

November 2, 2017 at 4:00 p.m.
University of North Carolina General Administration
Center for School Leadership Development, Room 119
Chapel Hill, North Carolina

AGENDA

OPEN SESSION

- A-1. [Approval of the Minutes of September 7, 2017](#) Jim Holmes
- A-2. [Summary of Internal Audit Activities for 2016-17](#) Lynne Sanders
- A-3. [Summary of Internal Audit Plans for 2017-18](#) Lynne Sanders
- A-4. [Presentation of OSA Investigative Report](#) Lynne Sanders
- A-5. [Review of Clery and Title IX Compliance Activities](#) Ed Purchase/Jayne Grandes
- A-6. [Review of Information Technology Governance Policy](#) Jim Holmes
- A-7. Insurance Program Study Jim Holmes

CLOSED SESSION

- A-8. Approval of the Closed Session Minutes of September 7, 2017 Jim Holmes
- A-9. UNC-GA Internal Audit Update Joyce Boni
- A-10. ECU Investigative Audit Update Lynne Sanders

OPEN SESSION

- A-11. Adjourn

Additional Information Available

- A-2. [Summary of Internal Audit Activities for 2016-17](#)
- A-3. [Summary of Internal Audit Plans for 2017-18](#)

DRAFT MINUTES

September 7, 2017
University of North Carolina General Administration
Center for School Leadership Development, Room 119
Chapel Hill, North Carolina

This meeting of the Committee on Audit, Risk Management, and Compliance was presided over by Chair Harry Smith. The following committee members, constituting a quorum, were also present in person: Kellie Hunt Blue, William Webb, Walter Davenport, and Carolyn Coward.

Chancellors participating were Mary Grant and Jose Sartarelli.

Staff members present included Lynne Sanders, Tom Shanahan, and others from General Administration.

1. Call to Order and Approval of OPEN Session Minutes (Item A-1)

The Chair called the meeting to order at 4:01 p.m. on Thursday, September 7, 2017, and called for a motion to approve the open session minutes of July 11, 2017.

MOTION: Resolved, that the Committee on Audit, Risk Management, and Compliance approve the open session minutes of July 11, 2017, as distributed.

Motion: William Webb

Motion carried

2. UNC-GA Internal Audit Update (Item A-2)

Joyce Boni presented to the committee the results of an internal audit investigation released in August related to missing petty cash funds at UNC-GA.

3. Approval of the UNC-GA Internal Audit Plan for 2017-18 (Item A-3)

Joyce Boni presented to the committee the UNC-GA Internal Audit Plan for 2017-18 for approval. Following the presentation, Chair Smith call for a motion to approve the plan.

MOTION: Resolved, that the Committee on Audit, Risk Management, and Compliance approve the UNC-GA Internal Audit Plan for 2017-18 and recommend it to the full Board of Governors for a vote through the consent agenda.

Motion: William Webb

Motion carried

4. Summary Report of Major Associated Entities (Item A-4)

Lynne Sanders presented to the committee the annual review and report of the University's major Associated Entities.

5. Annual Report of the CARMC for 2016-17 (Item A-5)

Lynne Sanders presented to the committee for approval the Annual Report on the activities of the Committee on Audit, Risk Management, and Compliance for fiscal year 2016-17. The report for July 1, 2016, through June 30, 2017, required a vote by the committee to accept the report for submission to the Board of Governors.

MOTION: Resolved, that the Committee on Audit, Risk Management, and Compliance approve the Annual Report of the CARMC for 2016-17 and accept the report for submission to the Board of Governors.

Motion: William Webb

Motion carried

6. Discussion of Work of the Committee for 2017-18 (Item A-6)

The Committee on Audit, Risk Management, and Compliance discussed the work of the committee for the coming year.

7. Closed Session

MOTION: Resolved, that the Committee on Audit, Risk Management, and Compliance move into closed session to prevent the disclosure of information that is privileged or confidential under Article 7 of Chapter 126 and § 143-748 of the North Carolina General Statutes, or not considered a public record within the meaning of Chapter 132 of the General Statutes; pursuant to Chapter 143-318.11(a)(1) of the North Carolina General Statutes.

Motion: William Webb

Motion carried

THE MEETING MOVED INTO CLOSED SESSION.

(The complete minutes of the closed session are recorded separately.)

MOTION: Resolved, that the Committee on Audit, Risk Management, and Compliance return to open session.

Motion: William Webb

Motion carried

THE MEETING RESUMED IN OPEN SESSION.

There being no further business, the meeting adjourned at 4:48 p.m.

William Webb, Secretary

AGENDA ITEM

A-2. Summary of Internal Audit Activities for 2016-17 Lynne Sanders

Situation: Annually, the Committee on Audit, Risk Management, and Compliance (CARMC) reviews a summary of campus internal audit activities from the previous fiscal year.

Background: In accordance with the CARMC Charter, the committee is to review an annual summary of the work performed by the audit committee of each constituent institution's boards of trustees. This report incorporates a summary of audits, reviews, investigations, or special assignments completed by the internal audit department of each constituent institution and UNC General Administration, and notes material reportable conditions and the status of their resolution.

Assessment: The internal auditors have updated internal audit plans as needed to meet the changing demands of their campuses and have provided an update of the actions taken on items included on the original approved plans and the changes made during the year. A summary of these activities has been prepared for your information.

Action: This item is for information only.

AGENDA ITEM

A-3. Summary of Internal Audit Plans for 2017-18 Lynne Sanders

Situation: The 2017-2018 University-wide summary of internal audit plans is presented for information only.

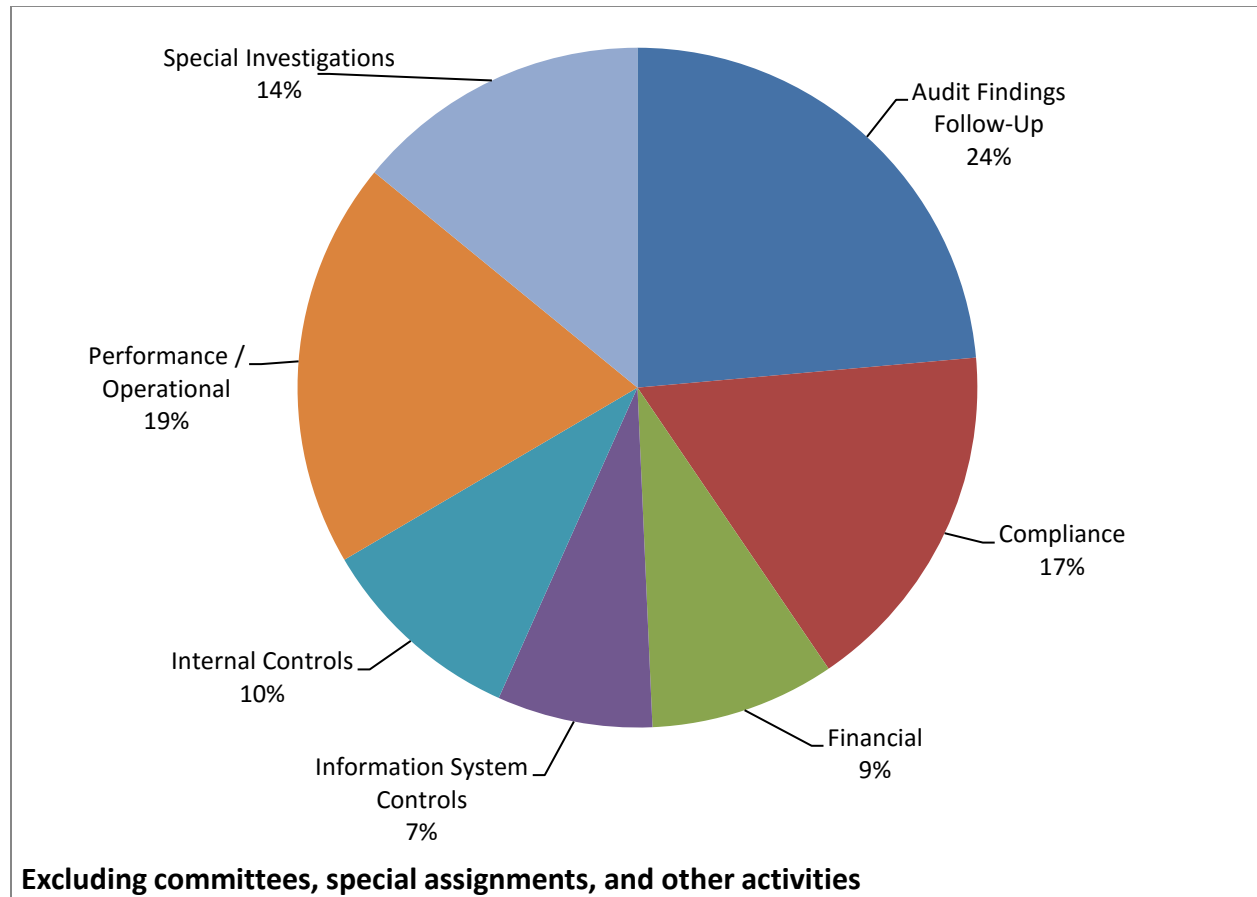
Background: Chapter 100.1 of the UNC Policy Manual – Section 301 of The Code requires that this committee reviews a summary of the internal audit plans of the constituent institutions. As part of the policy, each constituent institution is to submit its internal audit plan as approved by the institution’s board of trustees.

