Minutes of the September 9, 2010 Meeting
of the Board of Governor's Audit Committee

The Audit Committee met in the Azalea Room at the Fisher University Union located at UNC Wilmington on Thursday, September 9, 2010 at 4:30 pm.

Members in attendance were Mr. John Blackburn, Mr. Frank Daniels, Jr., Mr. Walter C. Davenport, and Mr. Ronald C. Leatherwood. Necessarily absent were Dr. Laura W. Buffalo, Dr. Franklin E. McCain, and Dr. Irvin A. Roseman. Board members in attendance were Mr. Atul Bhula, Ms. Clarice Cato Goodyear, Mr. G. Leroy Lail, and Mr. Fred G. Mills. Chancellor Kenneth Peacock (Appalachian State University); Director of Internal Audit Dana Harris and Executive Assistant Mark Lanier (UNC Wilmington); Audit Supervisor Corby Johnson (N.C. Office of the State Auditor); and UNC General Administration staff were in attendance.

Since Chair Roseman was absent, Vice Chair Davenport welcomed everyone to the meeting. On a motion from Mr. Daniels, seconded by Mr. Leatherwood, the minutes from August 12, 2010 were approved.

Mr. Jeff Henderson presented the 2010-11 Internal Audit Plan for UNC-General Administration (see attachment). Discussion surrounded the methodology for selecting specific topics included in the audit plan as well as how the plan was expected to evolve over time. On a motion from Mr. Blackburn, seconded by Mr. Daniels, the 2010-11 Internal Audit Plan for UNC-General Administration was approved.

Next, Mr. Henderson presented and the Committee discussed the Summary of Internal Auditor Activities for June 30, 2010 from each of the UNC constituent institutions (see attachment). Among the topics discussed, the methodology in which the individual internal auditors selected topics for audit, who the internal auditors report to on each campus, and classification of findings by each campus (what constitutes a significant issue vs. non-significant).

Finally, Ms. Gwen Canady provided an update on the UNC Finance Improvement and Transformation (UNC FIT) Project (see attachment). As a general update, Ms. Canady noted three existing process areas (Contracts & Grants, Financial Aid, and General Accounting) did not have anything significant to report; however, the advisory teams for Contracts & Grants and Financial Aid had been re-constituted and had some new members that would help those areas continue to evolve and move forward. The next two business process areas, Capital Assets and Student Receivables, were on target to have a process lead and advisory teams identified in the fall of 2010, with target campus implementations in early 2011.

Regarding the payroll project, satisfactory progress had made to transition all campuses from Central Payroll to Banner Payroll. The deadline for completion was scheduled for April 2011, which is an achievable goal.

There being no further business, the meeting was adjourned.

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Dr. Irvin A. Roseman   Dr. Franklin E. McCain
Chair of the Audit Committee   Secretary of the Audit Committee

The University of North Carolina General Administration
Internal Audit Plan
Year Ending June 30, 2011

Specific Audits	Number of Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Financial Audits/Reviews Include audits/reviews having a direct relation to financial information at the institution.					
None					
Information System Controls Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
Financial Record System Access / Controls					
Audits/Reviews of Internal Controls Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing.					
Self Assessment of Internal Control					
Capital Assets & Inventory Verification					
Time and Effort Record System					
Performance/Operational Audits and/or Reviews Include audits/reviews of departmental operations and activities.					
Contract and Grant Sub Award Monitoring					
UNC-TV P-Card and Accounts Payable Processing					
SEAA Loan / Aid Automated Voucher Feed Processing					
Compliance Audits Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures.					
Carry-forward, Lapsed Salary and Management Budget Flexibility					
Audit Findings Follow-up Follow-up activity related to audit findings resulting from externla audits and those from internal audit activity.					
None					
Special Investigations (i.e. Misuse or Misappropriation of Assets) Include investigations of internal and external hotline reports as well as any similar types of investigations, regardless of the source.					
Various As Occurs					
Special Assignments Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.					
Various As Occurs					
Other Include other internal audit activities not included elsewhere. The entries here should be very limited.					

* Findings, recommendations, and corrective actions attached
Status

Complete - Fieldwork complete and report issued

In Process - Fieldwork in process and/or report not released.

On-Going - activities of an on-going nature, i.e. committees

Pending - Fieldwork stopped and /or report held up due to specific delay.

Deferred - Audit/Review moved to a future year.

Cancelled - Audit/Review will not be performed in the current or future year.

Summary of Significant Audit Findings
Included in Reports of Campus Internal Auditors
Year Ended June 30, 2010

East Carolina University

1. **2nd Follow-Up of State Auditor 2008 IT General Controls Audit**

    A second follow-up of the North Carolina Office of the State Auditor 2008 IT Audit findings found that ECU has satisfactorily resolved three of the four public audit findings and has satisfactorily resolved the five findings identified in the "Sensitive Security Issues" letter. The outstanding finding involves the security of the network wiring closets. Management has addressed the issue and is in the process of implementing a "real-time" documentation process in conjunction with the service ticket application. Internal Audit will conduct another follow-up during the 2010-2011 year.

2. **Employee Entry/Exit Processes**

    Management requested the review of the University's employee entry and exit processes for new and terminated employees. In summary, we found evidence of inconsistent employee entry and exiting procedures, and non-compliance with existing procedures, which could result in a breach of security access to University data systems and/or loss of University-owned equipment and data. Management is in the process of implementing recommendations to strengthen the employee entry and exit procedures.

3. **Division of Health Sciences – BSOM Clinic Discounts and Write-offs**

    Management reported concerns that a clinic in the Brody School of Medicine was potentially providing free or discounted care to clinic employees, relatives, and friends in violation of University policy. Internal Audit found evidence to support the concerns and found that at least $38,752 had either not been charged, written-off or and/or discounted in violation of University policy. Management conferred with Human Resources and the University Attorney's Office with regard to the appropriate personnel action. Management is seeking collection of the aforementioned funds and is addressing the internal control weaknesses. This has been referred to the University Attorney to determine if a misuse report needs to be filed.

4. **Division of Health Sciences – BSOM Grant and Faculty Member Conflict of Interest**

    The Office of Research Compliance Administration requested Internal Audit's assistance in reviewing fiscal issues related to a sponsored clinical trial and a faculty member of the BSOM. In summary our review confirmed a potential conflict of interest that had not been properly and timely disclosed, the use of University resources for private gain, and other instances of non-compliance with established State and University policies. The faculty member is no longer employed with the University and has reimbursed the University

$18,189.94. This has been referred to the University Attorney to determine if a misuse report needs to be filed.

North Carolina State University

1. **Compliance with Senior Academic and Administrative Officers (SAAO) Tier 1 Retreat Rights Policy**

    Comparison of SAAO Tier I employees' offer letters to the retreat rights documented in the employee's transition agreement(s) and subsequent analysis of compliance with governing University and UNC documents revealed numerous inconsistencies and non-compliant elements. During our review of the SAAO Tier I employee files and interviews with the Offices involved, it became evident there is no defined, consistent, and documented process for drafting, reviewing, and approving letters and transition agreements to SAAO Tier I employees. Over the years, the lack of a defined and documented process has resulted in inconsistencies in the language and elements of retreat right documents, inadequate review and approval, and non-compliances with the requirements of governing documents. The N. C. State University Board of Trustees and the UNC Board of Governors are in the process of reviewing retreat rights. When the results of those reviews are put in place, the policies of N.C. State University will be revised and implemented. These policies should eliminate any inconsistencies noted by the audit.

The University of North Carolina at Asheville

1. **Office of the State Auditor Financial Audit (FYE 6-30-2009)**

    Inappropriate Access to the Information Systems

    The University did not maintain adequate internal control over access to its information systems and data. We identified seven information systems staff members with database access that gives them the ability to update, alter, or remove financial data. We also identified four computer programmers who perform security administration functions for the financial accounting system. University management has implemented procedures to improve internal control over granting and managing access to the information systems and data. Banner finance access was eliminated for three of the seven individuals. For the remaining four individuals compensating controls have been put in place to mitigate the risks associated with the lack of a segregation of duties for programmer access.

    Deficiencies in Financial Reporting

    The financial statements prepared by the University contained misstatements that were corrected as a result of our audit. Without these corrections, the financial statements could have been misleading to users. University management has implemented additional procedures and controls to provide assurance the financial statements and accompanying footnotes are accurate.

Inappropriate Useful Lives for Capital Assets

The University did not appropriately evaluate and adjust the useful lives of its capital assets. As a result, the financial statements prepared by the University contained misstatements that were corrected as a result of the audit. Review of useful lives is a continual and inherent part of the depreciation process. The University failed to appropriately evaluate the remaining useful lives of capital assets, resulting in a material amount of fully depreciated assets that are still in use. To remedy this situation the University completed several tasks. First, the vacant fixed asset accountant position has been filled. Second, the University ordered new fixed asset software that allows flexibility when changing the useful life of fixed assets. These solutions mitigate the risk of a recurrence of this finding.

The University of North Carolina at Charlotte

1. **Greek Life Financial Controls**

   Through debit card purchases, cash withdrawals, checks made out to cash/money orders/the employee and unnecessary bank service charges, an employee inappropriately expended approximately $58,546.08 from the funds of the student Greek organizations the employee was assigned to advise and supervise. Embezzlement charges were filed with the Mecklenburg Country District Attorney and the case is still awaiting trial. The Vice Chancellor for Student Affairs required all off campus bank accounts for student organizations to be closed and the funds moved into agency funds in the University Banner finance system to increase the oversight of fund activity. The Dean of Students initiated student treasurer training for all organizational treasurers (the Internal Audit Director participates in the training). A series of cash handling and cash management changes were implemented with the Greek Life Office and the affected Greek organizations to improve the accountability, transparency and oversight of financial transactions within the organizations.

The University of North Carolina School of the Arts

1. **Ticket Sales Follow-up Review**

   Management Review of Ticket Refunds

   Cashiers have the ability to process a ticket return without management approval after a customer has purchased a ticket. The Box Office implemented a new procedure which requires a Ticket Refund/Exchange Form to be completed when a ticket refund is processed or when a ticket is exchanged for another ticket. The completed forms are attached to the Box Office deposits and reviewed by the Box Office Manager, Stevens Center Director or Stevens Center Assistant Manager. Testing determined that Refund/Exchange forms were not being completed for all of the refund and exchange transactions. In addition, the Refund/Exchange forms were not reconciled to the End of Day report in order to verify that all refunds and exchanges were approved. The Stevens Center Director has now retrained

the Box Office staff, and the Refund/Exchange forms are now being reconciled with the Today Sales Summary which is part of the End of Day report. Each form will be approved by two individuals, the Box Office Manager and either the Director or Assistant Director. The corrective action implemented will be reviewed by Internal Audit at a future date.

