

Minutes of the September 8, 2011 Meeting
of the Board of Governor's Audit Committee

The Audit Committee met in the Board Room at the UNC General Administration-Spangler Center in Chapel Hill, North Carolina on Thursday, September 8, 2011 at 4:00 p.m.

Members in attendance were Mr. W. Louis Bissette, Jr., Mr. John M. Blackburn, Mr. Walter C. Davenport, Dr. Fred N. Eschelman, Mr. Thomas J. Harrelson, Dr. Franklin E. McCain, Mr. Hari H. Nath, Mr. Richard F. Taylor, and Mr. Phillip D. Walker. Board Chair Hannah Gage was also in attendance was Ms. Hannah D. Gage. East Carolina University's Chancellor Steve Ballard and Director of Internal Audit Stacie Tronto were in attendance as well as UNC General Administration staff.

Chairman Davenport called the meeting to order and welcomed everyone.

On a motion from Mr. Bissette, seconded by Mr. Blackburn, the minutes of the September 8, 2011 meeting were approved.

Jeff Henderson introduced the Summary of 2011-12 Internal Audit Plans for all UNC institutions (see attached) for approval. Chairman Davenport inquired if training sessions for Internal Auditors would be made available to the smaller campuses, as well as possible monthly call-in meetings with all the Internal Auditors. Mr. Henderson would explore the request.

On a motion of Mr. Blackburn, seconded by Mr. Bissette, the 2011-12 Internal Audit Plans were approved.

As required by General Statue 143-739, the North Carolina Internal Audit Act, internal auditors shall comply with the *Standards for the Professional Practice of Internal Auditing* issued by the Institute of Internal Audits. It is required in Section 1000 of those *Standards* that the internal audit charter be approved by the governing board for the agency. The Internal Audit Charter for UNC General Administration was prepared based on those *Standards* and documented the purpose, scope, and responsibilities of the internal auditor for UNC General Administration.

On a motion of Dr. Eschelman, seconded by Mr. Walker, the UNC General Administration Internal Audit Charter (see attached) was approved.

Jeff Henderson reviewed East Carolina University's Fiscal Control Audit (see attached) released since the last meeting.

Chancellor Ballard addressed the findings and corrective actions that had taken place since the report. He noted the person involved had resigned and agreed to repay the fund. In addition, the University has taken corrective steps to help prevent these issues from occurring in the future.

There being no further business, the meeting was adjourned.

Mr. Walter C. Davenport
Chair of the Audit Committee

Dr. Franklin E. McCain
Secretary of the Audit Committee

The University of North Carolina Systemwide Summary
Internal Audit Plans
Year Ending June 30, 2012

Specific Audits	Number of Audits	Institution
Financial Audits/Reviews		
Include audits/reviews having a direct relation to financial information at the institution.		
Petty Cash/Change Fund Counts	7	ASU, NC A&T, UNC-CH, UNC-P, UNC-A, WSSU, UNCSA
Inventory Testing	5	ASU, NC A&T, UNC-P, UNC-A, WSSU
Student Health Services		ASU
New River Light & Power		ASU
Athletics		ASU
Appalachian Real Estate Holdings, Inc.		ASU
Endowments and Gift Management		FSU
Equipment Maintenance Contracts		FSU
Friends of NC State Baseball, LLC, Financial Statements		NCSU
Assist Athletics Auditors		UNC-CH
Review of Expenses - President, Chief of Staff, Vice Presidents		UNC-GA
Ticket Office - Reconciliation of Athletic Events		NCCU
Payroll Review	2	NCCU, WCU
Pcard Audits and Audits of PPI		WCU
Friends of UNCW Financial Review		UNC-W
Accuracy of Financial Records		ECSU
Student Accounts Receivable		ECSU
Information System Controls		
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.		
Access Controls	2	ASU, NCSSM
Holmes Center Ticket Operations		ASU
Disaster Recovery	7	ASU, ECU, FSU, ECSU, UNC-W, WSSU
Parking & Traffic System		ASU
HIPAA Systems and Data Storage		ECU
Review UHS Audit Reports/Workpapers		ECU
Banner Access Verification Procedures		FSU
Banner Payroll Operations	2	FSU, NC A&T
Banner Finance		NC A&T
College of Humanities and Social Sciences: Information Technology General Controls		NCSU

The University of North Carolina Systemwide Summary
Internal Audit Plans
Year Ending June 30, 2012

Specific Audits	Number of Audits	Institution
Office of Information Technology, Communications Technologies: University Network Firewall Protection Service		NCSU
Office of Information Technology, WolfTech Active Directory: Security and Operational Controls		NCSU
Data Security		UNC-CH
Payment Card Security		UNC-CH
Reconciliation of Data Feeds into Banner		UNC-C
Network Security Review		NCCU
SciQuest Software	3	UNC-P, WCU, ASU
Audits/Reviews of Internal Controls		
Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing.		
UNC Fit Assessment, Testing, and Monitoring	4	ASU, NC A&T, NCSSM, UNC-A
Departmental Budget Reconciliations		ASU
Campus Wide Asset Control		ASU
Travel	2	ASU, ECSU
Campus Wide Compensatory Time		ASU
Procurement Card Review	4	ASU, NCSU, UNC-G, UNC-GA
Foundation Expenditure Review		ASU
Brody School of Medicine Coding/Billing Review		ECU
University Collections Process		ECU
Invoice/Receiving Process		ECU
Assessment of Controls over Financial Reporting	11	NC A&T, UNC-C, FSU, UNC-G, UNC-GA, UNC-P, WCU, ECSU, UNC-A, WSSU, UNCSA
Contracts		NCSSM
2010-2011 Management Flexibility		NCSSM
Controls over the Usage of Restricted Gifts	2	NCSU, WSSU
Capital Project Authorization and Approval Process		UNC-C
Foundation Finance (Life Income Funds)		UNC-G
Purchasing - Purchase Orders / SciQuest		UNC-G
Weatherspoon Arts Foundation (Inventory Observation)		UNC-G
Law School - Auxiliary Funds - Graduate Student Association		NCCU
Theater Activities - Review of Internal Controls		NCCU
Review of Payments to Independent Contractors		NCCU
Travel Review - Student Travel/Reimbursement Payment Process		NCCU
Summer 2012 Camps		NCCU