Assessment: A summary, as well as individual institution internal audit plans, is attached for your information.

Action: This item is for information only.

Planned Audit Work for Fiscal Year 2017-2018

Planned assignments range from financial, compliance and operational audits, to reviews of general internal controls as well as information system controls. Based on the chart presented below, most of the planned reports are in the areas of audit findings follow-up, Compliance Audits and Performance/Operational Audits.



Annual internal audit plans are developed at each institution and result from a comprehensive risk-based analysis of specific operations in relation to campus operations as a whole. Once a plan is drafted by internal audit, it is forwarded to campus leadership for review and approval. Ultimately, the plan is presented to and approved by the campus Board of Trustees' audit committee. As per the BOG audit committee charter, these plans are then forwarded to UNC-GA for BOG Committee on Audit, Risk Management, and Compliance review. The details of planned internal audit projects are listed by campus in the following pages.

AGENDA ITEM

A-4. Presentation of OSA Investigative Report..... Lynne Sanders

Situation: The committee will review the results from an Investigative Audit issued by the Office of the State Auditor.

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. The State Auditor conducts annual financial statement audits at each institution, annual federal compliance audits at select institutions, and periodically performs other audits, such as investigative and information technology general controls audits at select institutions.

Assessment: The committee will discuss the results of a recently issued investigative report released by the Office of the State Auditor. The audit reported one audit finding.

<http://www.ncauditor.net/EpsWeb/Reports/Investigative/INV-2017-0418.pdf>

Action: This item is for information only.

AGENDA ITEM

A-5. Review of Clery and Title IX Compliance Activities Ed Purchase/Jayne Grandes

Situation: UNC system institutions must comply with the requirements of the Clery Act, Title IX, and related federal regulations pertaining to campus safety and security. The University works on a continuous basis to develop and maintain the resources, training, and staff capacity necessary to ensure that compliance requirements are met.

Background: Ensuring a safe and secure environment for student, faculty, staff and visitors is a top priority for UNC. The Clery Act requires colleges and universities to collect and publish detailed statistics about certain crimes that occur on or near their campuses, and to annually provide information about safety measures. Title IX requires institutions to publish and implement procedures for resolving grievances involving sex discrimination and sexual misconduct; have prompt, thorough and impartial investigation procedures; designate a Title IX coordinator, publish policies on sex discrimination; and provide education and training.

Assessment: General Administration has worked with campuses to offer compliance assistance, training and collaboration in safety matters including Title IX and Clery Act. Further development of the Clery and Title IX compliance program is underway.

Action: This item is for information only.

AGENDA ITEM

A-6. Review of Information Technology Governance PolicyJim Holmes

Situation: The University faces numerous challenges in the domain of information technology (IT) and security. There are risks associated with technology changes, regulatory requirements, IT service delivery, academic service delivery, value of information, costs, and reputational risks. Proper management of these risks requires clearly defined IT authority as well as clearly defined responsibilities, accountability, and monitoring.

Background: Institutional data is a strategic asset of the University. As such, it is important that it be managed according to sound data governance procedures. Roles and responsibilities should be defined at each institution and UNC General Administration that support proper oversight and accountability for all components of the information system environment.

Assessment: The proposed policy will strengthen governance over information technology practices in the UNC system.

Action: This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

Information Governance and Security

I. Purpose

This policy directs UNC General Administration and the constituent institutions of the University of North Carolina to establish an information governance and security infrastructure and designate a senior officer, accountable to the president or chancellor, who is responsible for information security. This policy also requires the Board of Governors and constituent institution boards of trustees to oversee information governance and security.

II. Definitions

- A. "Information governance and security infrastructure" means policies, assessments, protocols, and trainings designed to govern the storage, accessibility, and security of information resources.
- B. "Information resources" means data owned by the University and the hardware and software resources used to electronically store, process, or transmit University data.

III. Establishment of Information Governance and Security Infrastructure

UNC General Administration and each constituent institution shall develop and maintain an information governance and security infrastructure to preserve the security, confidentiality, accessibility, and integrity of information resources owned by UNC General Administration or the constituent institution. The infrastructure plans developed by UNC General Administration and the constituent institutions must comply with the prevailing information technology security standard adopted by the Board of Governors standing committee assigned with audit responsibility. At a minimum, this infrastructure must include policies on use of and access to information resources, regular risk assessments of existing information resources, a strategy statement setting forth priorities for managing identified information security risks, and incident response planning and notification procedures.

IV. Designation of Senior Officer with Information Governance and Security Responsibility

UNC General Administration and each constituent institution shall identify a senior officer accountable for overseeing implantation and periodic evaluation of the information governance and security infrastructure. The identified senior officer shall be responsible for identifying and deploying all reasonable measures to maintain the security, confidentiality, accessibility, and integrity of information resources owned by UNC General Administration and the constituent institution. The senior officer shall be accountable to the president or chancellor and responsible for reporting to the Board of Governors or the constituent institution's board of trustees on matters related to information governance and security upon request.

V. Oversight of Information Governance and Security

The Board of Governors and the board of trustees of each constituent institution shall assign responsibility for oversight of the institution's information governance and security infrastructure to a standing committee of the appropriate board with audit responsibility.

- A. **Agenda Item at Regular Meetings.** The assigned committee shall ensure that information governance and security is addressed in the annual audit planning and risk assessments that are conducted by the institution's internal auditor. The assigned committee shall periodically include an agenda item for emerging information governance and security matters at its regularly scheduled meetings.

B. Annual Report. The assigned committee shall also receive a report at least annually from the appropriate senior officer identified pursuant to this policy on the institution's information governance and security infrastructure and information technology security controls.

VI. Other Matters

A. Effective Date. The requirements of this policy shall be effective on _____[date].

B. Relation to State Laws. The foregoing policies as adopted by the Board of Governors are meant to supplement, and do not purport to supplant or modify, those statutory enactments which may govern the activities of public officials.

C. Regulations and Guidelines. These policies shall be implemented and applied in accordance with such regulations and guidelines as may be adopted from time to time by the president.

DRAFT

INTRODUCTION

On behalf of the internal audit functions within the University of North Carolina, presented is the Annual Report on Internal Audit Activities for the fiscal year ended June 30, 2017. This report highlights the work and accomplishments of internal audit departments across the University of North Carolina for the period July 1, 2016, through June 30, 2017. The report contains the following sections:

- A summary of **Board of Trustees Audit Committee Activities for the 2016-17 Fiscal Year**.
- A summary of the **Planned Audit Hours for the 2016-17 Fiscal Year** as approved by university boards of trustees and the Board of Governors Committee on Audit, Risk Management, and Compliance.
- A summary of **Actual Audit Hours Completed for the 2016-17 Fiscal Year** as reported by the institutions' chief audit officers.
- An overview and **Internal Audit Report Highlights** of audits performed in the 2016-17 fiscal year.
- An overview of **Internal Audit's Participation in University Initiatives** including external audit support, committee participation and consultation, and collaborative engagements.