Western Carolina University

1.   Program for the Study of Developed Shorelines

We found four instances where the Director of the Program for the Study of Developed Shorelines (PSDS) used University funds for travel expenses associated with his company's work. The Director is the main principal in an environmental consulting company. We determined that his company was contracted on four occasions and he charged travel expenses associated with these engagements to a University account. We notified the State Bureau of Investigation of the above actions and forwarded to them a copy of the audit report. The Director of PSDS has agreed to reimburse these unallowable costs along with other incidental items identified in the audit. Our office is in the process of completing part 2 of this audit concerning University processes that permitted these expenditures to be processed. This report will be issued in August 2010.

Specific Audits	Number of Audits	Institution	Significant Audit Findings *
Financial Audits/Reviews			
Include audits/reviews having a direct relation to financial information at the institution.			
2009 Financial Reporting Limited Review	1	NCCU	No
Athletics	1	ASU	No
Bank Account Reconciliation	1	FSU	No
Expenditure Audit of Selected University Accounts	1	WCU	No
Fixed Assets Testing	1	ECU	No
Friends of UNCW Financial Review	1	UNCW	No
Inventory Testing	5	UNCP, FSU, ASU, NCCU	No
NCCU WNCU 90.7 Fm Jazz Radio	1	NCCU	No
New River Light & Power	1	ASU	No
Petty Cash Counts, Change Fund Counts	20	UNCP, FSU, ECU, ASU, NCCU, UNCA, UNC-CH, ECSU, WSSU, NC A&T	No
The Friends of NC State Baseball, L.L.C. ("Rally Club")	2	NCSU	No
Timely Deposits/Transfers From the Foundation to the University	1	WCU	N/A
Information System Controls			
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.			
2nd Follow-Up State Auditor 2008 IT Audit	1	ECU	Yes
Banner Access Verification Procedures	1	FSU, ASU	No
Business Continuity/Disaster Recovery	5	WSSU, FSU, ECU, ASU, UNCW	
College of Textiles - Information Technology Department	1	NCSU	No
Conferences & Institutes System	1	ASU	No
Enterprise Resource Planning Participation	1	UNC-CH	No
General Controls Review	3	NCSU, UNCA	No
Housing & Residence Life On-line Assignment System	1	ASU	No
Physical Plant Facility Max Program	1	ASU	No
Review & Prep for State IT Audit	1	ASU	No
Security of Academic Records and Transcripts	1	ECSU	No
Server Survey	1	UNC-CH	No
Office of Information Technology - Enterprise Application Services and Financial and Business Division - Financial Services (Controller's Office) - Audit of the Financials	1	NCSU	No
Audits/Reviews of Internal Controls			
Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing.			
Self-Assessment of Internal Controls	11	UNCSA, ECSU, FSU, NC A&T, ASU, UNCA, UNCP, WCU, UNCG, UNCC	No
Accounts Payable	1	NCSSM	No
Assessment of Internal Controls Over Financial Reporting	2	NCCU, WSSU	No
Audit of Financial Transactions (Public Safety Dept.)	1	UNCP	Yes
Banner Payroll Implementation Consultation/Review	1	WSSU	No

The University of North Carolina Systemwide Summary
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Number of Audits	Institution	Significant Audit Findings *
Audits/Reviews of Internal Controls (cont'd)			
Campus Wide Asset Control	1	ASU	No
Campus Wide Comp Time	1	ASU	No
Clearing Accounts	1	UNCG	No
Fixed Asset Testing	1	WSSU	No
Foundation Expenditure Review	4	ASU	No
Fraud Risk Assessment	3	UNCC, WCU, ECU	No
Fuel Oil Inventories	1	WSSU	No
Inherent Risk Assessment	1	WSSU	No
Procurement Card Review	5	ASU, UNCG	No
Review of Funds in Cashier's Area - Special Request	1	ECSU	No
Travel Procedures	1	ASU	No
UNC FIT	7	FSU, ECU, ASU, NCSSM	No
University Governance Procedures	1	UNCC	No
Year End Inventory	4	NC A&T, UNCW, UNCG, UNCA	No
College of Engineering - The Future Renewable Electric Energy Delivery and Management Systems (FREEDM) Center	1	NCSU	No
Performance/Operational Audits and/or Reviews			
Include audits/reviews of departmental operations and activities.			
Assistance with NCAA Audit 2009	1	UNC-CH	N/A
Athletics	1	ASU	No
Auxiliary Services	2	UNC-CH, UNCC	No
Banner Course Coding	1	UNCW	No
Benefits Review	1	NCCU	No
Campus Police Evidence Control Room Inventory	1	UNCC	No
Child Development Lab	1	ECU	No
College of Arts and Sciences	1	UNCW	No
Community Music School	1	UNCSA	Yes
Continuing Studies	1	ECU	No
Cooperative Extension Service	3	NCSU	No
Discretionary Funds	1	ASU	No
Employee Entry/Exit Processes	1	ECU	Yes
Energy Center	1	ASU	No
Facilities Management Labor Chargebacks	1	UNCSA	No
Graduate School	1	ECU	Yes
Housing and Residence Life	2	UNCW, ECU	No
Human Resources	4	FSU	No
Mini-Term	1	NCSSM	N/A
Motor Pool	1	ASU	No
New River Light & Power	1	ASU	No
Operational Review - Belk College of Business	1	UNCC	No
Operational Review - College of Health and Human Services	1	UNCC	No
Overtime Review	1	NCCU	No
Parking Office Consult	1	UNCW	No
Quality Assurance Review	1	UNCW	No
Recreation and Leisure Studies	1	ECU	No
Recruitment and Hiring	1	NCSSM	No
Staff Senate Consult	1	UNCW	No
Student Financial Aid	1	FSU	No
Student Stores	1	UNC-CH	No
Trust Funds	1	ASU	No

Specific Audits	Number of Audits	Institution	Significant Audit Findings *
Performance/Operational Audits and/or Reviews (cont'd)			
University Dining	2	NCSU, ECU	No
Use of Express Personnel Services to Hire Temporary Employees	1	FSU	No
Compliance Audits			
Include audits/reviews of compliance with federal and state requirements.			
Also include audits/reviews of compliance with university policies and			
procedures.			
Annual Disclosure Review	1	NCCU	No
Biosafety Program	1	UNCC	No
Chemical Storage	1	ASU	No
Contracting for Services	1	UNCG	No
Contracts & Grants (Time & Effort Reporting)	1	UNCG	N/A
Departmental Cash Receipts	1	UNCG	N/A
Eligibility of Athletes	1	UNCW	N/A
Environmental Health & Safety - Hazardous Waste (continuation)		UNCW	No
Export Control Regulations - Shipping/Travel	1	WCU	No
Federal Grants - Pell Grants	1	ASU	No
Financial Aid Processing (includes NCAA compliance component)	1	UNCC	No
Financial Aid/Institutional Scholarship Award Processes	1	WCU	No
Gear Up	1	ASU	No
Human Resources	1	UNCA	No
Misuse of State Property Reporting Procedures	1	UNCC, UNCG, ECU	N/A
P-Card Compliance	3	WSSU	No
Petty Cash/Change Fund/Receipt Books Accountability	1	UNCC, NCCU	No
Review of Carry-Forward and Lapse Salary Funds	3	UNCC, UNCSA, NCSSM	No
Special Responsibility Constituent Institution Budget Revisions	1	UNCW	No
State Mandated IT Contractor Reporting Process	1	UNCC	No
Time and Attendance Procedures-Multicultural Academic Services	1	UNCC	No
Title III Office Program Income Process Review	1	NCCU	No
Title IX	1	ECU	Yes
Travel Reimbursements	1	UNCG	No
Tuition Waivers	1	UNCW	No
Use & Accountability of Cell Phones	1	FSU	No
Various Special Projects and Requests	1	ECU	No
College of Education - Department of Math, Science, and Technology Education	1	NCSU	No
Intercollegiate Athletics Program (assistance with Agreed-Upon Procedures review)	1	UNCG	No
Audit Findings Follow-up			
Follow-up activity related to audit findings resulting from external audits and			
those from internal audit activity.			
Accounts Payable	1	ECU	No
AFI Audit	1	ASU	No
Banner Security Access	1	UNCC	No
Biology Research	1	ECU	No
Business Continuity	1	UNCSA	No
CatCard Audit	1	WCU	No
Chemistry Payroll and Administration	1	ECU	No
Chemistry Purchases and Inventory	1	ECU	No
CHSC Employee Expenses	1	ECU	No

Specific Audits	Number of Audits	Institution	Significant Audit Findings *
Audit Findings Follow-up (cont'd)			
College of Agriculture and Life Sciences - Dairy Records Management	1	NCSU	N/A
College of Engineering - Materials Science Engineering	1	NCSU	N/A
College of Natural Resources - IT General Controls	1	NCSU	N/A
College of Physical and Mathematical Sciences - Department of Chemistry	1	NCSU	N/A
EAGLE	1	ECU	No
ECU Police Department	1	ECU	No
Facilities Division - Power Systems Investigation	1	NCSU	N/A
Financial Consultant Audit	1	NC A&T	No
Timesheet Issues	1	NCSU	N/A
Foundation Film Inventory	1	UNCSA	No
Friends of Joyner Library	1	ECU	No
Fundraising Events	1	ECU	No
International Programs	1	UNCW	No
Maritime Studies	1	ECU	No
Moving Expenses	1	ECU	No
N.C. Center for Creative Retirement	1	UNC-A.	Yes
Named Scholarships	1	UNCW	No
NC State Education Assistance Authority (NCSEAA) Program Review	1	UNC-A.	No
Network and Communications	1	UNCW	No
Office of Information Technology (OIT) - Administrative Data Back-up	1	NCSU	N/A
Petty Cash Controls	1	ECU	No
Prior Year Audits Follow-Up	1	NC A&T	No
Purchasing	2	NCSSM, WSSU	N/A
Purchasing Card	1	UNCW	No
Radiation Oncology	1	ECU	No
Readmission of Student	1	ECU	No
REAP Expense Review	1	ECU	No
Rental Property	1	UNCSA	No
Restricted Gift Administration	1	UNCC	No
School of Arts Keys	1	ECU	No
State Audit Findings	32	WSSU, FSU, ECU, ECSU, NCCU, WCU, UNC-CH, NCSU, UNCP, WSSU, ASU, UNCW, UNC-ANC A&T	N/A
Student Accounts Receivable Procedures	1	UNCC	No
Student Life Meal Cards	1	ECU	No
The Alumni Association of UNCG	1	UNCG	No
Ticket Sales	1	UNCSA	Yes
Travel Office	1	UNCW	No
Travel Policy and Procedures	1	UNCC	No
UNCW Passport Acceptance Agency	1	UNCW	No
UNCW Presents	1	UNCW	No
University Cashier's Office	1	ECU	No
University Policy Manual and Training	1	ECU	No
University Vehicle	1	UNCW	No