The University of North Carolina Systemwide Summary
Internal Audit Plans
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Specific Audits	Number of Audits	Institution
Departments Authorized to Receive Payments, Checks, Cash		UNC-P
Cash Receipting Functions in Athletics		UNC-P
Operating Procedures for Endowment Funds		UNC-P
SRCI Budget Revision Procedure		ECSU
Additional Pay (Supplemental, Overtime Pay)		ECSU
University Wide: Manual Cash Receipting	2	WSSU, UNCSA
Vendor Payments		WSSU
Performance/Operational Audits and/or Reviews		
Include audits/reviews of departmental operations and activities.		
Print Shop		ASU
Human Resource Services-Secondary Employment		ASU
New York Loft		ASU
App House		ASU
Parking & Traffic		ASU
Post Office		ASU
Brody School of Medicine Contract Management System		ECU
Facilities Use		ECU
Athletic Camps		ECU
Travel - College of Education		ECU
Construction Contract Administration		FSU
Housing Operations		FSU
Financial Aid	2	FSU, UNC-A
BRONCO eBay Operations		FSU
J. W. Seabrook Auditorium		FSU
Athletic Department Operations		FSU
Faculty Workload Analysis		NC A&T
University Copy Machines - Security of Copied Materials		NC A&T
Maintenance and Control over Laboratory Equipment		NC A&T
Employee Criminal Background Checks		NCSSM
Residency Status		NCSSM
Service Centers Processes		NCSU
Human Resources Information System		NCSU
Debt Service Function		UNC-CH
TIM System		UNC-CH
Auxiliary Services Contracts/M meal Plan Review		UNC-CH
Independent Contractor Function		UNC-CH
Sponsored Research Billing and Receivables		UNC-CH
Injury Prevention Research Center		UNC-CH
Executive Director for the Arts		UNC-CH
Operational Review - Graduate School		UNC-C

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Specific Audits	Number of Audits	Institution
Operational Review - Atkins Library		UNC-C
UNC TV Efficiencies Review		UNC-GA
Shared Services Center		UNC-GA
Contracts & Grants Review: NASA & Crest Grants		NCCU
Capital Asset Review		NCCU
Advancement and External Affairs		WCU
International Distance Education Program-Jamaica		WCU
Chancellor's Office		UNC-W
College of Health and Human Services		UNC-W
Gift Management		UNC-W
Human Resources	2	UNC-W, WSSU
Public Service and Continuing Studies		UNC-W
University Police		UNC-W
Design and Construction Operational Audit		ECSU
Capital Assets		ECSU
Bowling Center		ECSU
Record Retention		ECSU
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		ASU
Police Department Clery Act		ASU
Federal Grants - Time and Effort	2	ASU, UNC-P
Contracted Services		ASU
HIPPA/FERPA Regs in relation to Health Services		ASU
State Grants		ASU
Social Media		ECU
Clinical Trials		ECU
Social Engineering		ECU
Conflict of Interest and Commitment		FSU
NCAA Compliance Audit-Phase I		NC A&T
Student Health Insurance Program		NC A&T
Procurement of Construction and Design Services		NCSU
Clery Act Reporting Procedures		UNC-C
Audit Petty Cash/Change Fund/Receipt Books Accountability		UNC-C
NCAA Compliance - Student Eligibility		UNC-C
Quarterly Review of Purchase Card Transactions		UNC-C
Capital Projects		UNC-G
Contracts and Grants	2	UNC-G, NCSU

The University of North Carolina Systemwide Summary
Internal Audit Plans
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Specific Audits	Number of Audits	Institution
Financial Aid (Verification of FAFSA)		UNC-G
Intercollegiate Athletics Program		UNC-G
Misuse or Theft of State Property (Reporting)		UNC-G
Travel Reimbursements		UNC-G
Carry-forward, Lapsed Salary and Management Budget Flexibility	5	UNC-GA, UNC-C, UNC-A, WSSU, UNCSCA
Review of Student Association Activities		NCCU
Review of Promotional Items Sold through Academic Departments		NCCU
Electronic Review - Purchase of University IPADS, Cell Phones		NCCU
Requisitions/Purchase Orders That Require Quotes		UNC-P
Liability Insurance for Interns		WCU
Conflict of Interest and Commitment External Professional Activities for Pay		WCU
Eligibility of Athletes	2	UNC-W, WSSU
Distance Education		UNC-W
Student Stipends/Contracts and Grants		ECSU
Review of Assessed Tuition		ECSU
Business Contracts		ECSU
Campus Crime Reporting		ECSU
Student Affairs	2	WSSU, UNCSCA
Audit Findings Follow-up		
Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.		
Office of the State Auditor Findings	13	ASU, ECU, NCSSM, UNC-CH, UNC-C, UNC-G, UNC-GA, UNC-P, ECSU, UNC-A, WSSU, UNCSCA
Internal Audits	3	ASU, NC A&T, WSSU
University Policy Manual and Supervisor Training		ECU
2nd Follow-Up Employee Entry/Exit		ECU
2010 SEC External Security Assessment		ECU
Athletics Title IX		ECU
Computer Loan Program		ECU
CDL Review		ECU
Brody School of Medicine Use of Resources		ECU
SBTDC		ECU
Campus Dining		ECU
Campus Living		ECU
Continuing Studies		ECU
Distributed IT Controls		ECU

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Specific Audits	Number of Audits	Institution
Student Employment/Pay Process		ECU
Travel Review		ECU
Copy Center		FSU
HR Consultant Report		NC A&T
Time Administration Review/Leave Audit		NCSSM
Capital Assets		NCSSM
Accounts Payable		NCSSM
University-wide Follow-up		UNC-CH
Labor Service Billing Procedures		UNC-C
Fraud Risk Assessment		UNC-C
Financial Record System Access/Controls		UNC-GA
Time and Effort Record System		UNC-GA
CBORD		WCU
Institutional Scholarships		WCU
Export Controls		WCU
Expenditure Testing/Grants Testing		WCU
NCSEAA	2	WCU, UNC-A
Athletics		UNC-W
Banner Payroll Process		UNC-W
Campus Crime Reporting		UNC-W
College of Arts and Sciences		UNC-W
Environmental Health and Safety		UNC-W
Fiscal Controls		UNC-W
Housing and Residence Life		UNC-W
Office of International Programs		UNC-W
Parking Reconciliation		UNC-W
School of Nursing		UNC-W
Travel Office		UNC-W
Tuition Waiver Process		UNC-W
University Compliance Reporting		UNC-W
Misuse of Funds		ECSU
Human Resource Audit		UNC-A
Center for Diversity Education		UNC-A
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.		
Cultural Museum		ASU
Misuse of State Time		ECU
Hotline Investigations	4	NC A&T, WSSU, UNCSA
Unscheduled Audits		NC A&T