As with most public institutions of higher education, the University of North Carolina must constantly balance meeting its strategic objectives in consideration of available financial resources while at the same time maintaining a consciousness of risks that permeate the environment of higher education. Risks can result from regulatory changes promulgated by state, national, and international regulators as well as the Board of Governors (BOG) through UNC Policy change. Risks are also introduced into the environment when there is turnover of key executives and/or financial staff and when there are new system implementations or changes to existing IT infrastructure and IT security vulnerabilities.

While designed to promote a sense of order and control over behavior and conduct, new guidelines, rules, regulations and professional standards can present challenges in the University operating environment as well as to internal audit professionals. All parties must be responsive to the changes and remain aware of the impact on the overall risk profile that they bring. Internal auditors are key players in partnering with management to help create a risk-conscious climate and ensuring that risks associated with these constant changes are mitigated by thorough review and evaluation. By developing and implementing risk-based audit plans, internal auditors are focused on those areas where risks and materiality of exposure is greatest and offer feedback to management.

Boards of Trustees Audit Committee Activities for the 2016-17 Fiscal Year

Article 79 of Chapter 143 of the General Statutes requires that each director of internal auditing report to a governing board if one exists within the entity. Additionally, professional standards promulgated by the Institute of Internal Auditors require that each chief audit officer report functionally to the board of trustees audit committee. Annual audit plans are approved by each institution's audit committee and results of completion of those approved plans are discussed with the committee members at periodic intervals throughout the year. To confirm the annual activities of the audit committees, the chair of each board of trustees audit committee, including the chair of the BOG Committee on Audit, Risk Management, and Compliance (CARMC), confirms its committees' compliance with the following:

1. Met at least four times in the 2016-17 fiscal year.
2. Reviewed the results of the annual financial audit with representatives of the North Carolina Office of the State Auditor (OSA) and discussed corrective actions, if needed.
3. Reviewed the results of any other audit performed and report/management letter (i.e., investigations, Statewide Federal Compliance Audit Reports, etc.) issued by the OSA with representatives of the State Auditor's Office, the chief audit officer, and/or appropriate university official.
4. For any audit finding contained within a report or management letter issued by the OSA, reviewed the institution's corrective action plan and the report of the internal auditor on whether or not the institution has made satisfactory progress in resolving the deficiencies noted, in accordance with North Carolina General Statute 116-30.1, as amended.
5. Reviewed all audits and management letters of University Associated Entities as defined in Section 600.2.5.2[R] of the UNC Policy Manual.
6. Received and reviewed quarterly status updates from the institution's chief audit officer and internal audit reports that, at a minimum, reported material (significant) reportable conditions, management's corrective action plan for these conditions, and any follow-up reports regarding whether these conditions have been corrected.
7. Received, reviewed, and approved, at the beginning of the audit cycle, the annual audit plan for the institution's internal audit function.
8. Received and reviewed, at the end of the audit cycle, a comparison of the annual audit plan with internal audits performed by the internal audit department.

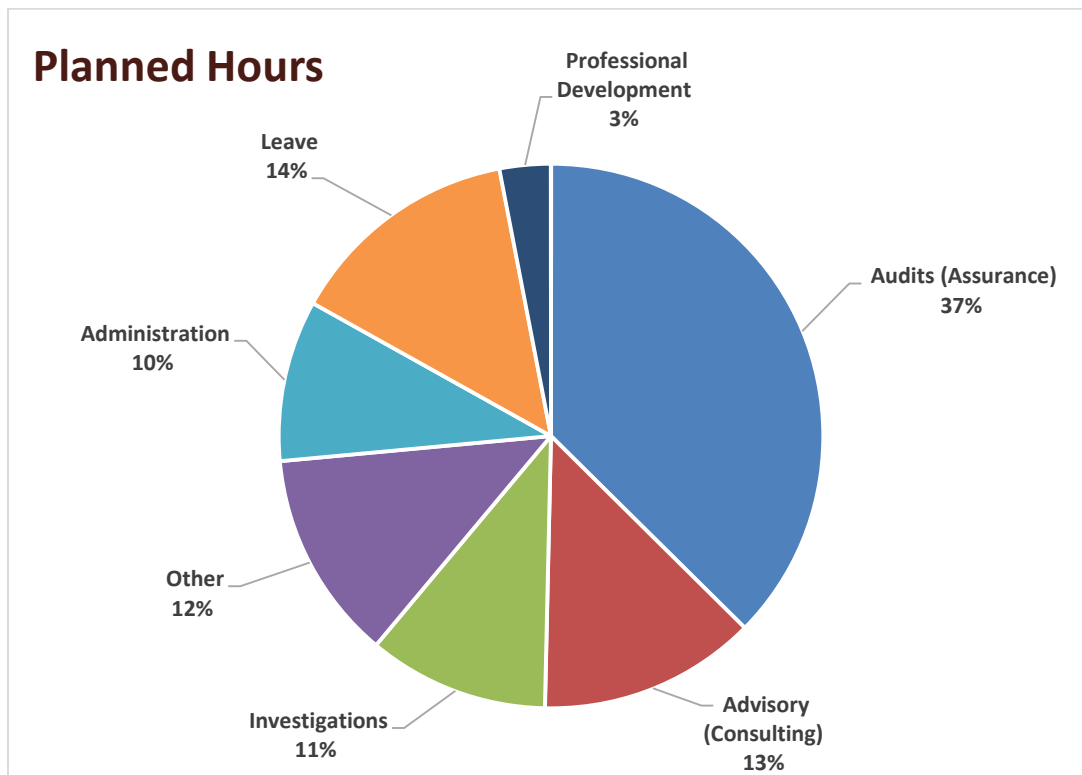
Each audit committee further attests:

1. The institution's chief audit officer reports directly to the Chancellor (or President for UNC-GA) with a clear and recognized reporting relationship to the chair of the audit committee.
2. The audit committee charter defines appropriate roles and responsibilities. One of these responsibilities is the assurance that the institution is performing self-assessments of operating risks and evaluations of internal controls on a regular basis.
3. Internal audit functions are carried out in a way that meets professional standards.

4. The institution's chief audit officer forwarded copies of both the approved audit plan and the summary of internal audit results, including any material reportable conditions and how they were addressed, to UNC General Administration in the prescribed format.

Planned Audit Hours for the 2016-17 Fiscal Year

In December 2016, institutional internal audit plans were presented to CARMC for approval. Planned assurance and consulting assignments ranged from financial, compliance, and operational audits to reviews of general internal controls as well as information system controls. Based on the chart presented below, the majority of the planned work was in the area of audits (assurance).



