

AGENDA ITEM

2. Presentation of Audit Reports from the Office of the State Auditor.Beth Wood, State Auditor/
Lynne Sanders

Situation: The Office of the State Auditor has released twenty-six audit reports on the University for the 2015 fiscal year.

Background: All constituent institutions and General Administration of the University of North Carolina are subject to audit by the North Carolina State Auditor under Article 5A of Chapter 147 of the North Carolina General Statutes. One of the responsibilities of the Committee on Audit, Risk Management, and Compliance of the Board of Governors is to receive an annual overview from the State Auditor, or a designated representative, regarding annual audits (financial and compliance) of the constituent institutions and UNC General Administration, and review any other significant audit-related communications from the State Auditor's office.

Assessment: The Office of the State Auditor has released twenty-six audit reports for the 2015 fiscal year.

- Sixteen campuses, plus UNC General Administration, received financial statement audits. One campus had one audit finding reported. The remaining financial audit reports did not contain findings. The financial statement audit of the North Carolina School of Science and Mathematics has not been released.
- Seven campuses received statewide federal compliance audits. Two campuses had a total of three audit findings. The remaining federal compliance audit reports did not contain findings.
- Two campuses received an IT General Controls audit. Both campuses had audit findings reported in sensitive security letters that were reviewed by the Committee at its January 2016 meeting.

Action: This item is for information only.

Financial Statement Audit Reports				
Campus Name	Report Number	Release Date	# of Findings	Title of Findings
ASU	FIN-2015-6080	11/20/2015	0	
ECSU	FIN-2015-6086	12/18/2015	0	
ECU	FIN-2015-6065	11/24/2015	0	
FSU	FIN-2015-6088	12/18/2015	0	
NCAT	FIN-2015-6070	12/17/2015	0	
NCCU	FIN-2015-6090	12/22/2015	0	
NCSU	FIN-2015-6030	11/24/2015	0	
UNCA	FIN-2015-6055	11/4/2015	0	
UNCC	FIN-2015-6050	12/9/2015	0	
UNC-CH	FIN-2015-6020	2/12/2016	1	Financial Statements Contained Significant Misstatements and Omissions
UNC-GA	FIN-2015-6010	5/11/2016	0	
UNCG	FIN-2015-6040	11/24/2015	0	
UNCP	FIN-2015-6082	12/21/2015	0	
UNCSA	FIN-2015-6092	11/4/2015	0	
UNCW	FIN-2015-6060	12/8/2015	0	
WCU	FIN-2015-6075	12/16/2015	0	
WSSU	FIN-2015-6084	12/9/2015	0	
Federal Compliance Audit Reports				
ASU	FSA-2015-6080	3/31/2016	0	
FSU	FSA-2015-6088	4/5/2016	0	
NCCU	FSA-2015-6090	4/1/2016	2	1. Errors in Enrollment Status Reporting 2. Students May Not Be Notified About Loan Cancellation Rights
UNCC	FSA-2015-6050	4/1/2016	0	
UNC-CH	FSA-2015-6020	4/1/2016	1	Lack of Salary and Wage Certifications Increases Risk of Inappropriate Charges to Federal Grants
UNCW	FSA-2015-6060	4/5/2016	0	
WCU	FSA-2015-6075	3/31/2016	0	
Information Technology General Controls Audit Reports				
FSU	ISA-2015-6088	1/20/2016	4	IT Security Elements: Findings were sensitive in nature, therefore not in the public report.
NCCU	ISA-2015-6090	1/20/2016	4	IT Security Elements: Findings were sensitive in nature, therefore not in the public report.