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Specific Audits	Number of Audits	Institution
Various	2	NCSU, UNC-GA
Gene Therapy Center		UNC-CH
Other Investigations		UNC-CH
Audit Issue and Allegation Monitoring		NCCU
Emergency Loans		WCU
Conflict of Interest Review: Student Affairs		UNC-A
Men's Basketball Coach - Travel Fraud		WSSU
General Counsel - Misuse of State Resources		WSSU
Student Affairs Employee - Allegations of Corruption (Kickbacks)		WSSU
Special Assignments		
Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.		
SACS Institutional Effectiveness Subcommittee		ASU
SACS Financial and Physical Resources Subcommittee		ASU
Data Standards Committee		ASU
Search Committees	2	ASU, UNC-C
SciQuest Committee		ASU
HIPAA Oversight Committee		ECU
HIPAA Security Committee		ECU
Brody School of Medicine Risk Management Committee		ECU
Brody School of Medicine Compliance Committee		ECU
Enterprise Risk Management Committee	3	ECU, NCSU, WSSU
Identity Theft Protection Committee		ECU
University Policy Committee		ECU
Healthspan Oversight Committee		ECU
Technology Steering Committee		ECU
BANNER Steering Committee		FSU
Monitor University Help Line		FSU
Strategic Planning		NCSSM
Consulting: SCSSI Restructuring		NCSSM
Consulting and Advisory Services		NCSSM
Unplanned Management Requested Projects		NCSSM
Cooperative Extension Service		NCSU
UNC Finance Improvement and Transformation (FIT) Team		NCSU
Identity and Access Management (IAM)		NCSU
University Information Technology Strategic Advisory Committee		NCSU
Internal Control Assessment Committee	2	NCSU, WSSU
University Record Retention		NCSU
Administrative Systems Steering and Management Teams		NCSU

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Specific Audits	Number of Audits	Institution
NCSU Research Support Council (RSC)		NCSU
Enterprise Resource Planning Assistance		UNC-CH
IT Governance Committee		UNC-CH
HIPAA Security Liaison		UNC-CH
University Committee on the Protection of Personal Data		UNC-CH
Electronic and Physical Security Committee Member		UNC-C
Business Continuity Planning Committee		UNC-C
Special Audits Requested by Management		UNC-P
Task Force - Institutional Scholarships		WCU
Data Stewardship Committee		WCU
Computer Incident Security Response Team		WCU
Disaster Recovery and Business Continuity Team		WCU
Export Control Committee		WCU
Quality Assurance Review Volunteer, State Wide Program		WCU
President of the NC Association for University Auditors		WCU
Organizational Governance Consultation		UNC-W
IT Policies and Procedures Committee		ECSU
Policy Review Committee		UNC-A
Banner Payroll Implementation		WSSU
Audit Committee	2	WSSU, UNC-SA
Interview Committee		WSSU
Institutional Assessment		WSSU
WSSU Website Redesign		WSSU
Monthly Meetings with Operational Staff		UNC-SA
Biannual Meetings with Senior Staff		UNC-SA
Other		
Include other internal audit activities not included elsewhere. The entries here should be very limited.		
Continuous Auditing/Monitoring	4	ECU, UNC-CH, UNC-W, ECSU
Fraud Risk Assessment	3	ECU, WCU, ECSU
Consultations	3	ECU, UNC-CH, ECSU
Risk Assessment	6	ECU, UNC-GA, UNC-G, WCU, ECSU
Unprogrammed Reviews		FSU
Operations Administration		NC A&T
Quality Assurance		UNC-W
IT Audit Universe		UNC-W
Volunteer income Tax Assistance Program (VITA) Participation		UNC-A
ACL Implementation		WSSU

**The University of North Carolina Systemwide Summary
Internal Audit Plans
Year Ending June 30, 2012**

Specific Audits	Number of Audits	Institution
Continuing Professional Education		WSSU
Internal Audit Strategic Plan		WSSU
Automation and Standardization of Audit Work Papers		WSSU
Peer Review Readiness		UNCSCA

Appalachian State University
Audit Plan Summary
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.					
Petty Cash/Change Fund Counts					
Inventory Testing					
Student Health Services					
New River Light & Power					
Athletics					
Appalachian Real Estate Holdings, Inc.					
Information System Controls					
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
Access Controls					
Holmes Center Ticket Operations					
Disaster Recovery					
Parking & Traffic System					
Sci Quest					
Audits/Reviews of Internal Controls					
Include audits/reviews of internal control systems and processes					
UNC Fit Assessments and Testing					
Departmental Budget Reconciliations					
Campus Wide Asset Control					
Travel					
Campus Wide Comp Time					
Procurement Card Review					
Foundation Expenditure Review					
Performance/Operational Audits and/or Reviews					
Include audits/reviews of departmental operations and activities.					
Print Shop					
Human Resource Services-Secondary Employment					
New York Loft					
App House					
Parking & Traffic					
Post Office					
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					
Police Dept. Clery Act					
Federal Grants - Time and Effort					
Contracted Services					
HIPPA/FERPA Regs in relation to Health Services					
State Grants					

Appalachian State University
Audit Plan Summary
Year Ending June 30, 2011

Specific Audits	Number of Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Audit Findings Follow-up Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.					
Follow Up State Financial Audit					
Follow Up for Internal Audits					
Follow Up for State IT Audit					
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.					
Cultural Museum					
Special Assignments Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.					
SACS Institutional Effectiveness Subcommittee					
SACS Financial and Physical Resources Subcommittee					
Data Standards Committee					
Search Committees					
SciQuest Committee					
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.