Specific Audits	Number of Audits	Institution	Significant Audit Findings *
Special Investigations (i.e. Misuse or Misappropriation of Assets)			
Include investigations of internal and external hotline reports as well as any			
similar types of investigations, regardless of the source.			
AdmissionPros	1	UNC-CH	No
Aramark Contract	1	UNC-CH	N/A
Architecture in Berlin Mini-Term	1	NCSSM	No
Athletics - Travel Funds	1	WSSU	No
Athletics Academic Support Time Records	1	WCU	Yes
Athletics Procard	1	ECU	Yes
BSOM Grant Issue	1	ECU	Yes
CES Gates and Hertford Counties	1	NCSU	No
College of Agriculture and Life Sciences - Dairy Education Unit	1	NCSU	No
College of Agriculture and Life Sciences-University Field Laboratory	1	NCSU	No
College of Education - Education Curriculum and Instruction - Contracts and Grants Investigation	1	NCSU	No
College of Education - Friday Institute for Educational Innovation Signature Investigation	1	NCSU	No
College of Education - Friday Institute for Educational Innovation Telephone Logs Investigation	1	NCSU	Yes
College of Veterinary Medicine - Veterinary Teaching Hospital - Pharmacy	1	NCSU	No
Complaint Review - Student Accounts	1	FSU	No
Dental Clinic - Use of Resources	1	ECU	No
DHHS Contracts	1	UNC-CH	No
ECU Police Department Alleged Liability Issue	1	ECU	No
ECU Police Department Compromised Security	1	ECU	No
Ethics Line Investigations	1	NC A&T	No
Facilities Division - Power Systems Investigation	1	NCSU	No
Faculty Leave	1	FSU	Yes
Faculty Salary and Contract	1	NCSSM	No
Grant Contract - Gas Cards	1	WSSU	No
Greek Life Financial Controls	1	UNCC	No
Helpline Call Review - Library	1	FSU	No
Helpline Review - School of Education Use of Leave	1	FSU	No
Helpline Review - Student Health Services	1	FSU	Yes
Historically Minority Colleges & University Consortium Review	1	NCCU	No
Human Resources Hiring Policies	1	ASU	No
Internal Audit Hotline: Faculty on Long-Term Disability Working at Another Institution	1	UNC-A	No
International Affairs	1	ECU	No
Investigation of SCSSI's 5% Charge to Students for Mini-Term	1	NCSSM	Yes
Kennedy Scholarship Fund Inquiry	1	UNCC	No
Math Grant	1	ECU	No
Misuse of State and Institutional Trust Funds	2	UNCSA	No
Misuse of State Time - Health Sciences	2	ECU	No
NC Teaching Fellows	1	UNC-CH	No
OAP Resource Use	1	ECU	Yes
Pediatrics Cardiology	1	UNC-CH	N/A
Pharmacy Investigation	1	UNCW	No
Physical Plant Vending	1	ASU	N/A
Program for the Study of Developed Shorelines	1	WCU	No
Radiology Timekeeping	1	UNC-CH	No
Review of Recruiting and Salary Administration for Internal Reassignment	1	NCSSM	No
School of Education Leave Balances	1	UNC-CH	No

The University of North Carolina Systemwide Summary
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Number of Audits	Institution	Significant Audit Findings *
Special Investigations (i.e. Misuse or Misappropriation of Assets) cont'd			
State Auditor Hotline	7	FSU, WCU, ECSU, UNCSA, WSSU	No
State Auditor Investigation of the NCSSM Foundation Budget for the Chancellor's Office	1	NCSSM	No
TEACCH	1	UNC-CH	No
Tuition Free Course Review	1	ASU	No
Underwriters Activities - Radio Station	1	FSU	No
University Housing - Upholstery Shop	1	NCSU	N/A
Unscheduled Audits	1	NC A&T	No
Special Assignments			
Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.			
Automation and Standardization of Workpapers		WSSU	
Affiliated-Entities Financial Statement Summaries		UNC-A	
Alcohol Policy Review Task Force		NCSU	
BANNER Steering Committee		FSU	
Bookstore		UNC-A	
BSOM Compliance Committee		ECU	
BSOM Risk Management Committee		ECU	
CALS DELTA Funded Distance Education Program		NCSU	
Carolina Population Center		UNC-CH	
Chair, Residency Status Appeal Board		UNCC	
Compliance with Retreat Rights		NCSU	
Computer Repair Center		UNC-CH	
Consultations		ECU	
Coordinated Ethics Training/Reporting as Liaison 11/06 until 9/09		ECSU	
Coordinator for Data Stewards		UNCP	
Data Standards Committee		ASU	
EAGLE Project		UNCSA	
eCentral: NCSSM's Online Employee Resource Working Group		NCSSM	
Email Task Force		NCSU	
Enterprise Risk Management Committee		ECU	
Ethics Liaison		UNCSA	
Facilities Recharge Center Consultation		WSSU	
Healthspan Oversight Committee		ECU	
HIPAA Oversight Committee		ECU	
HIPAA Security Committee		ECU	
Identity Theft Protection Committee		ECU	
Institutional Assessment Team		WSSU	
Insurance Committee		UNCSA	
Internal Audit Strategic Plan		WSSU	
Internal Control Officer for EAGLE/FIT		ASU	
Interview Committee		WSSU	
NC State Alumni Association		NCSU	
Ob/Gyn Cash		UNC-CH	
Operations Administration		NC A&T	
Red Flag Compliance Committee		FSU	
Report to the Office of Internal Audit		WSSU	
Review of All 2008-09 Fiscal Year End Entries and Documentation		ECSU	
Risk Assessment		UNCG, UNC-CH	
Risk Assessment of Information Technology Infrastructure		WCU	
SACS Committee		UNCP	
Search Committee		ASU, UNCC	
Software Evaluation Committee		ASU	
Supervisor's Training Task Force		ECU	

Specific Audits	Number of Audits	Institution	Significant Audit Findings *
Special Assignments (cont'd)			
Training for Mini-Term Trip Sponsors		NCSSM	
UNC Finance Improvement and Transformation (FIT) Team		NCSU, UNCG	
University IT Committee (UITC)		NCSU	
University IT Governance Initiative		NCSU	
University Policy Committee		ECU	
Vice President, Staff Council		UNCC	
WSSU Website Redesign		WSSU	
Other			
Include other internal audit activities not included elsewhere. The entries here should be very limited.			
Monitor University Helpline on Continued Basis		FSU	
ACC Football Settlement 2009		UNC-CH	
ACL Concurrent Audit Routines		UNC-CH	
Associated Entities		NCSU	
College of Veterinary Medicine		NCSU	
Consulting Review: Facilities Focus System		NCSU	
Continuous Auditing/Monitoring		ECU	
Contract and Grant Expenditures		UNC-CH	
Cooperative Extension Service		NCSU	
Dashboard Performance Metrics		ECU	
Debt Service Function		UNC-CH	
Employment Eligibility Function		UNC-CH	
Human Subjects Research		UNC-CH	
Identity and Access Management		NCSU	
Independent Contractor Function		UNC-CH	
Institute for Maintenance Science and Technology Investigation		NCSU	
Internal Billings		UNC-CH	
NC State Moodle Pilot		NCSU	
Purchasing Function		UNC-CH	
Quality Assurance Review 2011		ECU	
Restricted Funds		UNC-CH	
Time Information Management System Review		UNC-CH	

* Findings, recommendations, and corrective actions attached

Status

Complete - Fieldwork complete and report issued
In Process - Fieldwork in process and/or report not released.
On-Going - activities of an on-going nature, i.e. committees
Pending - Fieldwork stopped and /or report held up due to specific delay.
Deferred - Audit/Review moved to a future year.
Cancelled - Audit/Review will not be performed in the current or future year.

Specific Audits	Number of Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Financial Audits/Reviews					
Include audits/reviews having a direct relation to financial information at the institution.					
Petty Cash/Change Fund Counts (we performed 93 of these counts)	1	yes	complete	No	
Inventory Testing (Tested inventory in 24 different departments)	1	yes	complete	No	
Athletics	1	yes	complete	No	
New River Light & Power	1	yes	complete	No	
Information System Controls					
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
Access Controls	1	yes	complete		
Review & prep for State IT audit	1	yes	complete	No	
Housing & Residence Life On-line assignment system	1	yes	complete	No	
Disaster Recovery	4	yes	complete	No	
Conferences & Institutes System	1	yes	complete	No	
Physical Plant Facility Max Program	1	yes	complete	No	
Audits/Reviews of Internal Controls					
Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing.					
Campus Wide Asset Control	1	yes	complete	No	
Evaluation of FIT	1	yes	complete	No	
Self Assessment of Internal Controls	1	yes	complete	No	
Campus Wide Comp Time	1	yes	complete	No	
Procurement Card Review	4	yes	complete	No	
Foundation Expenditure Review	4	yes	complete	No	
Travel Procedures	1	yes	in process		
Performance/Operational Audits and/or Reviews					
Include audits/reviews of departmental operations and activities.					
ASU Energy Center	1	yes	in process		
ASU Trust Funds	1	yes	in process		
Discretionary Funds	1	yes	in process		
ASU Motor Pool	1	yes	in process		
New River Light and Power	1	yes	complete	No	
Athletics	1	yes	complete	No	
Auxilliary Fees (Housing, Food Ser. Etc.)	1	yes	Deferred		This audit will be added to the plan for next year

Appalachian State University
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Number of Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Compliance Audits Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures.					
Gear Up	1	yes	complete	No	
Federal Grants - Pell Grants	1	yes	complete	No	
Federal Grants - Other	1	yes	Deferred		Grants funded by stimulus will be added to next year
Chemical Storage	1	yes	complete	No	
Audit Findings Follow-up Follow-up activity related to audit findings resulting from externla audits and those from internal audit activity.					
Follow Up State Financial Audit	1	yes	complete	No	
Follow Up State Fiscal Control Audit	1	yes	complete	No	
AFI audit - Follow Up	1	yes	complete	No	
Special Investigations (i.e. Misuse or Misappropriation of Assets) Include investigations of internal and external hotline reports as well as any similar types of investigations, regardless of the source.					
H/R Hiring Policies	1	No	complete	No	
Physical Plant Vending	1	No	complete	No	
Tuition Free Course Review	1	No	complete	No	
Special Assignments Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.					
Internal control Officer for EAGLE/FIT	1	yes	On-going		
Data Standards Committee	1	yes	On-going		
Software Evaluation Committee	1	yes	On-going		
Search Committee	1	No	In process		
Other Include other internal audit activities not included elsewhere. The entries here be very limited.					

* Findings, recommendations, and corrective actions attached

Status
 Complete - Fieldwork complete and report issued
 In Process - Fieldwork in process and/or report not released.
 On-Going - activities of an on-going nature, i.e. committees
 Pending - Fieldwork stopped and /or report held up due to specific delay.
 Deferred - Audit/Review moved to a future year.
 Cancelled - Audit/Review will not be performed in the current or future year.