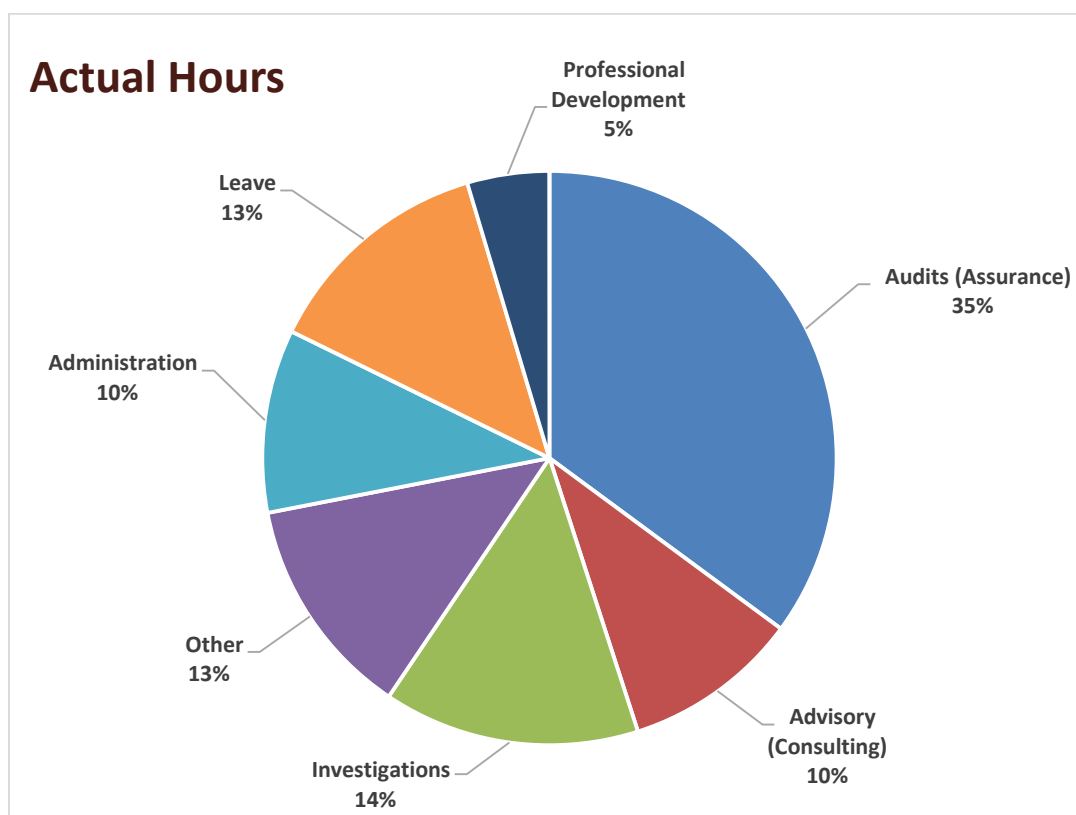
Annual internal audit plans are developed for each institution and result from a comprehensive risk-based analysis of specific operations in relation to university operations as a whole. Once an institution's plan is drafted, it is forwarded to campus leadership for review and approval. Ultimately, the plan is presented to and approved by the institution's board of trustees audit committee. As per the BOG's CARMC charter, these plans are then forwarded to UNC-GA for CARMC review.

Actual Audit Hours Completed for the 2016-17 Fiscal Year

In contrast to the previous chart, which highlighted planned audit work for the 2016-17 fiscal year, the chart in this section presents the results of actual audit work for the 2016-17 fiscal year. Rarely will planned effort be exactly the same as actual effort. This is due to the fact that an internal audit plan is dynamic. It can, and most likely will, change based on crisis situations or changing circumstances at an

institution. Chief audit officers must continuously respond to new and/or changing risk factors at their institution. Accordingly, original plans are typically changed and updated.

In capturing actual audit work completed in relation to planned assignments, the area of most change is in investigations. Eleven percent of the total number of planned hours was in the area of investigations; however, once audit plans were completed, fourteen percent of time was spent conducting investigations. This statistic supports the normal trend we have seen over the past several years. Since investigations generally arise without warning and are very time sensitive, planned effort to conduct audits in other areas may have to be deferred or cancelled from the original annual plan so as to accommodate the need to pursue investigative matters.



Internal Audit Report Highlights

Between July 1, 2016 and June 30, 2017, internal audit departments across the University of North Carolina system:

- Completed audit, advisory services, audit finding follow-ups and investigations resulting in 257 reports (**Attachment 1**) that produced 274 recommendations (**Attachment 2**) for improvements to internal controls. Corresponding Management Corrective Actions were identified and agreed upon by university leadership.

- In addition to the 61 written follow-ups on prior year reports with audit findings, internal audit departments at the institutions conducted numerous follow-ups that resulted in email or a memorandum communication rather than formal reports.

Internal audit efforts from all of our campuses over the past fiscal year, including investigations, yielded common internal control issues. Some of the internal control issues included in the reports:

- Departments and individuals were not following accounting and fixed asset guidelines and not completing reconciliations, which led to unallowable expenditures and missing assets not being detected.
- Individuals did not receive adequate training or departments lack the necessary resources to adequately monitor annual training. Education of employees is essential for reinforcing policies, procedures, and rules and regulations as well as strengthening the skills of the employees.
- No policy, rule, regulation, or other formal institutional directive pertaining to organizational continuity was established. Planning for organizational continuity is a best practice to ensure knowledge transfer and a smooth transition at the time of retirements and/or departures of employees.

Many of these issues are subject to specific management corrective actions in the environment where the issues were identified and follow-up on these issues will be conducted in subsequent years.

As required by the BOG's CARMC Charter, **Attachment 2** includes a detailed listing of all audit findings reported by our campuses and the current status of resolution.

Internal Audit's Participation in University Initiatives

Campus internal audit departments have continued to partner with management to support key initiatives and priorities for their respective campuses. This section highlights some of the key areas in which internal audit has participated and/or provided support.

External Audit Support – The Office of the State Auditor (OSA) performs annual audits of each institution within the UNC system. These audits include financial statement audits and statewide federal compliance audits. The OSA also conducts investigative reviews and Information Technology audits as the need arises. On most campuses, the chief audit officers meet and work with the State Auditors on an as needed basis to assist during the external audit process. The level of involvement will vary by campus; however, the chief audit officers and their audit teams are ready to respond to requests for assistance. On the back-end of audits from the Office of the State Auditor, if audit findings are reported in the published report for the campus, chief audit officers are involved in performing a 90-day follow-up to ensure that satisfactory progress is being made towards remediation of the issues reported. This follow-up is required per GS 116-30.1.

Committee participation and consultations – The expertise provided by the chief audit officers and other professional internal audit staff is invaluable to the institutions in the form of committee participation and consultations. For example, at North Carolina A&T State University, the Office of Internal Audit

serves in a consulting/advisory role on the university's Clery Act Compliance Committee (CACC). The committee is responsible for meeting all compliance and other requirements for the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (Clery Act). This committee reports to the Vice Chancellor for Student Affairs and the Chief of the University Police Department. The CACC provides the leadership to ensure full compliance in areas of reporting, implementing policies and procedures, updating the annual reporting list, and providing educational programs.

In another example, the University of North Carolina at Wilmington's Office of Internal Audit partnered with the Information Technology Services' (ITS) Assurance and Compliance function to facilitate a capstone practicum project for students from the Cameron School of Business participating in the Master of Science in Accountancy program. The scope of the project was to research best practices and make recommendations for the consolidation of ITS' IT Disaster Recovery Plan, Continuity of Operations Plan, and Emergency Operations Plan. Staff in the Internal Audit office worked with the students on best practices for consulting work including client communication, documentation, and ensuring all content from the existing documents was considered for inclusion in the proposed consolidated document. At the end of the project, the students provided ITS and Internal Audit with proposed materials to assist management with consolidation of the documents.

Collaborative Engagements – Through Memorandum of Understanding arrangements, three institutions provided chief audit officer services to other institutions. These arrangements include: ECU providing chief audit officer consultation to ECSU through December 31, 2016; UNC-GA providing chief audit officer and internal audit staff services to NCSSM and the NC State Education Assistance Authority; and WSSU providing chief audit officer and internal audit staff services to UNCSA.

In addition, the single-person internal audit departments at UNCA and WCU have an established peer-to-peer collaboration model. This arrangement adds value to both institutions through collaboration in specialized audit areas and review of workpapers in order to adhere to required Institute of Internal Audit Standards.

In another collaborative engagement, ECU audits UNCW's minor associated entity Friends the University of North Carolina at Wilmington, Inc.'s financial statement as well as the entity's compliance with the requirements of UNC Policy 600.2.5.2[R] for the Required Elements of University-Associated Entity Relationship. Because Friends of the University of North Carolina at Wilmington, Inc. is a minor associated entity, UNC Policy 600.2.5.2[R] allows for another institution's internal audit to conduct the financial statement audit.

Internal Audit – Being Responsive to Change

Just as the University environment is one of continuous change, so is the internal audit profession. Chief audit officers, along with their audit teams, must constantly stay apprised of changes in the regulatory environment (both at the state and federal level) and be responsive to emerging risks on their institutions. These emerging risks may be slow growing or they could rapidly infiltrate the institution's culture and environment. Part of the adaptability to addressing these risks lies in the way in which internal audit work is conducted and how internal audit shops are managed.