East Carolina University
Audit Plan Summary
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.					
Information System Controls Include audits/reviews of information systems, including general controls, application controls, and disaster recovery. Disaster Recovery 2010-2011 Disaster Recovery 2011-2012 HIPAA Systems and Data Storage Review UHS Audit Reports/Workpapers					
Audits/Reviews of Internal Controls Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing. BSOM Coding/Billing Review University Collections Process Invoice/Receiving Process					
Performance/Operational Audits and/or Reviews Include audits/reviews of departmental operations and activities. BSOM Contract Management System Facilities Use Athletic Camps Travel - College of Education					
Compliance Audits Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures. Social Media Clinical Trials Social Engineering					
Audit Findings Follow-up Follow-up activity related to audit findings resulting from external audits and those from internal audit activity. University Policy Manual and Supervisor Training 2nd Follow-Up Employee Entry/Exit 2nd Follow-Up OSA 2010 Reportable Condition 2010 SEC External Security Assessment Athletics Title IX					
Computer Loan Program CDL Review BSOM Use of Resources SBTDC Campus Dining Campus Living Continuing Studies Distributed IT Controls Student Employment/Pay Process Travel Review					

East Carolina University
Audit Plan Summary
Year Ending June 30, 2011

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.					
Misuse of State Time					
Special Assignments Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.					
HIPAA Oversight Committee					
HIPAA Security Committee					
BSOM Risk Management Committee					
BSOM Compliance Committee					
Enterprise Risk Management Committee					
Identity Theft Protection Committee					
University Policy Committee					
Healthspan Oversight Committee					
Technology Steering Committee					
Other Include other internal audit activities not included elsewhere. The entries here should be very limited.					
Continuous Auditing/Monitoring					
Fraud Risk Assessment					
Consultations					
Risk Assessment 2011/2012					
Risk Assessment 2012/2013					

* 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
Audit Plan Summary
Year Ending June 30, 2011

Specific 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.				
Accuracy of Financial Records				
Student Accounts Receivable				
Information System Controls				
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.				
Disaster Recovery Plan Review				
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				
Travel Procedures				
SRCI Budget Revision Procedure				
Additional Pay (Supplemental, Overtime Pay)				
Performance/Operational Audits and/or Reviews				
Include audits/reviews of departmental operations and activities.				
Design and Construction Operational Audit				
Capital Assets				
Bowling Center				
Record Retention				
Compliance Audits				
Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures.				
Student Stipends/Contracts and Grants				
Review of Assessed Tuition				
Business Contracts				
Campus Crime Reporting				

Elizabeth City State University
Audit Plan Summary
Year Ending June 30, 2011

Specific Audits	Included in the Audit Plan	Status	Significant Audit Findings	Auditor Comments
Audit Findings Follow-up Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.				
Misuse of Funds				
State Audit Findings - Follow-up				
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.				
Special Assignments Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.				
IT Policies and Procedures Committee				
Other Include other internal audit activities not included elsewhere. The entries here should be very limited.				
Continuous Auditing/Monitoring				
Fraud Risk Assessment				
Risk Assessment 2012/2013				
Consultations				

* 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
Audit Plan Summary
Year Ending June 30, 2011

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.					
Endowments and Gift Management					
Equipment Maintenance Contracts					
Information System Controls					
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
Banner Access Verification Procedures					
IT Disaster Recovery Plan					
Banner Payroll Operations					
Audits/Reviews of Internal Controls					
Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing.					
Review of Internal Control Questionnaire					
Performance/Operational Audits and/or Reviews					
Include audits/reviews of departmental operations and activities.					
Construction Contract Admin.					
Housing Operations					
Financial Aid					
BRONCO eBay Operations					
J. W. Seabrook Auditorium					
Athletic Department Operations					
Compliance Audits					
Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures.					
Conflict of Interest and Commitment					
Audit Findings Follow-up					
Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.					
Follow Up Copy Center					
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.					
Special Assignments					
Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.					
BANNER Steering Committee					
Monitor University Help Line					
Other					
Include other internal audit activities not included elsewhere. The entries here should be very limited.					
Un-programmed Reviews					

* 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
Audit Plan Summary
Year Ending June 30, 2011

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.					
Surprise Cash Counts and Treasurer's Office Cash Counts					
Year End Inventory					
Information System Controls					
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
Banner Finance					
Banner Payroll					
Audits/Reviews of Internal Controls					
Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing.					
UNC-FIT Assessments and Testing					
Assessment of Controls over Financial Reporting					
Performance/Operational Audits and/or Reviews					
Include audits/reviews of departmental operations and activities.					
Faculty Workload Analysis					
University Copy Machines - Security of Copied Materials					
Maintenance and Control over Laboratory Equipment					
Compliance Audits					
Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures.					
NCAA Compliance Audit-Phase I					
Audit Findings Follow-up					
Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.					
Follow-up of HR Consultant Report					
Prior Year Audits - Follow-Up					
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.					
Hotline Investigations					
Unscheduled Audits					
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.					
Operations Administration					

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 Central University
Audit Plan Summary
Year Ending June 30, 2011

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.					
Ticket Office - Reconciliation of Athletic Events		Y			
Payroll Review		Y			
Information System Controls					
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
Network Security Review		Y			
Audits/Reviews of Internal Controls					
Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing.					
Law School - Auxiliary Funds - Graduate Student Association		Y			
Theater Activities - Review of Internal Controls		Y			
Review of Payments to Independent Contractors		Y			
Travel Review - Student Travel/Reimbursement Payment Process		Y			
Summer 2012 Camps		Y			
Performance/Operational Audits and/or Reviews					
Include audits/reviews of departmental operations and activities.					
Contracts & Grants Review: NASA & Crest Grants		Y			
Capital Asset Review		Y			
Compliance Audits					
Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures.					
Review of Student Association Activities		Y			
Review of Promotional Items Sold through Academic Departments		Y			
Electronic Review - Purchase of University IPADS, Cell Phones		Y			
Audit Findings Follow-up					
Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.					
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.					
Audit Issue and Allegation Monitoring		Y			
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.					

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 State University
Audit Plan Summary
Year Ending June 30, 2011

Activity Type and Unit Audited	Number of Audits	Included in FY11 Audit Plan?	Status	Significant Audit Findings	Auditor Comments
Financial Audits/Reviews					
Associated Entities: Friends of NC State Baseball, LLC, Financial Statements					
Information System Controls					
College of Humanities and Social Sciences: Information Technology General Controls					
Office of Information Technology, Communications Technologies: University Network Firewall Protection Service					
Office of Information Technology, WolfTech Active Directory: Security and Operational Controls					
Audits/Reviews of Internal Controls					
University-wide: Controls over the Usage of Restricted Gifts					
University-wide: Controls over Purchase Cards					
Performance/Operational Audits and/or Reviews					
University-wide: Service Centers Processes					
Human Resources Division: Human Resources Information System					
Compliance Audits					
University-wide: Procurement of Construction and Design Services					
University-wide: Contracts and Grants Expenditures					
Audit Findings Follow-up					
Various					
Special Investigations (i.e. Misuse or Misappropriation of Assets)					
Various					
Special Assignments					
Cooperative Extension Service					
UNC Finance Improvement and Transformation (FIT) Team					
Identity and Access Management (IAM)					
University Information Technology Strategic Advisory Committee					
Internal Control Assessment Committee					
University Record Retention					
University Enterprise Risk Management					
Administrative Systems Steering and Management Teams					
NCSU Research Support Council (RSC)					
Various					

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.

