Board of Governors' Audit Committee Annual Compliance Checklist for 2009-10

In November 2005, the Board adopted the recommendations of the Best Financial Practices Task Force. As part of those recommendations, The Board of Governors' Audit Committee was charged with developing and adopting an Audit Committee Charter. Attached is the Annual Compliance Checklist for 2009-10 for review.

The University of North Carolina
Audit Committee of the Board of Governors
Annual Compliance Checklist - 2009-10

Note: The Charter of the Audit Committee of The University of North Carolina Board of Governors includes the following requirements relative to the committee's organization, meeting schedule, duties, and responsibilities.

	Audit Committee Requirement	Annual Compliance	Comments
1	The Audit Committee will have a minimum of 6 members.	Yes	Committee has 9 members.
2	At least one member of the audit committee should be a financial expert.	Yes	Committee has several financial experts.
3	The Audit Committee shall meet at least four times per year.	Yes	BOG meets 8 times per year.
4	The Audit Committee will invite representatives of the constituent institutions, external and internal auditors, representatives of the Office of the State Auditor, legal counsel,	Yes	OSA presentation at November meeting; ECSU chancellor presentation at November meeting
5	Monitor the internal control, management staffing, and audit finding resolution requirements set out in General Statute 116.30.1.	Yes	Developed an OSA audit cycle tracking document to monitor status of compliance with 116.30.1.
6	Review the annual financial audits of the constituent institutions and other significant audit related communications from the State Auditor's Office or other external audit groups.	Yes	On-going monitoring of audit reports.
7	Request an annual overview of audit results from the State Auditor or a designated representative.	Yes	State Auditor appeared at the November 2009 meeting.
8	Review and approve an annual summary of the internal audit plans submitted by each constituent institution's Director of Internal Audit and UNC-GA's Internal Auditor.	Yes	Occurs during the first quarter of the fiscal year. Planned for the November 2009 meeting. Moved to January 2010 meeting.
9	Review an annual summary of the work performed by the Audit Committee of each institution's Board of Trustee's.	Yes	Occurs during the first quarter of the fiscal year. Included as part of the October 2009 meeting.
10	Meet periodically with the State Auditor or staff members to discuss the application of auditing standards and accounting principles.	Yes	On-going interaction with OSA staff.
11	Serve as the Audit Committee for the UNC-GA Internal Auditor.	Yes	UNC-GA currently does not have an internal auditor
12	Review an annual report on the University Associated Entities.	Yes	Annual report submitted for May 2009 Audit Committee meeting.

The University of North Carolina
Audit Committee of the Board of Governors
Annual Compliance Checklist - 2009-10

Note: The Charter of the Audit Committee of The University of North Carolina Board of Governors includes the following requirements relative to the committee's organization, meeting schedule, duties, and responsibilities.

	Audit Committee Requirement	Annual Compliance	Comments
13	Develop and maintain a system-wide code of ethics.	Yes	Members of the BOG and other senior university administrators are subject to state ethics laws.
14	Participate, when necessary in training sessions related to system-wide internal controls and internal / external audit issues.	Yes	State of NC - Council of Internal Auditing / State Controller's Eagle program on internal controls.
15	Request, as needed, that the State Auditor rotate the Audit Manager assigned to a constituent institution or UNC-GA financial audit.	Yes	State Auditor rotates audit managers on a regular basis. Some changes take place annually.
16	Consult with UNC-GA Legal Counsel to review legal matters that may have a significant impact on a constituent institution's or UNC-GA's financial statements, overall financial performance, or compliance with applicable state, local or federal statutes.	Yes	UNC-GA legal staff members participate as necessary in Audit Committee meetings and provide legal counsel to Finance staff as requested.