East Carolina University
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Number of Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Financial Audits/Reviews					
Include audits/reviews having a direct relation to financial information at the institution.					
Petty Cash Counts, Change Fund Counts	1	N	In Process		
Inventory Testing	1	N	In Process		
Fixed Assets Testing	1	N	In Process		
Information System Controls					
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
Disaster Recovery Test 2009-2010	1	Y	In Process		
2nd Follow-Up State Auditor 2008 IT Audit	1	Y	Completed	Y	
ITCS Log Review Processess and Privileged User Accounts	1	Y	Cancelled		
University's Mobile Computing Practices	1	Y	Cancelled		
Audits/Reviews of Internal Controls					
Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing.					
EAGLE Testing	1	Y	Cancelled		
UNC FIT Payroll	1	Y	Cancelled		
UNC FIT Purchase to Pay	1	Y	Cancelled		
UNC FIT Financial Aid	1	Y	Completed		
UNC FIT Contracts and Grants	1	Y	Completed		
UNC FIT General Accounting and Financial Reporting	1	Y	Completed		
Performance/Operational Audits and/or Reviews					
Include audits/reviews of departmental operations and activities.					
Child Development Lab	1	Y	In Process		
Recreation and Leisure Studies	1	Y	Completed		
Employee Entry/Exit Processes	1	Y	Completed	Y	
Continuing Studies	1	Y	In Process		
Graduate School	1	Y	Completed	Y	
Dining	1	Y	In Process		
Housing	1	Y	In Process		
Compliance Audits					
Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures.					
Title IX	1	Y	Completed	Y	
Reporting Misuse of State Property	1	Y	Completed	Y	
Audit Findings Follow-up					
Follow-up activity related to audit findings resulting from externla audits and those from internal audit activity.					
2nd FollowUp OSA 2006-2007 Reportable Conditions	1	Y	Completed		
University Policy Manual and Training	1	Y	Completed		
Maritime Studies	1	Y	Completed		
EAGLE Follow-Up	1	Y	Completed		
Radiation Oncology	1	Y	Completed		
Student Life Meal Cards	1	Y	Completed		
School of Arts Keys	1	Y	Completed		
Fundraising Events	1	Y	Completed		
Moving Expenses	1	Y	Completed		

East Carolina University
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Number of Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Audit Findings Follow-up (cont'd)					
CHSC Employee Expenses	1	Y	Completed		
Petty Cash Controls	1	Y	Completed		
Accounts Payable	1	Y	Completed		
Chemistry Payroll and Admin	1	Y	Completed		
Chemistry Purchases and Inventory	1	Y	Completed		
University Cashier's Office	1	Y	Completed		
REAP Expense Review	1	Y	Completed		
Biology Research	1	Y	Completed		
ECU PD	1	Y	Completed		
Friends of Joyner Library	1	Y	Completed		
Readmission of Student	1	Y	In Process		
Special Investigations (i.e. Misuse or Misappropriation of Assets) Include investigations of internal and external hotline reports as well as any similar types of investigations, regardless of the source.					
International Affairs	1	Y	Completed	Y	
Dental Clinic - Use of Resources	1	Y	Completed	Y	
Misuse of State Time - Health Sciences (CN)	1	Y	Completed	Y	
ECU PD Alleged Liability Issue	1	Y	Completed		
ECU PD Compromised Security	1	Y	Completed		
BSOM Grant Issue	1	Y	Completed	Y	
Athletics Procard	1	Y	Completed	Y	
Math Grant	1	Y	Completed		
OAP Resource Use	1	Y	In Process		
Misuse of State Time - Health Sciences (IM)	1	Y	In Process		
Special Assignments Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.					
HIPAA Oversight Committee	1	N	Ongoing		
HIPAA Security Committee	1	N	Ongoing		
BSOM Risk Managment Committee	1	N	Ongoing		
BSOM Compliance Committee	1	N	Ongoing		
Enterprise Risk Management Committee	1	N	Ongoing		
Identity Theft Protection Committee	1	N	Ongoing		
University Policy Committee	1	N	Ongoing		
Supervisor's Training Task Force	1	N	Ongoing		
Healthspan Oversight Committee	1	N	Ongoing		
Other Include other internal audit activities not included elsewhere. The entries here should be very limited.					
Consultations	159	Y	Completed		
Dashboard Performance Metrics	1	Y	Completed		
Continuous Auditing/Monitoring	1	Y	In Process		
Fraud Risk Assessment	1	Y	In Process		
Risk Assessment 2009/2010	1	Y	Completed		
Risk Assessment 2010/2011	1	Y	Completed		
Quality Assurance Review 2011	1	Y	Pending		

* Findings, recommendations, and corrective actions attached

Status

Complete - Fieldwork complete and report issued

In Process - Fieldwork in process and/or report not released.

On-Going - activities of an on-going nature, i.e. committees

Pending - Fieldwork stopped and /or report held up due to specific delay.

Deferred - Audit/Review moved to a future year.

Cancelled - Audit/Review will not be performed in the current or future year.

Elizabeth City State University
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Number of Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Financial Audits/Reviews					
None					
Information System Controls					
Security of Academic Records and Transcripts	1	Yes	In Process		Delayed by Review of 2008-09 Fiscal Year End Entries
Audits/Reviews of Internal Controls					
Petty Cash and Change Funds 08-09	1	Yes	Complete	No	
Self-Assessment of Internal Controls	1	Yes	Complete	No	
Petty Cash and Change Funds 09-10	1	Yes	In Process		
Review of Funds in Cashier's Area - Special Request	1	No	Complete	No	Replaced Misuse of State Property - Auditor's Request
Performance/Operational Audits and/or Reviews					
Athletics	1	Yes	Deferred		Replaced by State Auditor's madated follow-up to the Statewide Federal Compliance Audit Procedures 2008-09
Compliance Audits					
Travel - Use of State Vehicles		Yes	Deferred		Replaced by State Auditor's madated follow-up to the Financial Statement Audit Report 2007-08
Telecommunications Devices		Yes	Deferred		Replaced by State Auditor' madated follow-up to the Special Investigative Audit Report 2010
Audit Findings Follow-up					
Follow-up to Auditor's Statewide Federal Compliance Audit Procedures 07-08	1	No	Complete	No	Replaced Time Sheets - Auditor's Request
Follow-up to Auditor's Financial Statement Audit Report May 2007-08	1	No	Complete	No	Replaced Travel - Use of State Vehicles
Follow-up to Auditor's Special Investigative Report March 2010	1	Yes	Complete	Yes	Replaced Telecommunications Devices
Follow-up to Auditor's Statewide Federal Compliance Audit Procedures 2008-09	1	Yes	Complete	No	Replaced Athletics Review
Special Investigations (i.e. Misuse or Misappropriation of Assets)					
State Auditor Request - Travel	1	Yes	In Process		Delayed by Ethics training/reporting as liaison
State Auditor Request - Misuse of State Property	1	Yes	In Process		Delayed by Review of Cashier's Fund-Special Request
State Auditor Request - Time Sheets	1	Yes	In Process		Delayed by State Auditor's madated follow-up to the Statewide Federal Compliance Audit Procedures 2008-09
Special Assignments					
Coordinated Ethics training/reporting as liaison 11/06 until 9/09		No	Complete		Replaced Travel Audit - Auditor's Request
Other					
Review of all 2008-09 Fiscal Year End Entries and Documentation		No	Complete		Replaced Security of Academic Records

* Findings, recommendations, and corrective actions attached
Status

Complete - Fieldwork complete and report issued

In Process - Fieldwork in process and/or report not released.

On-Going - activities of an on-going nature, i.e. committees

Pending - Fieldwork stopped and /or report held up due to specific delay.

Deferred - Audit/Review moved to a future year.

Cancelled - Audit/Review will not be performed in the current or future year.

Fayetteville State University
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Number of Reports	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Financial Audits/Reviews					
Include audits/reviews having a direct relation to financial information at the institution.					
Cash Counts Cashiers Office	1	Yes	Completed		
FSU Bank Account Reconciliation	1	Yes	Completed		
Information System Controls					
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
Banner Access Verification Procedures		Yes	In Process		We continue to work on this as it is the one finding that continues to show up in the State Auditor's annual reports on financial statements.
IT Disaster Recovery Plan		Yes	Deferred		In the 10/11 Audit Plan
Audits/Reviews of Internal Controls					
Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing.					
Project EAGLE - Assessment and Testing		Yes	Cancelled		Not done because of merge with FIT initiative.
Self-Assessment of Internal Controls	1	Yes	Completed		
FIT Implementation	N/A	Yes	In Process		Not conducted as true audit. Maitained check and review of KPI's as entered into COLAB.
Performance/Operational Audits and/or Reviews					
Include audits/reviews of departmental operations and activities.					
Human Resources	4	Yes	In Process		Completed I-9/Personnel File Maintenance/Temporary and Student Employees/SSN. Have to do Performance Mgt Sys and Special Pay & Leave. File Maintenance was listed separate on Audit Plan but was done as part of HR.
Student Financial Aid	1	Yes	Completed		Included Return of Title IV funds and reporting withdrawals.
Student Loan Process	1	Yes	Cancelled		Changes in the student loan process (going to only one lender) resulted in deletion of the audit.
Print Shop Operations		Yes	Deferred		
Use of Express Personnel Services to Hire Temporary Employees	1	No	Completed		
Housing Operations		Yes	Deferred		

Fayetteville State University
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Number of Reports	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Compliance Audits Include audits/reviews of compliance with federal and state requirements. Also, nclude audits/reviews of compliance with university policies and procedures.					
Tuition Waivers		Yes	Cancelled		Low risk area that was deleted because of higher priority audits.
Environmental Compliance		Yes	Deferred		
Use & Accountability of Cell Phones	1	Yes	Completed		
Audit Findings Follow-up Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.					
State Auditor - Follow-up Financial Aid and Statements June 30,2008	1	Yes	Completed		
Special Investigations (i.e. Misuse or Misappropriation of Assets) Include investigations of internal and external hotline reports as well as any similar types of investigations, regardless of the source.					
Underwriters Activities-Radio Station	1	No	Completed		
Helpline Call Review-Libarary	1	No	Completed		
Helpline Review-Student Health Services	1	No	Completed		
Helpline Review-Sch of Ed Use of Leave	1	No	Completed		
State Auditor Hotline Review	1	No	Completed		
Faculty Leave	1	No	Completed		
Complaint Review-Student Accounts	1	No	Completed		
Special Assignments Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.					
			On Going		
BANNER Steering Committee			On Going		
Red Flag Compliance Committee					
Other Include other internal audit activities not included elsewhere. The entries here should be very limited.					
Monitor University Helpline on Continued Basis					

* Findings, recommendations, and corrective actions attached

Status

Complete - Fieldwork complete and report issued

In Process - Fieldwork in process and/or report not released.
On-Going - activities of an on-going nature, i.e. committees
Pending - Fieldwork stopped and /or report held up due to specific delay.
Deferred - Audit/Review moved to a future year.
Cancelled - Audit/Review will not be performed in the current or future year.