University of North Carolina at Asheville
Audit Plan Summary
Year Ending June 30, 2011

Specific 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				
Inventory Testing				
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.				
UNC FIT Assessment and Testing				
Self-Assessment of Internal Controls				
Performance/Operational Audits and/or Reviews Include audits/reviews of departmental operations and activities.				
Student Financial Aid				
Compliance Audits Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures.				
Lapsed Salary/Management Flexibility				
Audit Findings Follow-up Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.				
Follow-up of State Auditor Finding				
HR Audit				
Center for Diversity Education				
NCSEAA				
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.				
Conflict of Interest Review: Student Affairs				
Special Assignments Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.				
Policy Review Committee				
Other Include other internal audit activities not included elsewhere. The entries here should be very limited.				
Volunteer income Tax Assistance Program (VITA) Participation				

* 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.

UNC-Chapel Hill
Audit Plan Summary
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.					
Surprise Cash Counts					
Assist Athletics Auditors					
Information System Controls					
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
Data Security					
Payment Card Security					
Audits/Reviews of Internal Controls					
Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing.					
UNC FIT - Assessment and Testing					
Performance/Operational Audits and/or Reviews					
Include audits/reviews of departmental operations and activities.					
Debt Service Function					
TIM System					
Auxiliary Services Contracts/Meal Plan Review					
Independent Contractor Function					
Sponsored Research Billing and Receivables					
Injury Prevention Research Center					
Executive Director for the Arts					
Compliance Audits					
Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures.					
None					
Audit Findings Follow-up					
Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.					
State Auditor Findings - Follow-up					
University-wide Follow-up					

UNC-Chapel Hill
Audit Plan Summary
Year Ending June 30, 2011

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. Gene Therapy Center Other Investigations					
Special Assignments Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities. Enterprise Resource Planning Assistance IT Governance Committee HIPAA Security Liaison University Committee on the Protection of Personal Data					
Other Include other internal audit activities not included elsewhere. The entries here should be very limited. Campus Consulting (short term advisory projects grouped by major functional area; no reports) Develop Continuous Auditing Procedures					

* 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.

University of North Carolina at Charlotte
Audit Plan Summary
Year Ending June 30, 2011

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.					
Information System Controls Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
Reconciliation of Data Feeds into Banner					
Audits/Reviews of Internal Controls Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing.					
Review Annual Self Assessment of Internal Controls (for 2012)					
Capital Project Authorization and Approval Process					
Performance/Operational Audits and/or Reviews Include audits/reviews of departmental operations and activities.					
Operational Review - Graduate School					
Operational Review - Atkins Library					
Compliance Audits Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures.					
Clery Act Reporting Procedures					
Audit Petty Cash/Change Fund/Receipt Books Accountability					
NCAA Compliance - Student Eligibility					
Quarterly Review of Purchase Card Transactions					
Review Carry-Forward and Lapsed Salary Usage (for FY 2012)					
Audit Findings Follow-up Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.					
Designated Follow-up #1 - IT General Controls (R2011-9)					
Designated Follow-up #2 - Labor Service Billing Procedures (R2009-2)					
Designated Follow-up #3 - Fraud Risk Assessment (R2010-1)					
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.					
Special Assignments Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.					
Electronic and Physical Security Committee Member					
Business Continuity Planning Committee					
Senior Staff Search Committees (Various)					
Other Include other internal audit activities not included elsewhere. The entries here should be very limited.					

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 at Greensboro
Audit Plan Summary
Year Ending June 30, 2011

Specific Audits	Included in the Audit Plan	Status	Material Reportable Conditions *	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. Foundation Finance (Life Income Funds) Purchasing Cards (Pcard) Transactions Purchasing - Purchase Orders / SciQuest Self-Assessment of Internal Controls (EAGLE) Weatherspoon Arts Foundation (Inventory Observation)				
Performance/Operational Audits and/or Reviews Include audits/reviews of departmental operations and activities.				
Compliance Audits Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures. Capital Projects Contracts and Grants Financial Aid (Verification of FAFSA) Intercollegiate Athletics Program (assistance with Agreed-Upon Procedures review) Misuse or Theft of State Property (reporting) Travel Reimbursements				
Audit Findings Follow-up Follow-up activity related to audit findings resulting from external audits and those from internal audit activity. Follow-up Resolution of Audit Findings of the Office of the State Auditor (financial audit)				
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.				
Special Assignments Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities. Risk Assessment (for development of internal audit plans)				
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.

UNC Pembroke
Audit Plan Summary
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.					
Petty Cash Counts, Change Fund Counts					
Inventory Testing					
Information System Controls					
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
SciQuest Software					
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					
Departments Authorized to Receive Payments, Checks, Cash					
Cash Receipting Functions in Athletics					
Operating Procedures for Endowment Funds					
Performance/Operational Audits and/or Reviews					
Include audits/reviews of departmental operations and activities.					
Compliance Audits					
Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures.					
Requisitions/Purchase Orders That Require Quotes					
Research Grants					
Audit Findings Follow-up					
Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.					
Follow-up of State Auditor 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.					
Financial Aid Compliance					
Special Assignments					
Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.					
Special Audits Requested by Management					
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.

