related to equity in athletics. The report must be prepared by a qualified independent accountant who is not an employee of the institution. The objective of the audit is to assist the external auditor, RSM US LLP, with completion of the agreed-upon procedures report in accordance with financial reporting legislation of the NCAA. The scope is the internal athletics program activities for fiscal year ending June 30, 2016. The primary purpose of the report is to ensure that the Chancellor is aware of athletics’ financial activity. No exceptions were reported.

- Misuse or Theft of State Property-The objective of this audit is to determine compliance with North Carolina statutory requirements for reporting of allegations of the misuse or theft of state property to the State Bureau of Investigation. The scope includes police incident reports submitted to the UNCG Department of Public Safety & Police from January 1, 2016-September 30, 2016. Minor findings were forwarded to the SBI in accordance with NC Statute. Three incident reports were not forwarded on a timely basis. As a resolution, the responsibilities to report were clarified and schedule for conducting inventory was revised.

External Audits Performed

- Financial statement audits of UNCG for the fiscal year ending June 30, 2016-Exit conference was held December 7, 2016-December 12, 2016. No findings were reported.
The independent auditor’s report noted that the responsibilities of the auditor and management; the scope of the audit, including relevant professional standards; and the auditor’s opinion on the financial statements. The independent auditor’s report on internal control and compliance noted that the audit did not identify any deficiencies in internal control or instances of noncompliance.

Following the audit review, board members inquired about the role of the Audit, Risk Management, and Compliance committee in collaboration with and in contradiction to other board committees. It was determined that University administration would review and revise the charter and charge of the ARMC committee and present their findings at the May meeting.

With no further business for the committee, Russell moved to adjourn and Safran seconded. All approved and the meeting adjourned at 10:15 a.m.

Respectfully submitted,

Shannon Bennett
Associate Chief of Staff and Board Liaison