Use of Technology in Internal Audit Projects – The forensics tool, *Encase*, is a powerful tool that can provide forensically sound evidence when an internal auditor is conducting an investigation. In addition to this type of tool, many of our internal audit departments use automated software to manage and store workpapers that are created through the engagement process, and some institutions use data analytics tools such as Active Data for Excel, ACL, and IDEA.

Communication – Given the decentralization of the internal audit functions across the University, communication standards and protocols are essential in ensuring professional development and sharing of challenges and ideas for seeking solutions and addressing institutions' needs. With the exception of months when other university-wide internal audit events are taking place, a monthly conference call is facilitated by the Vice President for Compliance and Audit Services at UNC-GA with the institutions' chief audit officers. Agendas are prepared and include standing reports from the NC Office of Internal Audit and the President of the UNC Auditors Association. In addition, the Vice President for Compliance and Audit Services at UNC-GA provides information related to updated or new UNC Policies, reports from the Board of Governors CARMC meetings, status reports from the University Business Compliance Program and any other relevant information to the chief audit officers that will be beneficial in their work.

In addition to the monthly conference calls, the annual UNC Auditors Association conference was hosted by the triangle region of universities in Chapel Hill. The conference provided internal audit staff the opportunity to earn 12 hours of continuing professional education. Topics included Clery/Title IX, internal audit trends, strengthening risk oversight in higher education, and an update from the Office of the State Auditor on IT General Controls audits.

Also, in May 2017, UNC-GA's Office of Compliance and Audit Services sponsored its fourth annual chief audit officers retreat in Chapel Hill. The training provided the chief audit officers the opportunity to earn 4.5 hours of continuing professional education as well as working sessions to discuss current topics and trends. In addition to updates provided by various departments within UNC-GA, primary topics included construction auditing and conflict management.

Professional Development – Per *International Standards for the Professional Practice of Internal Auditing* section 1230 – Continuing Professional Development, "Internal auditors must enhance their knowledge, skills, and other competencies through continuing professional development." A Certified Internal Auditor (CIA) who is performing internal auditing functions must complete a total of 40 hours of

acceptable CPE every calendar year. Certified Public Accountants (CPAs) are required to complete 40 hours of CPE hours, including at least two hours of regulatory or behavioral professional ethics and conduct by December 31 of each year. Eighty-five percent of internal audit staff have at least one professional certification.

Staffing – As of June 30, 2017, Internal Audit across the UNC System had fifty-one full-time employees, two part-time employees, one contract employee, and two temporary employees. In addition, nine interns were used throughout the year.

This concludes the University of North Carolina Annual Report on Internal Audit Activities for the fiscal year 2016-17. If you have any questions, please contact Lynne Sanders, Vice President for Compliance and Audit Services, at 919-962-4610.

ATTACHMENT 1- Summary of Reports (by institution) Issued July 1, 2016- June 30, 2017

Appalachian State University

2016 Football Paid Attendance
2016 GEAR UP Audit Year 2
Annual Cash Counts FYE 2016
Appalachian Real Estate Holdings, Inc.
Commercial Photography Contract Compliance Investigation
Compliance with Purchasing/COI Policies
Data Inventory Review
Follow-up: Audit of Cash Handling Procedures Concessions Football Game Day
Follow-up: Audit of Cash Handling Procedures for the Operations and Sale of Ticket Sales on Football Game Day
Follow-up: Commercial Photography Equipment Loan Contracts (November 2015)
Follow-up: Food Services Review
Follow-up: Human Performance Lab Review
Follow-up: Receipt Book Review FYE 2016
Follow-up: Pcard Review
Follow-up: Student Travel Funds for Short-Term Faculty-Led Programs
Human Performance Lab
Inventory Review FYE 2016
New River Light and Power Company
Office of International Education and Development
Payment Card Services Policy Oversight
Privileged User Information Technology Security Awareness Training
Quarterly Access Management Controls Review (4)
Quarterly Fixed Asset Review (4)
Quarterly Foundation Review (4)
Quarterly Fund Reconciliation Review (4)
Quarterly P-card (Procurement Card) Review (5)
Quarterly Travel Review (4)
Receipt Book Review FYE 2016
Review of Information Technology Security Risk Assessment
University Business Continuity Plan and Disaster Recovery Plan Reviews

East Carolina University

1 Card Campus Physical Security Controls
2nd Follow-up: Parking and Transportation Services
2nd Follow-up: Private Athletic Camps
Academic Affairs Student Employee Time Records
Academic Library Services Time and Leave Reporting Process
Athletic Allegations
Disciplinary Information Disclosed on Student Admission Applications Review Process
Division Hiring Action
Employee use of University Resources (2)
Follow-up: Academic Integrity
Follow-up: Banner Enterprise Resource Planning (ERP) System Logical Access Review
Follow-up: Cloud Computing and Data Storage
Follow-up: Department of Biostatistics
Follow-up: Department of Human Resources
Follow-up: Department of Occupational Therapy
Follow-up: ECU Student Health Services
Follow-up: Information Technology (IT) and Data Governance
Health Sciences Telemedicine Services
Information Technology Incident Detection and Response
Kronos and Employee Time and Leave Keeping Organizational Continuity Efforts
School of Dental Medicine Community Service Learning Centers (CSLC)
School of Medicine Prescribing History
Sole Source Justification
Student Affairs Unit Review
Title IX Sex-Based Discrimination, Harassment, and Violence Prevention and Complaint Response Processes
Undergraduate Admissions Waiver Process
University Studies Degree Program
Use of Resources, Conflict of Interest, and Payroll Overpayment
User Account On-Boarding and Off-Boarding
Visual Reporting Tool - ProCard Analytics

Elizabeth City State University

Hotline Allegation Employee Salary Increases
 Hotline Allegation Hiring Practice (2)
 Hotline Allegation IT Video Surveillance
 ProCard Administration

Fayetteville State University

Assessment of Internal Controls
 OSA Referral: Library
 University Testing Services

North Carolina A&T State University

Abuse of State Funds Allegation
 Allegation of University Department Throwing
 Away Useable Equipment
 Allegations of Wrongdoing in a University
 Department
 Follow-up: Irregular Fuel Transaction Patterns in
 a University Department
 Follow-up: Misuse of Grant Funds in a School/
 College
 Follow-up: Resolution of OSA Statewide Federal
 Compliance Audit Procedures Audit Finding
 Review of Assessment of Internal Controls Over
 Financial Reporting for FYE 6/30/2016
 Review of Internal Controls over the Student
 Tuition and Fee Assessment Process and
 Recomputation of Student Tuition and Fee
 Revenues
 Surprise Cash Count (2)

North Carolina Central University

Academic Affairs - Executive Master of Public
 Administration Program
 Academic Community Service Learning Program
 Athletics Petty Cash Review
 Business Auxiliary Services Review
 Chancellor's Office Review
 Director of University Bands Review
 Eagle Card Operations
 Follow-up: IT General Controls
 Follow-up: Athletics Volleyball
 Follow-up: Student Affairs Temporary & Student
 Employee Review
 Human Sciences Petty Cash Review
 Institutional Advancement
 Institutional Scholarships and Grants
 Kannapolis Research Center
 Law School Account

North Carolina Central University (Cont'd)

Mister and Miss Residential Life Pageant
 Petty Cash & Change Fund Review
 Student Health Petty Cash Review
 Year-End Inventory

North Carolina School of Science & Mathematics

Follow-up: SCSSI Fiscal 2015 Financial Audit
 Findings
 Operational and Internal Control Review of the
 Summer Accelerator Program