UNC-Wilmington
Audit Plan Summary
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.					
Friends of UNCW Financial Review					
Information System Controls					
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
Annual Banner Disaster Recovery Test and Disaster Recovery Plan Review					
Audits/Reviews of Internal Controls					
Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing.					
Performance/Operational Audits and/or Reviews					
Include audits/reviews of departmental operations and activities.					
Chancellor's Office					
College of Health and Human Services					
Gift Management					
Human Resources					
Public Service and Continuing Studies					
University Police					
Compliance Audits					
Include audits/reviews of compliance with federal and state requirements.					
Also include audits/reviews of compliance with university policies and procedures.					
Eligibility of Athletes					
Distance Education					
Audit Findings Follow-up					
Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.					
Athletics					
Banner Payroll Process					
Campus Crime Reporting					
College of Arts and Sciences					
Environmental Health and Safety					
Fiscal Controls					
Housing and Residence Life					
Office of International Programs					
Parking Reconciliation					
School of Nursing					
Travel Office					
Tuition Waiver Process					
University Compliance Reporting					

**UNC-Wilmington
Audit Plan Summary
Year Ending June 30, 2011**

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.					
Special Assignments Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.					
Organizational Governance Consultation					
Other Include other internal audit activities not included elsewhere. The entries here should be very limited.					
Continuous Auditing					
Quality Assurance					
IT Audit Universe					

* 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.

University of North Carolina School of the Arts
Audit Plan Summary
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.					
Petty Cash/Change Fund Counts					
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.					
Self-Assessment of Internal Controls					
University Wide: Manual Cash Receipting					
Performance/Operational Audits and/or Reviews Include audits/reviews of departmental operations and activities.					
Compliance Audits Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures.					
Student Affairs					
Special Responsibility Constituent Institution Compliance					
Audit Findings Follow-up Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.					
State Auditor Findings - Follow-up					
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.					
State Auditor Hotline Investigation - Facilities					
Internal Audit Hotline Investigations					
Special Assignments Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.					
Audit Committee					
Monthly Meetings with Operational Staff					
Biannual Meetings with Senior Staff					
Other Include other internal audit activities not included elsewhere. The entries here should be very limited.					
Peer Review Readiness					

* 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
Audit Plan Summary
Year Ending June 30, 2011**

Specific Audits	Included in the Audit Plan	Status	Material Reportable Conditions*	Auditor Comments
Financial Audits/Reviews				
Include audits/reviews having a direct relation to financial information at the institution.				
Payroll				
Pcard Audits and Audits of PPI				
Information System Controls				
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.				
SciQuest				
Audits/Reviews of Internal Controls				
Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing.				
Internal Control Questionnaire/Self Assessment				
Performance/Operational Audits and/or Reviews				
Include audits/reviews of departmental operations and activities.				
Advancement and External Affairs				
International Distance Education Program-Jamaica				
Compliance Audits				
Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures.				
Liability Insurance for Interns				
Conflict of Interest and Commitment External Professional Activities for Pay				
Audit Findings Follow-up				
Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.				
CBORD				
Institutional Scholarships				
Export Controls				
Expenditure Testing/Grants Testing				
NCSEAA				
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.				
Emergency Loans				
Special Assignments				
Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.				
Task Force - Institutional Scholarships				
Data Stewardship Committee				
Computer Incident Security Response Team				
Disaster Recovery and Business Continuity Team				

**Western Carolina University's
Audit Plan Summary
Year Ending June 30, 2011**

Specific Audits	Included in the Audit Plan	Status	Material Reportable Conditions*	Auditor Comments
Export Control Committee				
Quality Assurance Review Volunteer, State Wide Program				
President of the NC Association for University Auditors				
Other				
Include other internal audit activities not included elsewhere. The entries here should be very limited.				
Annual Risk Assessment				
Fraud Risk Assessment				

* 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 Counts, Change Fund Counts					
Inventory Testing (Fuel Oil)					
Information System Controls					
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
Disaster Recovery/Business Continuity					
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					
University Wide: Manual Cash Receipting					
Vendor Payments					
Controls over the Usage of restricted Gifts					
Performance/Operational Audits and/or Reviews					
Include audits/reviews of departmental operations and activities.					
Human Resources/EEO					
Compliance Audits					
Include audits/reviews of compliance with federal and state requirements.					
Also include audits/reviews of compliance with university policies and procedures.					
Student Affairs					
NCAA Compliance - Student Athlete Eligibility					
Special Responsibility Constituent Institution Compliance					
Audit Findings Follow-up					
Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.					
State Auditor Findings - Follow-up					
Internal Audit Findings Follow-up					
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.					
State Auditor Hotline Investigation - Athletics					
Men's Basketball Coach - Travel Fraud					
General Counsel - Misuse of State Resources					
Student Affairs Employee - Allegations of Corruption (Kickbacks)					

Winston-Salem State University
Audit Plan Summary
Year Ending June 30, 2011

Specific Audits	Number of Audits	Included in the Audit Plan	Status	Significant Audit Findings *	Auditor Comments
Special Assignments					
Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.					
Banner Payroll Implementation					
Audit Committee					
Interview Committee					
Institutional Assessment					
WSSU website redesign					
Internal Controls Assessment Committee					
Enterprise Risk Management Committee					
Other					
Include other internal audit activities not included elsewhere. The entries here should be very limited.					
ACL Implementation					
Continuing Professional Education					
Internal Audit Strategic Plan					
Automation and Standardization of audit work papers					

* 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 School of Science and Mathematics
Audit Plan Summary
Year Ending June 30, 2011

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.					
Information System Controls Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
Information System Access					
Audits/Reviews of Internal Controls Include audits/reviews of internal control systems and processes, including the EAGLE and UNC FIT assessments and testing.					
Contracts					
UNC FIT Monitoring					
2010-2011 Management Flexibility					
Performance/Operational Audits and/or Reviews Include audits/reviews of departmental operations and activities.					
Employee Criminal Background Checks					
Residency Status					
Compliance Audits Include audits/reviews of compliance with federal and state requirements. Also include audits/reviews of compliance with university policies and procedures.					
Audit Findings Follow-up Follow-up activity related to audit findings resulting from external audits and those from internal audit activity.					
Time Administration Review/Leave Audit Follow-up					
Capital Assets Audit Follow-up					
Accounts Payable Follow-up					
State Auditor Findings - Follow-up (if applicable)					
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.					
Special Assignments Include special activities assigned to the internal auditor, including committee assignments and other activities not involving audit/review activities.					
Strategic Planning					
Consulting: SCSSI Restructuring					
Consulting and Advisory Services (as needed)					
Unplanned Management Requested Projects					
Other Include other internal audit activities not included elsewhere. The entries here should be very limited.					

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.