North Carolina A and T State University
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Included in the Audit Plan	Status	Significant Audit Findings*	Auditor Comments
Information System Controls				
Banner Finance	Yes	Pending	Not applicable	
Internal Control Testing and/or Reviews				
Surprise Cash Counts and Treasurer's Office Cash Counts	Yes	Complete	No	
Office of State Controller ICQ review	Yes	Complete	No	
Year End Inventory	Yes	Complete	No	
Departmental Audits and/or Reviews				
Summer Sessions Outreach Programs	Yes	Pending	Not applicable	
Special Investigations (i.e. Misuse or Misappropriation of Assets)				
Ethics Line Investigations	Yes	Complete	No	
Unscheduled Audits	Yes	Complete	No	
Special Assignments				
State Auditor's Fiscal Control Audit (90-Day Resolution)	No	Complete	No	
State Auditor's Financial Statement Audit (90-Day Resolution)	No	Complete	No	
Audit Findings Follow-up				
Follow-up of HR Consultant Report	Yes	Pending	Not applicable	
Follow-up of Financial Consultant Audit	Yes	Complete	No	
Prior Year Audits Follow-Up	Yes	Complete	No	
Compliance Audits				
Various Special Projects and Requests	Yes	Complete	No	
NCAA Compliance Audit - Phase I	Yes	Pending	Not applicable	
Conflict of Interest and Commitment (Grants)	Yes	Pending	Not applicable	
Other				
Operations Administration	Yes	Complete	Not applicable	

* **There were no Significant Audit Findings for FY 2009-10.**

North Carolina Central University
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Number of Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Financial Audits/Reviews					
Include audits/reviews having a direct relation to financial information at the institution.					
2009 Financial Reporting Limited Review	1	Y	Complete		
NCCU WNCU 90.7 Fm Jazz Radio	1	Y	Complete		
Petty Cash Audit	1	N	Complete		
Year End Inventory Testing FY 09-10	1	N	Complete		
Information System Controls					
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
Audits/Reviews of Internal Controls					
Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing.					
Assessment of Internal Controls Over Financial Reporting	1	Y	Complete		
Performance/Operational Audits and/or Reviews					
Include audits/reviews of departmental operations and activities.					
Benefits Review	1	N	In-Progress		
Overtime Review	1	N	In-Progress		
Payroll Review	1	Y	Deferred		In the process of implementing of Payroll/HR Banner System.
Purchasing and Accounts Payable Review	1	Y	Deferred		Purchasing department in the process of revamping daily purchasing process with new system.
Compliance Audits					
Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures.					
2009 Petty Cash & Change Fund Process Review	1	Y	Complete		
Annual Disclosure Review	1	Y	In-Progress		
Foundation related party Transactions Process Review	1	Y	Deferred		
Title III Office Program Income Process Review	1	Y	Complete		
Audit Findings Follow-up					
Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.					
2nd Follow-Up Review Report for OSA Financial Statement Audit Report FY 07	1	Y	Complete		
2nd Follow-Up Review Report for OSA 2008 ITS Review Audit Report	1	Y	Complete		
90 Day Follow-Up Report: OSA 2009 Single Audit Report	1	N	In-Progress		
Special Investigations (i.e. Misuse or Misappropriation of Assets)					
Include investigations of internal and external hotline reports as well as any similar types of investigations, regardless of the source.					
HMCUC Review	1	Y	Pending		This review has been forwarded to the North Carolina Office of the State Auditor's (OSA) Investigation Division as of March 2010.
Special Assignments					
Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.					
Other					
Include other internal audit activities not included elsewhere. The entries here should be very limited.					

* **Findings, recommendations, and corrective actions attached**

Status

Complete - Fieldwork complete and report issued   **Y = Yes**

In Process - Fieldwork in process and/or report not released.   **N = No**

On-Going - activities of an on-going nature, i.e. committees

Pending - Fieldwork stopped and /or report held up due to specific delay.

Deferred - Audit/Review moved to a future year.

Cancelled - Audit/Review will not be performed in the current or future year.

Specific Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Internal Control Testing and/or Review Audits				
College of Engineering - The Future Renewable Electric Energy Delivery and Management Systems (FREEDM) Center	Yes	Report in draft	No	General internal controls over business operations, including business office, financial transactions, contract and grant compliance, and other administrative activities. Issues to auditee for response.
Departmental Audits and/or Reviews				
Cooperative Extension Service - Granville County	No	Report in draft	No	Review of business and finance practices at County CES office. Report in executive review.
Cooperative Extension Service - Harnett County	No	In Progress		Review of business and finance practices at County CES office
Cooperative Extension Service - Warren County	No	Report issued 11/2009	No	Review of business and finance practices at County CES office. No significant issues. Report issued 11/09. IA to follow-up on corrective actions.
Campus Enterprises - University Dining	No	Report issued 06/2010	No	Review of Departmental business and finance activities including IT systems in use. Financial (reconciliation, billing, non-salary income) and IT issues. Report issued 06/10. IA to follow-up on corrective actions.
Performance Audits				
Cooperative Extension Service - Central Office Governance and Business Processes	Yes	Returned to RA; C/F to FY2011		Risk assessment survey of all CES offices and general controls review of central business and finance processes with the goal of efficiency and effectiveness and process improvement recommendations

Specific Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Financial Statement Audits				
The Friends of NC State Baseball, L.L.C. ("Rally Club")	No	Closed	No	Audit in progress at end of FY09 (on FY 2009 Plan) and continued in FY10 - Financial statement audit of minor associated entity per BOG policy; CY2008 - Report issued 7/09. No issues noted.
The Friends of NC State Baseball, L.L.C. ("Rally Club")	No	Closed	No	Financial statement audit of minor associated entity per BOG policy; CY2009 - Report issued 03/10. No issues noted.
Information System Control Audits				
IT General Controls - Distance Education and Learning Technology Applications (DELTA)	Yes	Returned to RA: C/F to FY2011		General IT and internal control processes
IT General Controls - Student Affairs	Yes	In-progress		General IT and internal control processes
Office of Information Technology - Enterprise Application Services and Financial and Business Division - Financial Services (Controller's Office) - Audit of the Financials System	Yes	In-progress		Detailed application system control review
Human Resources Division - Human Resources Information System	Yes	Returned to RA: C/F to FY2011		Integrated audit with Operational team to assess general controls and data integrity
IT General Controls - College of Natural Resources	No	Report Issued 03/2010	No	Audit in progress at end of FY09 (on FY 2009 Plan) and continued in FY10 - General IT and internal control processes
College of Textiles - Information Technology Department	No	Report Issued 03/2010	No	Audit in progress at end of FY09 (on FY 2009 Plan) and continued in FY10 - General IT and internal control processes

Specific Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Special Investigations (i.e. Misuse or Misappropriated of Assets)				
College of Education - Education Curriculum and Instruction - Contracts and Grants Investigation	No	Closed	No	Allegation of misuse of funds on state grant (DPI) - allegation substantiated misapplication/misman agement of funds on one grant; Campus Police investigation followed. Other issues of less significance were also noted. Report issued10/09. Follow up complete 06/2010.
Facilities Division - Power Systems Investigation	No	Report issued 07/2009	No	Allegation of timesheet and personal time falsifications. Review delegated to Facilities HR; deliverable = report results to IA. Facilities provided report to IA 07/09. IA to follow-up on corrective actions.
College of Veterinary Medicine - Veterinary Teaching Hospital - Pharmacy	No	Report issued 01/2010	No	Theft of controlled substances; improved security and monitoring efforts implemented and pharmacy staff increased to support more active oversight. Report issued 01/10. IA to follow-up on corrective actions. Second theft occurred in 4/10; IA consulting - see below.
University Housing - Upholstery Shop	No	Closed	No	Delegated and provided oversight to Housing's investigation of an OSA Hot Line report. Letter issued 1/10.
College of Agriculture and Life Sciences - Dairy Education Unit	No	Closed	No	Allegation of misuse of state resources (time, computer resources, and location) not substantiated. Internal allegations of mismanagement of timesheet/keeping processes and compensatory/leave time substantiated; ER and CALS Food Science Department and CALS HR implementing corrective actions. Letters issued 1/10.

Specific Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
College of Agriculture and Life Sciences-University Field Laboratory	No	Closed	No	OSA Hotline delegation; inappropriate employee conduct; addressed by Employee Relations. Letter issued 10/09.
CES Gates and Hertford Counties	No	In Progress		Investigate allegations of funds mismanagement in the Gates County CES and Hertford County CES Offices.
College of Education - Friday Institute for Educational Innovation Telephone Logs Investigation	No	Closed	No	Investigate allegations of misuse of University-owned telephones and the lack of a process for long distance telephone calls; Friday Institute Director addressed use of telephones to staff, IA provided best practice guidance; Letter issued 04/10
College of Education - Friday Institute for Educational Innovation Signature Investigation	No	Closed	No	Allegation of unauthorized signatures on grant expenditures (indicating approval of expense); unsubstantiated. No issues; letter issued 6/10.

Specific Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Special Assignments				
Compliance with Retreat Rights	No	Report issued 08/2009	Yes	Chancellor request; investigation into retreat rights agreements for SAAO employees; significant issues relating to non-compliance, lack of process, and policy inconsistencies. Report issued 08/09. IA to follow-up on corrective actions.
CALS DELTA Funded Distance Education Program	No	Report in draft	No	Chancellor and Provost request; investigation of allegations related to management and issues in the Distance Education Program at CALS. Report in draft.
NC State Alumni Association	No	Report issued 06/2010	No	Chancellor request; audit of finance and business operations, internal controls, compliance; significant internal control weaknesses throughout processes. Report issued 06/10. IA to follow-up on corrective actions.
Compliance Audits				
University-wide - High Risk Contracts and Grants Compliance Audit	Yes	Returned to RA		Pre- and post-award processes, compliance, and internal controls at Principle Investigator, department, college, and central levels.
College of Education - Department of Math, Science, and Technology Education	No	Closed	No	Audit in progress at end of FY09 (on FY 2009 Plan) and continued in FY10 - Departmental audit to review finance and business processes, internal controls, and compliance. Contracts and grants issues, no significant issues. Report issued 11/2009. Follow-up complete 06/2010.