North Carolina State University

Athletics Summer Camps and Clinics Financial
 Record Reporting Process Consultation
 College of Agriculture and Life Sciences -
 Business Processes
 College of Agriculture and Life Sciences - Center
 for Integrated Pest Management
 College of Agriculture and Life Sciences -
 Cooperative Extension Service, Craven County
 4-H Funds Investigation
 College of Engineering - Industry Expansion
 Solutions and Office for Outreach and
 Engagement Investigation Audit Report
 College of Engineering - Research and Graduate
 Programs Investigation
 College of Engineering (COE) Civil Construction
 and Environmental Engineering Investigation
 College of Engineering Mechanical & Aerospace
 Engineering Foundation Investigation
 College of Humanities and Social Sciences -
 Communications Department Investigation
 Division of Academic and Student Affairs -
 Student Health Services Investigation
 Follow-up: College of Agriculture and Life
 Sciences - Capital Assets Investigation
 Follow-up: College of Engineering - Research
 and Graduate Programs Investigation
 Follow-up: College of Sciences Mathematics -
 Grant Funds Investigation
 Follow-up: Division of Academic and Student
 Affairs (DASA) Information Technology
 General Controls Audit
 Follow-up: Fiscal Year 2015 Financial Statement
 Audit of NC State University Club
 Follow-up: Gas Cylinder Inventory and Billing

North Carolina State University (Cont'd)

Follow-up: Internal Controls over University Procurement Card Purchases

Follow-up: Non-Instructional Summer Salary Performance Audit - Effectiveness of Faculty Training

Follow-up: Office of Information Technology - Infrastructure, Systems, and Operations: Virtual Computing Services

Follow-up: OSA Audit Letter Issued to the Vice Chancellor for Information Technology

Follow-up: OSA FY14/15 Financial Statement Audit, IT Controls Segment

Follow-up: OSA FY16 Federal Single Audit - Student Financial Assistance Cluster

Follow-up: Security Controls Related to Peripheral Devices

Follow-up: University Network Firewall Protection Service

Follow-up: University WolfTech Active Directory Security and Operational Controls

Institute for Transportation Research and Education Investigation

Transportation Investigation

University Employee Time and Leave Management

University Gas Cylinder Inventory Tracking and Billing

University of North Carolina at Asheville

Internal Control Questionnaire

University of North Carolina at Chapel Hill

Auxiliary Services

Carolina Center of Educational Excellence

Center for Civil Rights

Facilities - National Joint Powers Alliance

Follow-up: 2016 OSA Federal Compliance Audit

Follow-up: OSA FY15 Financial Statement Report

Orthodontics Department

Radiology 2016 (3)

School of Law

School of Law Employee Travel Allegation (2)

Travel Policy

University of North Carolina at Charlotte

Administrative Review of the College of Health and Human Services

Administrative Review of the office of Undergraduate Education

Biosafety Audit Report

Business Continuity Program

Environmental Health & Safety Office (EHSO)

Financial Aid Operations

Football Attendance Verification

NCAA Compliance - Investigating Rules Violations

Niner Tech Store

University of North Carolina General Administration

ESCU Follow-up of Admissions and Financial Aid

Investigation of Alleged Illegal Bidding and Facility Rentals (UNC-TV)

Investigation of Possible Inappropriate Corporate Credit Card Use (UNC-TV)

Investigation of State Vehicle Misuse

Investigation of Travel and Purchase Card Activity

Review of Shared Services Payroll

Subrecipient and Contractor Monitoring

Procedures for the GEAR UP NC Program

University of North Carolina at Greensboro

Capital Projects

Contracted Services

Gift Processing

Intercollegiate Athletics

Intercollegiate Athletics Program (NCAA Agreed-Upon Procedures)

State Property Reporting of Misuse-Theft

Weatherspoon Arts Foundation FY16

University of North Carolina at Pembroke

OSA Hotline Referral: Facilities

OSA Hotline Referral: Hiring Practices

University of North Carolina School of the Arts

Information Technology Operational Review (4)

IT Conflict of Interest (2)

University of North Carolina at Wilmington

Academic Misconduct Investigation
Auxiliary Services (Aramark Contract Review)
Banner Disaster Recovery Testing
Follow-up: Distance Education
Follow-up: Graduate School Review
Follow-up: Physical Access
Follow-up: Student Accounts and Cashier Office Review
Follow-up: Surprise Cash Count
Friends of the University of North Carolina at Wilmington, Inc.
FY17 Cash Handling Review
ITS Controls Manual Consultation Review
Master of Science in Accountancy Practicum Project
Personnel Investigation
Purchasing Compliance - Auxiliary Services Vendor
Randall Library Operational and Administrative Review
Registrar Audit
Research Compliance Review, Phase II
Response to Hotline Complaint referred by OSBM on 7/15/2016
Scuba Class Complaint Investigation
Sponsored Programs and Research Compliance
Student Health Center

Western Carolina University

Building Emergency Action Plan (14)
Business Continuity Plan -Athletics
Continuity of Operations Plan (COOP) - Facilities Management
Follow-up: Payment Card Industry (PCI) Compliance (6)
Follow-up: Arboretum FY16 Financial Statements
Follow-up: Petty Cash (3)
Laboratory Safety and Training (2)
PCI Compliance (3)
Petty Cash (5)

Winston-Salem State University

2016 Fuel Inventory Review - Management Letter - Incomplete Fuel Spreadsheet
Follow-up: 2016 Fuel Inventory Review
Homecoming Parade
Investigative Review - Athletics
Second Follow-up to the Office of the State Auditor's Statewide Federal Compliance Procedures Report - Title III - Management Letter

Attachment 2: Resolution of Audit Findings July 1, 2016 - June 30, 2017

Campus Name	Report Name	Audit Type	Date of Report	Number of Findings	Findings (Detail)	Status of Finding Resolution
ASU	Receipt Book Review FYE 2016	Financial Audits/Reviews	8/1/2016	3	<ol style="list-style-type: none"> 1. Identified eleven late deposits (extending beyond the 24 hour/\$250 rule.) 2. One department did not follow the set guidelines for collecting cash 3. Encountered fourteen instances where a receipt book was still active according to Student Accounts' records, but the custodian did not have the receipt book. 	Resolved - Follow-up Completed
ASU	Quarterly Fund Reconciliation Review	Audits/Reviews of Internal Controls	8/29/2016	1	Departmental Fund Activity Reconciliation Forms for two State funds were not completed.	Resolution in Process
ASU	Quarterly Fixed Asset Review	Audits/Reviews of Internal Controls	8/31/2016	1	Two assets from one department were not in the location as specified on the department's inventory listing and we were unable to locate.	Resolved - Follow-up Completed
ASU	Quarterly Access Management Controls Review	Information System Controls	11/1/2016	1	1. It was determined that oversight for access rights for users who transfer from one department to another within ASU needs to be improved	Resolved - Follow-up Completed
ASU	Quarterly Fund Reconciliation Review	Audits/Reviews of Internal Controls	11/14/2016	1	1. Departmental Fund Activity Reconciliation Form for one trust fund was not completed.	Resolved - Follow-up Completed
ASU	Quarterly Fixed Asset Review	Audits/Reviews of Internal Controls	11/21/2016	1	1. One asset from one department was not in the location as specified on the department's inventory listing and we were unable to locate it.	Resolved - Follow-up Completed
ASU	Quarterly Travel Review	Audits/Reviews of Internal Controls	11/21/2016	1	1. Two travelers did not provide sufficient and adequate documentation for their travel expenditures, therefore, we recommend a total of \$1,691.06 be reimbursed to the University.	Resolved - Follow-up Completed
ASU	Data Inventory Review	Information System Controls	2/3/2017	3	<ol style="list-style-type: none"> 1. The process for identification of IT applications with a smaller subset of users could be strengthened. 2. Not all ITS employees were aware that there is a process for cataloging internally developed applications. 3. Certain IT applications not included in inventory and should be evaluated for inclusion by IT. 	Follow-up Pending - Scheduled for 17-18
ASU	Quarterly Fixed Asset Review	Audits/Reviews of Internal Controls	2/8/2017	1	1. For one of the fixed assets sampled, replacement of a part resulted in the fixed asset not being identifiable. Procedures to properly re-register with the DMV were not followed. Also, the cab and parts removed were not properly surplus.	Resolved - Follow-up Completed
ASU	University Business Continuity Plan and Disaster Recovery Plan Reviews	Information System Controls	2/21/2017	3	<ol style="list-style-type: none"> 1. There is not a clear alignment between the Plans and the ITS Disaster Recovery Plan. 2. The Policy requirements are unclear and contain procedural elements. 3. The management of the Plans is not in agreement with the Policy. 	Follow-up Pending - Scheduled for 17-18