University of North Carolina General Administration
Audit Plan Summary
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.					
Review of Expenses - President, Chief of Staff, Vice Presidents					
Information System Controls					
Include audits/reviews of information systems, including general controls, application controls, and disaster recovery.					
None					
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					
UNC TV Purchasing/Pcard					
Performance/Operational Audits and/or Reviews					
Include audits/reviews of departmental operations and activities.					
UNC TV Efficiencies Review					
Shared Services Center					
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 external audits and those from internal audit activity.					
Financial Record System Access/Controls Follow-up					
Time and Effort Record System Follow-up					
UNCSA IT Audit Concerns					
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 Occur					
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.					
Risk Assessment 2012-2013					

* 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.

UNC GENERAL ADMINISTRATION **INTERNAL AUDIT CHARTER**

Purpose

Internal Audit conducts reviews of UNC General Administration records and operations and reports the results of these reviews to management. The mission of Internal Audit is to assist management by providing independent, objective analyses of UNC General Administration and its sub-agencies' activities, to provide consulting services designed to add value and to improve the organization's operation, both fiscally and through strong internal controls. Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. Internal Audit helps the organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Audit Standards and Code of Ethics

All Internal Audit projects will be conducted in keeping with the [International Standards for the Professional Practice of Internal Auditing](#) and the Code of Ethics issued by The Institute of Internal Auditors. Internal Audit is expected to consistently demonstrate high standards of conduct and ethics as well as appropriate judgment, independence, and discretion.

Scope

The scope of work of Internal Audit is to determine whether the organization's network of risk management, control, and governance processes, as designed and represented by management, is adequate and functioning in a manner to ensure:

- Risks are appropriately identified and managed.
- Audit findings are addressed and rectified and then followed up on to assure continuation of adequate controls/processes.
- Interaction with the various governance groups occurs as needed.
- Significant financial, managerial, and operating information is accurate, reliable, and timely.
- Employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations.
- Resources are acquired economically, used efficiently, and adequately protected.
- Programs, plans, and objectives are achieved.
- Quality and continuous improvement are fostered in the organization's control process.
- Significant legislative or regulatory issues impacting the organization are recognized and addressed appropriately.

As audits are performed, to accomplish goals set forth above, Internal Audit will discuss the results of each project with staff in the area being reviewed. These meetings help ensure that findings and recommendations are valid and understood. When appropriate, these issues will be presented in a written report after a project is complete. Management will have an opportunity to review draft reports and to comment, in writing, relative to final reports. Such comments will be included in the final version of the report. Written reports will be addressed to the President, the Chief of Staff and the Vice President of Finance, with copies provided to management of the area audited, the Assistant Vice President for Finance, and other appropriate officials.

Authority

To the extent permitted by law, the Director and staff of Internal Audit are authorized to:

- Have full and complete access to all UNC-General Administration books, records (both manual and electronic), property, and personnel.
- Allocate resources, set frequencies, select subjects, determine scopes of work, and apply techniques required to accomplish audit objectives.
- Obtain the necessary assistance of personnel in units of the organization under review.

The Director and staff of Internal Audit are not authorized to:

- Perform any operational duties for the organization or its affiliates.
- Initiate or approve accounting transactions external to Internal Audit.
- Make decisions that are the responsibility of management.

The Director of Internal Audit, in the discharge of his/her duties, shall be accountable to the Board of Governor's Audit Committee to:

- Provide annually the internal audit plan for the upcoming fiscal year.
- Provide annually an assessment on the adequacy and effectiveness of the organization's processes for controlling its activities and managing its risks in the areas set forth under the mission and scope of work.
- Report significant issues related to the processes for controlling the activities of the organization and its affiliates, including potential improvements to those processes, and provide information concerning such issues through resolution.
- Quarterly, provide information on the status and results of the annual audit plan and the sufficiency of the internal audit department resources.
- Coordinate and provide oversight of other controls and monitoring functions such as risk management, compliance, security, legal, ethics, environmental, and external audits.

Independence

The internal audit activity should be free from interference in determining the scope of internal auditing, performing work, and communicating results. Internal Audit reports directly to the Assistant Vice President of Finance and the Chairman of the Board of Governor's Audit Committee. The Director of Internal Audit reports administratively to the Assistant Vice

President of Finance for audit related matters. These reporting relationships promote independence and assure adequate consideration of audit findings and recommendations. The Director shall have full and independent access to the Assistant Vice President of Finance and the Chairman of the Board of Governors Audit Committee.

Approved by the Board of Governors of the University of North Carolina

Chair

2010 Fiscal Control Audit Reports Released Since Last Meeting by the N.C. Office of the State Auditor:

1. East Carolina University – (Fiscal Control) – Two Audit Findings
Date Released: 8/16/2011

Report URL:

<http://www.ncauditor.net/EpsWeb/Reports/FiscalControl/FCA-2011-6065.pdf>

AUDIT FINDINGS AND RESPONSES

1. IMPROVEMENTS NEEDED IN DOCUMENTATION FOR TRAVEL EXPENDITURES

During our review of the start-up operations of the School of Dental Medicine, we identified opportunities for improvement in the documentation supporting travel expenditures. Specifically, supporting documentation did not always provide sufficient explanation as to the business purpose of the travel. As such, there is an increased risk that travel costs could be incurred that are not in compliance with the University's travel policies or that represent an inappropriate use of state funds.

Travel during the start-up period for the School of Dental Medicine was extensive. Throughout the period covered by our audit, it was not unusual for key university staff members to be in travel status for 33% - 50% of the working days each month. We noted that travel reimbursements for two individuals during the period were \$40,000 or more, while three others were greater than \$4,500. The more expensive travel costs were for out-of-state trips for dental association meetings and conferences throughout the country.

Although we noted that travel reimbursement claims were reviewed and approved, the relationship between the travel and the establishment of the School was not always clearly documented. We identified several instances where travel expense claims failed to sufficiently explain the rationale for the trips, including travel to locations such as Kiawah Island, South Carolina; Destin, Florida; and international travel to Germany and Switzerland. This weakness contributed to the problems identified with the Dean's travel noted below.

Recommendation: The University should strengthen internal control over travel reimbursements to provide assurance that the travel is necessary and costs are reasonable. Documentation supporting reimbursements should include items such as business itineraries or more detailed explanations of the business purpose of the travel as evidence to support the reasonableness of travel costs incurred. Travel reimbursements should not be paid until such documentation has been obtained and reviewed.

University Response: The University agrees and procedures have been implemented to require senior leaders in the health sciences division to submit either program/business itineraries or to provide additional justification for travel to demonstrate a business purpose which benefits the University. Travel reimbursements will not be paid until the required documentation has been obtained, reviewed, and approved.