Specific Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Previous Years Audit Findings Follow-up				
Follow-Up on Timesheet Issues from 3 separate prior report	No	Closed	n/a	Follow-up on timesheet issues from several old audits (1) Fair Labor Standards Act (FLSA) - Time Sheet Review [June 2006]; 2) Compliance with Additional Pay and Leave for Subject to Personnel Act (SPA) Employees [September 2007]; 3) Office for Diversity and African American Affairs [October 2007]; Follow-up completed 04/2010; all 3 audits closed.
Office of Information Technology - Office of the State Auditor (OSA)General IT Controls	Yes	Closed	n/a	Follow-up on issues in OSA report per GA and state requirements; GA closure of 90 day corrective action implementation period 05/2009; IA full follow-up report to GA issued 4/2010; GA issued closure of full follow-up 4/2010; IA continuing to follow-up on outstanding corrective actions 6/10.
Office of Information Technology - Office of the State Auditor (OSA)"Copyright Investigation"	Yes	Closed	n/a	Follow-up on issues in OSA report per GA and state requirements; GA closure of 90 day corrective action implementation period 12/2008; IA full follow-up report to GA issued 8/2009; GA closure of full follow-up 8/2009; IA closed audit 8/2009.
College of Engineering, Electrical and Computer Engineering Department - Faculty Performance Review Audit	Yes	Returned to RA: C/F to FY2011	n/a	Follow-up issues in prior Internal Audit report; will be included in FY 2011 comprehensive audit of ECE Finance & Business function

Specific Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
College of Engineering, Electrical and Computer Engineering Department - Contracts and Grants Audit	Yes	Returned to RA: C/F to FY2011	n/a	Follow-up issues in prior Internal Audit report; will be included in FY 2011 comprehensive audit of ECE Finance & Business function
College of Engineering- Electrical and Computer Engineering Department - Special Review of Internal Allegations of Misuse of State Property/Assets	No	Returned to RA: C/F to FY2011	n/a	Follow-up issues in prior Internal Audit report; will be included in FY 2011 comprehensive audit of ECE Finance & Business function
College of Physical and Mathematical Sciences - Department of Chemistry	No	Closed	n/a	Follow-up issues in prior Internal Audit report; Follow-up completed 09/2009.
Office of Information Technology (OIT) - Administrative Data Back-up	No	In progress	n/a	Follow-up issues in prior Internal Audit report
College of Natural Resources - IT General Controls	No	In progress	n/a	Follow-up issues in prior Internal Audit report
College of Engineering - Materials Science Engineering	No	Closed	n/a	Follow-up issues in prior Internal Audit report. Follow-up completed 03/2010.
College of Agriculture and Life Sciences - Dairy Records Management	No	Closed	n/a	Follow-up issues in prior Internal Audit report; Follow-up completed 06/2010.
College of Engineering - Office of the State Auditor (OSA) Engineering Foundation	No	In progress	n/a	Follow-up on issues in OSA report per GA and state requirements; GA closed the 90 day corrective action implementation period on April 30, 2010 but IA to follow-up after July BOT meeting (should approve PRR) when all corrective actions are fully completed
Facilities Division - Power Systems Investigation	No	Report issued 07/2009	n/a	Follow-up on Facilities corrective actions
Cooperative Extension Service	Yes	On-going	n/a	Training on University policies, best practices in business and financial activities/transactions, use of new IA self-assessment tools on IA website, and awareness of common issues. On-site reviews as necessary. Consulting at District Meetings.

Specific Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
UNC Finance Improvement and Transformation (FIT) Team	No	On-going	n/a	Director on FIT Internal Audit Advisory Team and will also participate in GA monitoring visits and follow-up on any issues reported as needed
Associated Entities	Yes	As needed	n/a	Oversight/Review
Identity and Access Management (IAM)	Yes	On-going	n/a	Participation on OIT
Email Task Force	Yes	Completed	n/a	Participation on task force to develop recommendations for university email archival and retention processes; consulting on standards and best practices
University IT Committee (UITC)	Yes	On-going	n/a	Participation in UITC including security subcommittee and college Academic IT Directors meetings; consulting on university PRR's, IT standards, and best practices
NC State Moodle Pilot	Yes	Completed	n/a	Consulting on learning management system (LMS) pilot project re: IT standards and best practices
Alcohol Policy Review Task Force	No	Completed	n/a	Participation on Task Force Committee; provided recommendations to the Chancellor
University IT Governance Initiative	No	In Progress	n/a	University Security & Compliance Taskforce chair
Consulting Review: Facilities Focus System	No	Completed	n/a	High level review of access and data security of the Facilities Focus System.
College of Veterinary Medicine	No	In Progress	n/a	Second occurrence of theft of controlled substances; theft discovered due to corrective actions put in place after first theft (see above audit number 2010-13). Additional controls and training will be implemented pending results of investigation by CVM (IA consulting only due to lack of audit staff). Report to be provided by CVM.

Specific Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Institute for Maintenance Science and Technology Investigation	No	Completed	n/a	Request from Vice Chancellor for Research and Graduate Studies; confirm of policy violation and disregard for direct order from University Executive Officers; provided data, chronology of events, and recommendations for further actions to Provost. No report required. To be followed-up by Provost, COE Dean, and VC Research. No further IA work required.

The University of North Carolina at Asheville
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Included in the Audit Plan	Status	Material Reportable Conditions*	Auditor Comments
Information System Controls				
Follow-up - General Controls Review	Yes	In process	Yes	Follow-up report issued. University management implemented corrective action to findings and satisfactory progress made toward correcting others.
Internal Control Testing and/or Reviews				
Office of the State Auditor - Self-Assessment of Internal Control for 2010	Yes	Completed	No	No material findings.
Departmental Audits and/or Reviews				
Athletics	Yes	Pending	N/A	To be completed during the 2010-2011 fiscal year.
N.C. Arboretum	Yes	Pending	N/A	To be completed during the 2010-2011 fiscal year.
Special Investigations (i.e. Misuse or Misappropriation of Assets)				
Internal Audit Hotline: Faculty on long-term disability working at another institution	No	Completed	N/A	Faculty member resigned from the university. Further audit work, not considered necessary. Formal internal audit report not
Special Assignments				
Bookstore	Yes	Completed	Yes	Report issued; corrective action implemented by university management.
Audit Findings Follow-up				
N.C.Center for Creative Retirement	Yes	Completed	Yes	Follow-up to the internal audit review performed, FYE 6-30-09. Formal internal audit report not issued.
Financial Audit	Yes	Completed	Yes	Follow-up report issued.
NC State Education Assistance Authority (NCSEAA) Program Review	Yes	Completed		Follow-up report issued. University management implemented corrective action to findings issued.
Compliance Audits				
Human Resources	Yes	In Process	N/A	Work completion anticipated for August 2010.
Lapsed Salary/Management Flexibility	No	Not included	N/A	Per internal audit discussion with university management, this is not consiidered a risk for the university and will not be included. Internal audit awaiting information from UNC-GA about status of this review.
Other				
Unannounced Cash Counts	Yes	Completed	N/A	No material findings.
Year-End observation of the Fixed Asset Inventories	Yes	Completed	N/A	No material findings.
Affiliated-entities financial statement summaries	Yes	In Process	No	Awaiting the 2009 financial stmts from the NC Arboretum Society; all other affiliate reports received.

Specific Audits	Included in the Audit Plan	Status	Significant Audit Findings*	Auditor Comments
Information System Controls				
Enterprise Resource Planning Participation	Yes	In process	no	none
Server Survey	Yes	In process	no	none
Data Security	Yes	Deferred	n/a	to fiscal year 2011 because of
Internal Control Testing and/or Reviews				
EAGLE Control Certification	Yes	Cancelled	no	replaced with assistance to UNC FIT Project
UNC FIT	No	Scheduled	n/a	none
Departmental Audits and/or Reviews				
Student Stores	Yes	Complete	no	none
Auxiliary Services - Photocopy Support Services	Yes	In process	no	none
Surprise Cash Counts 2010	Yes	Complete	n/a	none
Assistance with NCAA Audit 2009	Yes	Complete	n/a	none
Institutional Animal Care/Lab Animal Medicine	Yes	Deferred	n/a	to fiscal year 2011
Energy Services	Yes	Deferred	n/a	to fiscal year 2011
Independent Contractor Function	Yes	Deferred	n/a	to fiscal year 2011
Internal Billings - MMD	Yes	Deferred	n/a	to fiscal year 2011
Special Investigations (i.e. Misuse or Misappropriation of Assets)				
Pediatrics Cardiology	Yes	In process	no	none
AdmissionPros	Yes	In process	no	none
NC Teaching Fellows	Yes	Complete	no	none
DHHS Contracts	Yes	Complete	no	none
TEACCH	Yes	Complete	no	none
School of Education Leave Balances	No	In process	n/a	management request
Aramark Contract	No	In process	n/a	anonymous complaint
Radiology Timekeeping	No	In process	n/a	management request
Special Assignments				
Computer Repair Center	Yes	Complete	no	none
Ob/Gyn Cash	Yes	Complete	no	none
Carolina Population Center	Yes	Complete	no	none
Audit Findings Follow-up				
University-wide Follow-up	Yes	Deferred	n/a	to fiscal year 2011
2009 State Audit Follow-up (financial)	Yes	Not needed	n/a	none
2009 State Audit Follow-up (IT)	Yes	In process	yes	The State Auditor cited the decentralized nature of the university's information technology environment, the fact that an information technology risk assessment had not been done, and the lack of finalized information security policies. The Chief Information Office has been given the authority to establish and enforce IT security guidelines, a comprehensive IT risk assessment is in process, and appropriate security policies have been issued.
Compliance Audits				
None				
Other				
Employment Eligibility Function	Yes	In process	no	none
Restricted Funds	Yes	Complete	no	none
Debt Service Function	Yes	In process	no	none
ACL Concurrent Audit Routines	Yes	In process	no	none
ACC Football Settlement 2009	Yes	Complete	no	none
Independent Contractor Function	Yes	Deferred	n/a	to fiscal year 2011
Contract and Grant Expenditures	Yes	Deferred	n/a	to fiscal year 2011
Human Subjects Research	Yes	Deferred	n/a	to fiscal year 2011
Internal Billings	Yes	Deferred	n/a	to fiscal year 2011
Purchasing Function	Yes	Deferred	n/a	to fiscal year 2011
Time Information Management System Review	No	In process	n/a	added to plan

Specific Audits	Number of Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Financial Audits/Reviews					
None					
Information System Controls					
None					
Audits/Reviews of Internal Controls					
Fraud Risk Assessment		Yes	Completed		
University Governance Procedures		Yes	Completed		
Review Annual Self Assessment of Internal Controls (for 2009)		Yes	Completed		
Review Annual Self Assessment of Internal Controls (for 2010)		Yes	In Progress		
Performance/Operational Audits and/or Reviews					
Operational Review - Belk College of Business		Yes	Completed		
Operational Review - College of Health and Human Services		Yes	Completed		
Campus Police Evidence Control Room Inventory		No	In Progress		Management Advisory Service request
Auxiliary Services Contracts Review		No	Completed		Management Advisory Service request
Compliance Audits					
Misuse of State Property Reporting Procedures		Yes	Completed		
Audit Petty Cash/Change Fund/Receipt Books Accountability		Yes	Completed		
Financial Aid Processing (includes NCAA compliance component)		Yes	Completed		
Biosafety Program		Yes	Completed		
State Mandated IT Contractor Reporting Process		No	Completed		Management
Time and Attendance Procedures-Multicultural Academic Svcs		No	Completed		Management Advisory Service request
Review carry-forward and lapsed salary usage (for FY 2009)		Yes	Completed		
Review carry-forward and lapsed salary usage (for FY 2010)		Yes	In progress		
Audit Findings Follow-up					
Follow-up to 2008 OSA IT General Controls Audit Findings		Yes	Completed		UNC GA mandated follow up
Follow-up to FY2008 OSA Financial Audit Report Finding		Yes	Cancelled		Cancelled by UNC GA
Restricted Gift Adminisration (UNCC R2007-1)		Yes	Completed		
Travel Policy and Procedures (R2008-1)		Yes	Completed		
Banner Security Access (UNCC R2007-8)		Yes	Completed		
Student Accounts Receivable Procedures (UNCC R2009-6)		No	Completed		
Special Investigations (i.e. Misuse or Misappropriation of Assets)					
Greek Life Financial Controls		No	Completed	Yes	Case is pending trial
Kennedy Scholarship Fund inquiry		No	Completed		
Special Assignments					
Vice President, Staff Council			Term complete		1 staff auditor has filled this role for one year
Chair, Residency Status Appeal Board			Term complete		1 staff auditor has filled this role for 12 years
Search Committees			Ongoing		Director has served on three committees this year
Other					
None					

* Findings, recommendations, and corrective actions attached

Status

Complete - Fieldwork complete and report issued

In Process - Fieldwork in process and/or report not released.