Campus Name	Report Name	Audit Type	Date of Report	Number of Findings	Findings (Detail)	Status of Finding Resolution
ASU	Quarterly Fund Reconciliation Review	Audits/Reviews of Internal Controls	3/3/2017	1	1. The Departmental Fund Activity Reconciliation Form for one state fund was not completed.	Follow-up Pending - Scheduled for 17-18
ASU	Quarterly P-card (Procurement Card) Review	Audits/Reviews of Internal Controls	3/8/2017	2	1. Multiple occurrences of not following University and/or departmental policies regarding the use of the procurement card while in travel mode. 2. Multiple occurrences of not following University and/or departmental policies regarding the use of procurement card for certain departmental meal expenditures.	Follow-up Pending - Scheduled for 17-18
ASU	Payment Card Services Policy Oversight	Information System Controls	3/20/2017	1	1. Training	Follow-up Pending - Scheduled for 17-18
ASU	Quarterly Travel Review	Audits/Reviews of Internal Controls	5/22/2017	1	1. One traveler's expenditure reflected an instance of incorrect processing and allocation of a University Travel Grant. We have contacted the department with the administrative oversight regarding this grant, as well as the Controller's Office. We recommend that the department contact the Controller's Office for additional guidance on the grant related policies and procedures.	Resolved - Follow-up Completed
ASU	Quarterly Fixed Asset Review	Audits/Reviews of Internal Controls	6/6/2017	1	1. For one of the fixed assets sampled, we noted that the exchange between two fixed assets was incorrectly documented. Management was notified and the corrected paperwork was resubmitted to the Fixed Asset Officer to correct the fixed asset departmental listing errors. No additional follow-up procedures will be performed regarding this finding.	Resolved - Follow-up Completed
ASU	Quarterly P-card (Procurement Card) Review	Audits/Reviews of Internal Controls	6/7/2017	3	1. Multiple occurrences of not following University and/or departmental policies regarding the use of the procurement card for travel related expenditures. 2. Multiple instances were found where insufficient documentation was provided to support the expenditure. 3. There was one occurrence of the reconciliation procedures not being followed as per ASU Policy 509.23.	Follow-up Pending - Scheduled for 17-18
ASU	Quarterly Fund Reconciliation Review	Audits/Reviews of Internal Controls	6/8/2017	3	1. Two Departmental Fund Activity Reconciliation Forms for two trust funds were completed and approved before the month's end. 2. The Departmental Fund Activity Reconciliation Form for one trust was not submitted. 3. The Departmental Fund Activity Reconciliation Forms for two trust funds were lacking the supervising review and approval signature.	Follow-up Pending - Scheduled for 17-18

Campus Name	Report Name	Audit Type	Date of Report	Number of Findings	Findings (Detail)	Status of Finding Resolution
ECSU	Pro Card Administration	Performance/Operational Audits and/or Reviews	2/10/2017	3	1. Instances of non-compliance with agency state tax exemption 2. Internal control weakness over reconciliations and expense account reconciliations 3. Internal control weakness of Pro Card review	Follow up Pending
ECSU	Hotline Allegation IT Video Surveillance	Special Investigations	2/22/2017	3	1. No documentation available that contains a list of every camera located on campus and who is responsible for maintaining equipment 2. No University policy to govern the use of video cameras on campus 3. No signage to indicate video monitoring is occurring in the building	Follow up Pending
ECSU	Hotline Allegation Hiring Practice	Special Investigations	3/9/2017	1	1. Lack of direct oversight by Human Resources resulting in a search process that did not follow the prescribed hiring procedures and changing job requirements without prior approval from UNC General Administration, which led to the pre-selection of a candidate for Position A.	Follow up Pending
ECSU	Hotline Allegation Hiring Practice	Special Investigations	4/10/2017	1	1. Final candidates interviewed by [Employee A] only. There was no involvement of the search committee after the candidates were identified for interview	Follow up Pending
ECU	Student Affairs Unit Review	Special Investigations	8/10/2016	4	1. Some elements of the departmental policy manual are not consistent with applicable University policies and/or state and federal laws 2. Inadequate oversight by the governing body 3. Management has too much actual and/or perceived control over decisions that should be made by students 4. Actions of employees and management in the department that at times contribute to an adversarial and unprofessional work environment	N/A-No follow-up planned
ECU	Special Investigation - Employee Use of Resources	Special Investigations	10/26/2016	2	1. Evidence to Support Creation and Transmission of Falsified Documents Utilizing University computers. 2. Opportunities to Improve Tracking of Assets.	N/A - No Follow-up Planned
ECU	Academic Library Services Time and Leave Reporting Process	Compliance Audits	1/20/2017	2	1. Annual vacation leave record errors identified 2. Annual sick leave record errors identified	N/A - No Follow-up Planned
ECU	Health Sciences Telemedicine Services	Integrated (Operational and Compliance)	2/10/2017	5	1. Opportunities to improve telemedicine-related policies and protocols 2. Consent for treatment and notices of privacy practices not always documented in patient records 3. Opportunities to improve documentation of patient emergency procedures 4. Opportunities to improve monitoring of the accuracy of telemedicine-related invoices paid by the University 5. Services have been provided to patients at a remote site not covered by contractual agreements	Resolution in Process

Campus Name	Report Name	Audit Type	Date of Report	Number of Findings	Findings (Detail)	Status of Finding Resolution
ECU	Athletic Allegations	Special Investigations	3/23/2017	3	1. Potential and Actual NCAA Violations 2. Anti-Nepotism Policy 3. Education on Anti-Nepotism Policy	N/A-No follow-up planned
ECU	Information Technology Incident Detection and Response	Integrated (Compliance and Information Technology)	3/30/2017	2	1. Security Incident Response Plan and Incident Response Procedure had not been reviewed and updated 2. Opportunities to improve consistency between actual Incident Response actions taken and the actions documented in the Security Incident Report	Resolution in Process
ECU	Academic Affairs Student Employee Time Records	Special Investigations	4/28/2017	2	1. Intentional submission of false work hours, resulting in payment for hours not worked 2. Opportunities to strengthen controls over monitoring of student employees' work time and productivity	N/A-No follow-up planned
ECU	School of Medicine Prescribing History	Special Investigations	5/9/2017	1	1. Prescriptions written/signed for recipients with whom there was no established provider-patient relationship	N/A-No follow-up planned
ECU	Use of Resources, Conflict of Interest, and Payroll Overpayment	Special Investigations	5/12/2017	3	1. University funds were used to pay a consultant for work that was performed on behalf of a private company. 2. Faculty member contracted with his/her private company with the opportunity for personal gain. 3. Employee A had too much actual and/or perceived control over spouse's course load and other assignments, resulting in overload payments that are inconsistent with other faculty members, and one overload payment in which there is no evidence that the stated duties or any extra duties were fulfilled	N/A-No follow-up planned
ECU	Undergraduate Admissions Waiver Process	Compliance Audits	5/25/2017	3	1. Lack of documented and approved policy for applicants who may require special considerations or exceptions to MCR and/or MAR policies 2. Annual reporting of "Chancellor's Exceptions" to the ECU Board of Trustees could not be confirmed based on minutes reviewed 3. We could not substantiate the allegation of a questionable waiver of an unnamed student	Resolution in Process
ECU	Title IX Sex-Based Discrimination, Harassment, and Violence Prevention and Compliant Response Processes	Compliance Audits	6/14/2017	4	1. Title IX Coordinator does not have any direct authority and oversight of all Title IX-related prevention and response activities 2. Opportunities for stronger collaboration between the University and local law enforcement regarding Title IX requirements 3. Student investigation, hearing and appeal processes for Title IX cases are not consistently conducted within the timeframe specified in University Regulation 4. Anomalies noted in the processing and documentation of some Title IX cases involving student respondents	Resolution in Process