2. CONCERNS IDENTIFIED WITH TRAVEL BY THE DEAN OF THE SCHOOL OF DENTAL MEDICINE

We noted several concerns that related specifically to the travel reimbursements submitted by the Dean of the School of Dental Medicine. While there appears to be a business component to each of the trips listed below, we question whether the costs were all reasonable and necessary, and thus, whether they were appropriate uses of state funds.

Business Purpose and Travel Times for Trip Unclear

The Dean traveled to attend and lecture at the 19th Annual Meeting of the International Academy for Advanced Maxillofacial Studies held May 2 - 6, 2009. The event took place at Kiawah Island, South Carolina, with costs for mileage, subsistence, and lodging totaling \$1,611. There was no itinerary included as part of the documentation to indicate the schedule of events to support the business nature of the trip. According to documents attached to the reimbursement, only eight hours of continuing education credits were available to be earned over the duration of the meeting. Therefore, the majority of the trip does not appear to be training related.

In addition, no specific departure or arrival times were noted on the reimbursement request, instead general information such as morning departure and afternoon arrival were included. Specific departure and arrival times are needed to determine the appropriate subsistence reimbursements. Since no itinerary was provided, it is also unclear whether any meals were included in the registration fee for the event.

Significant Changes to Travel Arrangements after Approval

The Dean traveled to attend the 134th Annual Session of the Mississippi Dental Association in Destin, Florida, which occurred June 12 - 16, 2009. Total costs incurred were \$445 for mileage only. Prior approval for this trip was obtained January 8, 2009.

While the costs incurred for the trip were minimal, there were significant changes made to the travel arrangements after they were approved. A side trip was scheduled for the Dean to present "Grand Rounds" to Emory University dental residents on June 15th in Atlanta, Georgia. This side trip effectively prevented the Dean from arriving at his scheduled event in Destin, Florida until the evening of June 15th, the last full day of the conference, thus minimizing the original purpose of the planned travel. Therefore, the final purpose of the travel appears to have been quite different from the purpose of the initial pre-approved travel.

Questionable International Travel for Dental Equipment Evaluations

The Dean traveled to Switzerland and Germany to tour a dental manufacturer's facilities, as well as two German universities to see dental equipment in use for the time period August 22 - 31, 2010. Total costs incurred for Dean were \$1,502. An additional staff member also participated in the trip, with total travel costs to the University of \$3,499. Costs incurred for this trip consisted of local mileage and parking at RDU airport, per diem meal payments, lodging subsistence for the additional staff member only, car rental in Europe, and airfare for international travel. Several concerns were identified with this travel reimbursement:

- There was no lodging reimbursement requested by the Dean, although the additional staff member incurred three days of lodging charges. For overnight business trips, it is unusual that lodging costs would not be reimbursed by the University. An itinerary developed by the dental equipment manufacturer indicates hotel stays for August 24th and 25th for all travelers. Per

conversations between the travelers and investigative auditors from the Office of the State Auditor, the dental equipment manufacturer paid for those hotel costs, as well as train transportation to the various sites visited. When vendors pay for such costs, a potential conflict of interest is created. In addition, no other information was provided that would explain any of the other unreimbursed days of lodging for the trip.

- The trip was originally scheduled to end on August 26th; however, an additional meeting with another dental equipment vendor was scheduled for the Dean and held on Monday, August 30th. A review of the travel reimbursement indicates that the Dean charged per diem for Thursday, August 26th, which was originally scheduled as a travel day. The Dean reported Friday, August 27th as a personal day and did not charge per diem that day or for the weekend. It is unclear what portion of the trip should have been considered business and what portion was personal. Since there was no travel or other business scheduled for Thursday, August 26th, it is possible that it was inappropriate to charge per diem for that day.
- The primary purpose of the trip was to evaluate dental simulators and cabinetry. However, before the University officials made travel arrangements for the Germany trip, a plan was in process for an evaluation suite to be established at the University that would allow vendors of dental equipment to provide items, including simulators, for University faculty and staff to evaluate. Our investigative auditors reviewed e-mail communications that identified a simulator was delivered to the University's evaluation suite on July 15, 2010 prior to the pre-approval request for travel to Germany, which was submitted August 13, 2010. Additional research by our investigative auditors indicated that a common method for evaluating dental equipment is to visit other dental schools to see the equipment in use. Such an evaluation could have taken place at the dental school located in Chapel Hill, North Carolina as an alternative to the costs of traveling overseas to visit the actual manufacturer.

It should be noted that the Vice Chancellor of Health Services also apparently had concerns about the extent of the Dean's travel during this same timeframe. She instituted internal tracking mechanisms to account for the Dean's travel and time away from the School. In addition, e-mail correspondence between the Vice Chancellor and the Dean was reviewed that re-emphasized the need to reduce "travel expenditures from state dollars, specifically out of state travel" as well as the inappropriateness of accepting vendor-paid travel.

Recommendation: The University should review the travel reimbursements noted above and determine whether non-State funds should be used to reimburse the state accounts for the costs. In addition, greater emphasis should be placed on ensuring that travel costs incurred meet the ongoing mission of the School of Dental Medicine. Documentation supporting reimbursements should include items such as business itineraries and more detailed explanations for changes made to pre-approved travel arrangements. Travel reimbursements should not be paid until such documentation has been obtained and reviewed. University employees should be conscious of possible conflicts of interest and avoid accepting travel benefits that could be defined as such.

University Response: The University agrees. A thorough review of the travel reimbursements noted in the report has been conducted. Following this review, a determination has been made to use non-state funds to reimburse the state for the travel costs identified in the auditor's report. All future travel will be scrutinized to ensure that travel costs are consistent with institutional missions. The Health Sciences Division has instituted a practice of conducting two independent reviews for travel pre-authorization

and reimbursement for senior leaders in the School of Dental Medicine. Additional documentation, such as business itineraries or additional justification information will be required for any changes made to previously-approved travel. Travel reimbursements will not be paid until the required documentation has been obtained, reviewed, and approved. The use of state funds will be restricted to only travel that is consistent with the ongoing mission of the School of Dental Medicine. Any travel that is found to not be mission-critical will be paid from non-state funds or not be reimbursed. All senior health science division leaders will be provided written and verbal information regarding potential conflicts of interest and the expectation that potential or real conflicts of interests will be avoided by not accepting travel benefits paid by potential or existing contractors conducting business with the University.