On-Going - activities of an on-going nature, i.e. committees

Pending - Fieldwork stopped and /or report held up due to specific delay.

Deferred - Audit/Review moved to a future year.

Cancelled - Audit/Review will not be performed in the current or future year.

Specific Audits	Included in the Audit Plan	Status	Material Reportable Conditions *	Auditor Comments
Audits/Reviews of Internal Controls				
Advancement Services (Gifts Processing)	Yes	Deferred	N/A	Gift Processing (Stock) on FY 2011 Audit Plan
Clearing Accounts	FY 2009	Complete	No	
EAGLE/UNC FIT Internal Control Walkthroughs & Testing (Self-Assessment of Internal Controls)	Yes	Complete	No	Internal Audit reported on assessment activities
Purchasing Card (PCard) Transactions	Yes	Complete	No	
Weatherspoon Arts Foundation (Inventory Observation)	Yes	Complete	No	
Compliance Audits				
Contracting for Services	Yes	In Process	N/A	
Contracts & Grants (Time & Effort Reporting)	Yes	In Process	N/A	
Departmental Cash Receipts	Yes	In Process	N/A	
Intercollegiate Athletics Program (assistance with Agreed-Upon Procedures review)	Yes	Complete	No	
Misuse or Theft of State Property (reporting)	Yes	Complete	No	
Travel Reimbursements	Yes	Complete	No	
Audit Findings Follow-up				
Follow-up Resolution of Audit Findings of the Office of the State Auditor (financial audit)	Yes	N/A	N/A	State Auditor confirmed resolution of finding
The Alumni Association of UNCG (independent financial audit)	No	Complete	No	Internal Audit confirmed resolution of findings
Special Assignments				
Risk Assessment (for development of internal audit plans)				
OSC EAGLE - UNCG project team				
UNC FIT - UNCG campus team				
Other				

* **Findings, recommendations, and corrective actions attached**

The University of North Carolina at Pembroke
Summary of Internal Auditor Activities
Year End June 30, 2010

Specific Audits	Number of Audits	Included in Audit Plan	Status	Significant Audit Findings*	Auditor's Comments
Audit Findings Follow-up					
State Audit Findings--Financial Y/E June 30, 2008	1	No	Complete	No	
State Audit Findings--Financial Y/E June 30, 2009	1	Yes	Complete	No	
State Audit Findings--Fed Compliance Y/E June 30, 2008	1	No	Complete	No	Financial Aid Audit
State Audit Findings--Fed Compliance Y/E June 30, 2009	1	Yes	Complete	No	Financial Aid Audit
Special Investigations					
Misuse of State Property	1	No	Pending		Waiting for Inventory of equipment to be completed
Audits of Internal Controls					
Audit of Financial Transactions (Public Safety Dept.)	1	Yes	Complete	Yes	See Attachment One for Findings, Recommendations and Corrective Actions
Self-Assessment of Internal Controls	1	No	Complete	No	
Financial Audits/Reviews					
Petty Cash Counts, Change Fund Counts	10	No	Complete	No	
Inventory Testing	5	No	Complete	No	
Special Assignments					
SACS Committee	1	No	Complete	No	
Coordinator for Data Stewards	1	No	On-Going	No	

The University of North Carolina at Wilmingotn
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Number of Audits	Included in the Audit Plan	Status		Significant Audit Findings *	Auditor Comments
Financial Audits/Reviews						
Friends of UNCW Financial Review		Yes	Complete		No	
Information System Controls						
Banner Access Review		Yes	Cancelled		-	
Annual Banner Disaster Review		Yes	Complete		No	
Audits/Reviews of Internal Controls						
Year End Inventory		Yes	Complete		No	
OSC Eagle Program - Internal Control Assessment		Yes	Cancelled		-	
Performance/Operational Audits and/or Reviews						
Athletics - Business Affairs		Yes	Deferred		-	Moved to the 2010-2011 audit plan
College of Arts and Sciences		Yes	Complete		No	
Public Service		Yes	Deferred		-	Moved to the 2010-2011 audit plan
Parking Office Consult		Yes	Complete		No	
Staff Senate Consult		No	Complete		No	
Banner Course Coding		Yes	Complete		No	
Quality Assurance Review		Yes	In Process		-	
Housing and Residence Life		Yes	Complete		No	
Continuous Monitoring		Yes	Deferred		-	Moved to the 2010-2011 audit plan
Compliance Audits						
Eligibility of Athletes		Yes	Complete		No	
Environmental Health & Safety - Hazardous Waste (continuation)		Yes	Complete		No	
University Compliance Reporting		Yes	Deferred		-	Moved to the 2010-2011 audit plan
Special Responsibility Constituent Institution Budget Revisions		Yes	In Process		-	Report will be issued in August 2010
Tuition Waivers		No	Complete		No	
Audit Findings Follow-up						
Named Scholarships		Yes	Complete		No	
UNCW Passport Acceptance Agency		Yes	Complete		No	
Purchasing Card		Yes	Complete		No	
University Vehicle		Yes	In Process		-	Report will be issued in August 2010
UNCW Presents		Yes	In Process		-	Report will be issued in August 2010
Travel Office		Yes	Complete		No	
International Programs		Yes	Complete		No	
Network and Communications		Yes	Complete		No	
Incomplete Grades		Yes	Deferred		-	Moved to the 2010-2011 audit plan
Associated Entities Follow Up		Yes	Cancelled		-	
Fiscal Controls Follow Up		No	Complete		No	
OSA Financial Statement Findings from FYE 6/30/2007		Yes	In Process		-	Report will be issued in August 2010
Special Investigations (i.e. Misuse or Misappropriation of Assets)						
Pharmacy Investigation		No	Complete		No	Pharmacy investigation will be extended to a consult for the 2010-2011 audit plan.
Special Assignments Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities. None						
Other Include other internal audit activities not included elsewhere. The entries here should be very limited. None						

* Findings, recommendations, and corrective actions attached

Status

Complete - Fieldwork complete and report issued

In Process - Fieldwork in process and/or report not released.

On-Going - activities of an on-going nature, i.e. committees

Pending - Fieldwork stopped and /or report held up due to specific delay.

Deferred - Audit/Review moved to a future year.

Cancelled - Audit/Review will not be performed in the current or future year.

The University of North Carolina School of the Arts
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Number of Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Financial Audits/Reviews					
None					
Information System Controls					
General Controls Review	0	Yes	Cancelled		OSA Conducted a General
Audits/Reviews of Internal Controls					
Self-Assessment of Internal Controls 2009	1	Yes	Complete	No	
Self-Assessment of Internal Controls 2010	1	No	Complete	No	
Performance/Operational Audits and/or Reviews					
Community Music School	1	Yes	Complete	Yes	
Surplus Property	0	Yes	Cancelled		Cancelled per Request From COO. Dept. Unable to Assist With Audit Due to Other Work Projects.
Facilities Management Labor Chargebacks	1	Yes	In Process		
Compliance Audits					
Student Financial Aid	0	Yes	Cancelled		OSA Conducted a Student Financial Aid Audit During the Fall of 2009
Review of Carry-Forward and Lapse Salary Funds	1	Yes	Complete	No	
Audit Findings Follow-up					
Business Continuity Follow-up	1	Yes	Complete	No	
Foundation Film Inventory Follow up	1	Yes	Complete	No	
Ticket Sales Follow-up	1	Yes	Complete	Yes	
Rental Property Follow-up	1	Yes	Complete	No	
OSA Financial Audit Findings Follow-up	1	Yes	Cancelled		
Special Investigations (i.e. Misuse or Misappropriation of Assets)					
State Auditor Request - Hotline Reports	1	No	Complete	No	
Misuse of State and Institutional Trust Funds	2	No	In Process		
Special Assignments					
Insurance Committee		Yes	On-going		
Ethics Liaison		Yes	On-going		
EAGLE Project		Yes	Cancelled		EAGLE Project Eliminated by OSC
Other					
None					

* Findings, recommendations, and corrective actions attached

Status

Complete - Fieldwork complete and report issued

In Process - Fieldwork in process and/or report not released.

On-Going - activities of an on-going nature, i.e. committees

Pending - Fieldwork stopped and /or report held up due to specific delay.

Deferred - Audit/Review moved to a future year.

Cancelled - Audit/Review will not be performed in the current or future year.

Western Carolina University's
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Number of Audits	Included in the Audit Plan	Status	Material Reportable Conditions*	Auditor Comments
Information System Controls					
1. CBORD		Yes	Ongoing	NA	Transfer to 2010/2011 Audit Schedule
Internal Control Testing and/or Reviews					
1. Internal Control Questionnaire/Self Assessment		Yes	Complete	NA	Adequate Internal Controls
2. Fraud Prevention Control Testing (Result of FRA)		Yes	Ongoing	NA	Transfer to 2010/2011 Audit Schedule
*FRA=Fraud Risk Assessment					
Departmental Audits and/or Reviews					
1. International Distance Education Program-Jamaica		Yes	Ongoing	NA	Transfer to 2010/2011 Audit Schedule
Special Investigations (i.e. Misuse or Misappropriation of Assets)					
1. State Auditor Hotline Call: University Police		No	Complete	No	Allegation Unfounded
2. Athletics Academic Support Time Records		No	Complete	Yes	See Attached
3. Program for the Study of Developed Shorelines		No	Complete	Yes	See Attached
Special Assignments					
1. Risk assessment of Information Technology Infrastructure		Yes	Cancel	NA	IT to Perform Risk Assessment
Major Audit Findings 2008/2009 Follow-up					
1. 2008/2009 IT Audit - State Auditor - 90 Day Count		Yes	Complete	No	Recommendations Implemented
2. 2008/2009 Financial Audit - State Auditor - 90 Day Count		Yes	Complete	No	Recommendations Implemented
3. 2008/2009 Financial Audit - State Auditor - 1st Quarter		Yes	In Progress	No	Report to be Issued in August
4. Security of Labs/Stockrooms, College of Arts and Sciences		Yes	Cancel	NA	Time Constraints/Low Risks
5. CatCard Audit		Yes	Complete	No	Recommendations Implemented
6. EMS Audit - 2nd Follow-up		Yes	Cancel	No	Time Constraints/Low Risks
Compliance Audits					
1. Financial Aid/Institutional Scholarship Award Processes		Yes	In Progress	No	Report to be Issued in August
2. University Affiliation Agreements		Yes	Ongoing	NA	Transfer to 2010/2011 Audit Schedule
3. Forest Stewards, Inc. - Associated Entity		Yes	Ongoing	NA	Transfer to 2010/2011 Audit Schedule
4. Export Control Regulations - Shipping/Travel		Yes	In Progress	No	Report to be Issued in August
Other Including Financial Audits					
1. Review of Lapsed Salary Expenditures		Yes	Cancel	NA	Time Constrainst/Not Required
2. Timely Deposits/Transfers From the Foundation to the University		Yes	In Progress	NA	Report to be Issued in August
3. University Keys/ Security of Buildings/Alarm Systems		Yes	Cancel	NA	Time Constraints
4. Expenditure Audit of Selected University Accounts		Yes	In Progress	No	Report to be Issued in August

* **Findings, recommendations, and corrective actions attached**

Winston-Salem State University
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Number of Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Financial Audits/Reviews					
None					
Information System Controls					
Business Continuity/Disaster Recovery		No	Pending		The plans are in the process of being updated so this work
Audits/Reviews of Internal Controls					
Fixed Asset Testing		Yes	Complete		Auditor's noted one missing asset valued at $15,000. Referred to Campus Police for Investigation.
Assessment of Internal Controls over Financial Reporting		Yes	Complete	No	
Fuel Oil Inventories		Yes	Complete	No	
Banner Payroll Implementation consultation/review		Yes	Ongoing		
Cash Count Audit		Yes	In Progress		Cash count complete - report in progress
Inherent Risk Assessment		No	Complete		
Performance/Operational Audits and/or Reviews					
None					
Compliance Audits					
P-Card Compliance		Yes	In Progress		
Audit Findings Follow-up					
2008 OSA Financial Statements - 90 Day Report		No	Complete	N/A	Satisfactory progress was reported on all issues.
2009 OSA Fiscal Control Audit - 90 Day Report		No	Complete	N/A	Satisfactory progress was reported on all issues.
2007 Internal Audit - Purchasing		No	In Progress		UNCGA Mandated follow-up
2009 OSA Financial Statement Audit - 90 Day Report		No	In Progress		UNCGA Mandated follow-up
2009 OSA Federal Compliance Audit - 90 Day Report		No	In Progress		UNCGA Mandated follow-up
2008 OSA Report Findings - 2nd Follow-up		No	Pending		UNCGA Mandated follow-up
Special Investigations (i.e. Misuse or Misappropriation of Assets)					
OSA Referred Investigation - Hiring Allegations		No	Complete	No	
Athletics - Travel Funds		No	Complete		Track Coach terminated
Grant Contract - Gas Cards		No	Complete		Awaiting University response
Special Assignments					
Report to the Office of Internal Audit			Complete		Report of audit work done throughout FY2010
Internal Audit Strategic Plan			In Progress		
Automation and standardization of work-papers			In Progress		
Institutional Assessment Team			Ongoing		
Interview Committee			Ongoing		
Facilities Recharge Center consultation			Ongoing		
WSSU Website Redesign			In Progress		

North Carolina School of Science and Mathematics
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Number of Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Financial Audits/Reviews					
Include audits/reviews having a direct relation to financial information at the institution.					
Information System Controls					
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
Audits/Reviews of Internal Controls					
Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing.					
Accounts Payable		Y	Complete	No	
UNC-FIT Monitoring		Y	On-going	No	
Payroll		Y	Deferred	N/A	Audit will focus on
Criminal Background Check Process		Y	Deferred	N/A	Internal Audit will perform at the end of 2010-2011. We have entered into a contract to outsource this service with 2010-2011 being the initial year.
Budgeting		Y	Cancelled	N/A	
Performance/Operational Audits and/or Reviews					
Include audits/reviews of departmental operations and activities.					
Recruitment and Hiring		Y	Complete	No	
Mini-Term		Y	In process	N/A	
Student Security Deposits		Y	Deferred	N/A	
Library Purchasing		Y	Cancelled	N/A	
Compliance Audits					
Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures.					
SCSSI Compliance Review		N	Pending	N/A	Pending response from entity. Potential restructuring may render issues irrelevant going forward.
Review of 2008-2009 transactions authorized under management flexibility		Y	Complete	No	
Audit Findings Follow-up					
Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.					
Purchasing		Y	In process	N/A	
Accounts Payable		Y	Deferred	N/A	Audit not completed until 2009-2010 year. Follow-up will occur in 2010-2011.

North Carolina School of Science and Mathematics
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Number of Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Special Investigations (i.e. Misuse or Misappropriation of Assets) Include investigations of internal and external hotline reports as well as any similar types of investigations, regardless of the source.					
Review of Recruiting and Salary Administration for internal reassignment		No	Complete	No	
State Auditor Investigation of the NCSSM Foundation budget for the Chancellor's Office		No	Complete	No	Investigation performed by OSA. Internal Audit facilitated the delivery of information and performed its own review as well. No issues noted.
Investigation of SCSSI's 5% Charge to Students for Mini-Term		No	Complete	No	Complaint received by the OSA. Performed by NCSSM Internal Audit as a transfer.
Faculty Salary and Contract		No	Complete	No	Complaint received relating to the appropriateness of one faculty member's contract.
Architecture in Berlin Mini-Term		No	Complete	No	
Special Assignments Include special activities assigned to the internal auditor, including committee					
eCentral: NCSSM's Online Employee Resource Working Group		No	On-going	N/A	Participated in
Training for Mini-Term Trip Sponsors		No	On-going	N/A	
Other Include other internal audit activities not included elsewhere. The entries here should be very limited.					

* Findings, recommendations, and corrective actions attached

Status

Complete - Fieldwork complete and report issued

In Process - Fieldwork in process and/or report not released.

On-Going - activities of an on-going nature, i.e. committees

Pending - Fieldwork stopped and /or report held up due to specific delay.

Deferred - Audit/Review moved to a future year.

Cancelled - Audit/Review will not be performed in the current or future year.

The University of North Carolina General Administration
Summary of Internal Auditor Activities
Year Ending June 30, 2010

Specific Audits	Number of Audits	Included in the Audit Plan	Status		Significant Audit Findings *	Auditor Comments
Financial Audits/Reviews						
None						
Information System Controls						
Financial Record System Access / Controls		Yes	Deferred			No internal auditor
Audits/Reviews of Internal Controls						
Self Assessment of Internal Control		Yes	Complete			The Self-Assessment was performed by the Controller's Office at General Administration in lieu of the internal auditor.
Capital Assets & Inventory Verification		Yes	Deferred			No internal auditor
Time and Attendance Record System		Yes	Deferred			No internal auditor
UNC FIT Key Performance Indicator Reporting		Yes	On-going			The Associate Vice President for Finance and the Vice President for Finance monitor the Key Performance Indicators for General Administration and for all the institutions.
Performance/Operational Audits and/or Reviews						
Contract and Grant Sub Award Monitoring		Yes	Deferred			No internal auditor
UNC TV P-Card and Accounts Payable Processing		Yes	Deferred			No internal auditor
SEAA Loan / Aid Automated Voucher Feed Processing		Yes	Deferred			No internal auditor
Compliance Audits						
None						
Audit Findings Follow-up						
None						
Special Investigations (i.e. Misuse or Misappropriation of Assets)						
Various As Occurs		Yes	Deferred			No internal auditor
Special Assignments						
Various As Occurs		Yes	Deferred			No internal auditor
Other						
None						

* Findings, recommendations, and corrective actions attached

Status

Complete - Fieldwork complete and report issued

In Process - Fieldwork in process and/or report not released.

On-Going - activities of an on-going nature, i.e. committees

Pending - Fieldwork stopped and /or report held up due to specific delay.

Deferred - Audit/Review moved to a future year.

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UNC Shared Services Payroll Project Update

The UNC Finance Improvement and Transformation (UNC FIT) team continued its implementation of the UNC Shared Services Payroll solution for the nine campuses that have been a part of the State's Central Payroll system. To date, five of the nine campuses are live on Banner Payroll. By the end of 2010, there will be two additional campuses on Banner Payroll and by April 2011 all campuses will be fully migrated off of the State system.

Banner Bi-Weekly Payroll for Students and Temporaries
The most recent campuses to implement Banner bi-weekly payroll (NC A&T State University and Winston-Salem State University) have successfully processed three payrolls with very minimal issues. The UNC FIT team continues to work with WSSU to roll-out web-time entry for their bi-weekly employees. Implementation activities are underway with both Fayetteville State University and North Carolina Central University scheduled to implement Banner bi-weekly pay in October. Both campuses are fully engaged.

Banner Monthly Payroll for Permanent Employees
The UNC FIT team is working with both NCA&T and WSSU on Banner monthly payroll implementation activities. The NCA&T team is scheduled to go-live in September, pending successful parallel testing of the August payroll. WSSU is scheduled to go-live in October. The human resource and payroll staffs of each campus continue to be challenged with the increased work load of on-boarding fall semester staff and work study students, while engaged in a payroll implementation project.

Next Campuses
The UNC FIT team will continue working with Fayetteville State University and NC Central University during the fourth quarter of 2010 to go-live with Banner monthly pay in January. Work will also begin with Elizabeth City State University to implement bi-weekly pay in January and monthly pay in April. The last campus to implement Banner payroll will be The UNC School of the Arts which is scheduled to go-live with both bi-weekly and monthly pay in April. At that time, all campuses will be fully migrated off of the State's Central Payroll system.

Other Activities
The Shared Services Center is actively recruiting for its fourth and final payroll analyst position. The UNC FIT team is working with the Office of State Controller on transition plans for calendar year 2011.

UNC FIT Project Update
Business Process Improvements and Financial Monitoring

Changes in the membership of the UNC FIT Advisory Teams for both Financial Aid and Contracts and Grants were made in August. Work is underway to identify new process teams for Capital Assets and Student Accounts Receivable. Campus internal control assessments have been received and are in the review process at UNC General Administration. Campuses continue to report on Key Performance Metrics and provide timely remediation plans for those areas with unacceptable ratings. Financial Dashboards will be prepared on a quarterly basis in fiscal year 2011.

Business Process Standards
The next two business process areas to be addressed in FY 2011 are Capital Assets and Student Receivables. Potential sub-processes, along with the process lead and Advisory Teams, will be identified during the month of September. Work will begin in October with target campus implementations of January and February 2011.

Self-Assessments of Internal Controls
All campuses submitted the required Certification of Internal Controls to the State Controller by July 31st. Copies of the internal control assessments have been received by General Administration and are in review as a part of the UNC FIT monitoring efforts.

Institutional Action Plans for Key Performance Indicators (KPIs)
New templates for the Key Performance Indicators for fiscal year 2011 were distributed to the campuses in August. Action plans for those areas requiring attention were submitted on time and with adequate remediation plans. General Administration is working proactively with the campuses as a part of the overall UNC FIT monitoring effort. The newly constituted Advisory Teams will begin in September to review the existing KPIs to determine any that need to be discontinued and to propose additional KPIs that will be beneficial from both a campus operational and leadership perspective.