Campus Name	Report Name	Audit Type	Date of Report	Number of Findings	Findings (Detail)	Status of Finding Resolution
ECU	School of Dental Medicine Community Service Learning Centers (CSLC)	Performance/Operational Audits and/or Reviews	6/16/2017	4	<ol style="list-style-type: none"> 1. Opportunities to strengthen controls over patients in the extended payment plan, teaching case, and means tested care programs 2. Opportunities to tighten CSLC facility security controls 3. Patient consent documentation not complete and on file 4. Expenditure processing and payment not always timely 	Resolution in Process
ECU	1 Card Campus Physical Security Controls	Performance/Operational Audits and/or Reviews	6/26/2017	6	<ol style="list-style-type: none"> 1. Employee physical access not always removed timely 2. Opportunities to tighten controls over privileged cardholders' physical access 3. 1 Card Office employees alter their own access in CCURE (access control management software) 4. Written access request forms were not always completed 5. No University-wide directive or formal expectations regarding unit heads' responsibilities related to controlling and monitoring physical access 6. Some access that has been granted to specific facilities may be unnecessary 	Resolution in Process
ECU	User Account On-Boarding and Off-Boarding	Information System Controls	6/27/2017	3	<ol style="list-style-type: none"> 1. Opportunities to strengthen controls over the assignment of PirateIDs during the on-boarding process 2. Departmental managers/supervisors are not consistently notifying ITCS prior to employee or third party departures 3. Opportunity to revise the termination reports to allow for timelier user account access removal 	Resolution in Process

Campus Name	Report Name	Audit Type	Date of Report	Number of Findings	Findings (Detail)	Status of Finding Resolution
ECU	Kronos and Employee Time and Leave Keeping	Performance/Operational Audits and/or Reviews	6/27/2017	10	<ol style="list-style-type: none"> 1. Opportunity to improve application-level activity monitoring 2. Long-Term ownership of support, monitoring, oversight, and compliance responsibilities is not defined 3. Opportunities to strengthen Kronos and timekeeping training, monitoring, and accountability at the department level 4. Opportunity to strengthen controls over locations from which non-exempt employees can enter time punches 5. Errors with some part-time employees' pay and leave 6. Instances of employees not approving their time cards in Kronos 7. Kronos was not configured to prevent sign off of time cards with missing punches 8. Opportunities to strengthen controls and monitoring of negative leave balances 9. Employees with excessive number of edits to time punches 10. Full-time non-exempt employees with fewer than 40 hours in a workweek, without corresponding leave time 	Resolution in Process
ECU	Organizational Continuity Efforts	Performance/Operational Audits and/or Reviews	6/27/2017	4	<ol style="list-style-type: none"> 1. No policy, rule, regulation, or other formal University-wide directive pertaining to organizational continuity 2. Knowledge of retirement dates is not shared by Human Resources with supervisors 3. Lack of formal planning for potential personnel departures in some units 4. Continuity of Operations plans are not required for all units 	Resolution in Process
FSU	University Testing Services	Performance/Operational Audits and/or Reviews	2/2/2017	4	<ol style="list-style-type: none"> 1. Lack of written operating procedures for annual budget preparation, revenue and expense monitoring, and documentation of large budget and expense variances from year-to-year. 2. Lack of written procedures for adequately monitoring the testing services agreements. 3. Lack of written procedures for adequately monitoring the receipt collection process for the Testing Office in compliance with the University's cash management procedures. 4. Need for higher level management to continually monitor the budget and financial operations of the Testing Services Office to ensure that it can become an efficient and effective operating activity for the University. 	Follow-up Pending - Scheduled for 17-18

Campus Name	Report Name	Audit Type	Date of Report	Number of Findings	Findings (Detail)	Status of Finding Resolution
NCAT	Allegation of University Department Throwing Away Useable Equipment	Special Investigations	8/12/2016	2	1. Based on the review performed, the Office of Internal Audit (OIA) determined that the allegation had merit. The OIA recommends that the department complies with university policy by completing a 601PM form for assets no longer needed. 2. Further the OIA recommends that the Property Management Office update and strengthen its policies and procedures over surplus property.	Resolved - Follow-up Pending
NCAT	Surprise Cash Count	Financial Audits/Reviews	8/25/2016	5	1. Procedures related to the collection of fees for the readmission application process did not provide for effective segregation of duties 2. Official university-issued receipts were not written for check and money order payments for readmission application fees. 3. Reconciliations were not performed for the readmission application fees to ensure that all application fees are recorded. 4. Funds collected from walk-in transcript requests were not deposited timely. 5. Lack of segregation of duties over the mail-in transcript process	Resolved - Follow-up Pending
NCAT	Allegations of Wrongdoing in a University Department	Special Investigations	10/31/2016	2	1. Department Did Not Submit Pertinent Transactions During Fiscal Year 2012-13 2. Employee misconduct.	Resolved - Follow-up Pending
NCCU	Academic Community Service Learning Program	Special Assignments	7/7/2016	2	1. Receipting and Supplying Complete Information 2. Noncompliance with General Statute 147-77	1. Management Accepted Risk 2. Management Accepted Risk
NCCU	Academic Affairs -Executive Master of Public Administration Program	Special Assignments	7/7/2016	3	1. Employee Appointments 2. Expenditure Allocation Report 3. Compliance with University Asset Procedures	1. Management Accepted Risk 2. Management Accepted Risk 3. Not resolved
NCCU	Year-End Inventory	Audits/Reviews of Internal Controls	8/19/2016	1	1. Uniform Method of Inventory Valuation	1. Management Accepted Risk
NCCU	Business Auxiliary Services Review	Special Investigations	8/29/2016	6	1. Non-compliance with Sales Tax Reporting Requirements-BAS 2. Non-compliance with Vending Operation Fund Policies and Regulations-BAS 3. Insufficient Reconciliation Processes and Documentation Retention-BAS 4. Untimely Payments to Vendors-BAS 5. Insufficient Oversight of Timesheets and Secondary Employment-BAS 6. Inefficient Operation-Parking Office	1. Management Accepted Risk 2. Management Accepted Risk 3. Management Accepted Risk 4. Management Accepted Risk 5. Management Accepted Risk 6. Management Accepted Risk

Campus Name	Report Name	Audit Type	Date of Report	Number of Findings	Findings (Detail)	Status of Finding Resolution
NCCU	Mister and Miss Residential Life Pageant	Special Investigations	9/6/2016	1	1. Insufficient Cash Management	1. Resolved - Follow-up Pending
NCCU	Kannapolis Research Center	Special Investigations	10/27/2016	3	1. Abuse of Management Power and Violation of NCCU's Equal Employment Opportunity (EEO) Policy 2. Lack of Follow up and Documentation of Complaints Filed 3. Misuse of State Property	1. Follow-up Pending 2. Follow-up Pending 3. Follow-up Pending
NCCU	Law School Account	Special Investigations	3/30/2017	1	1. Management should determine the appropriate course of action and outcome of the contribution from Employee A	1. Resolved - Follow-up Completed
NCCU	Athletics Petty Cash Review	Financial Audits/Reviews	4/21/2017	2	1. Petty Cash Funds Reconciliation 2. Comingling of Petty Cash Funds	1. Follow-up Pending 2. Follow-up Pending
NCCU	Institutional Scholarships and Grants	Performance/Operational Audits and/or Reviews	4/27/2017	2	1. The University does not use state funds for the awarding of university scholarships to students. The practice of awarding scholarships from Auxiliary funds is common practice since the purpose of those funds is to support scholarships. During the review the Internal Audit Office (IAO) determined that the Student Aid Office (SSA) does not have a pre-established or set amount budgeted prior to the awarding of University scholarships. It is good business practice to have an established budget in order to determine the amount of scholarships that would be awarded. 2. The IAO was informed, by members of the SSA, that when students have academic challenges that they will work individually with each student in order to ensure that they keep their scholarship. In order to prevent the appearance of favoritism and maintain continuity for all students, it would be advisable that the SSA develop written procedures for the evaluation of student eligibility in maintaining scholarships.	1. Management Accepted Risk 2. Management Accepted Risk
NCCSSM	Operational and Internal Control Review of the Summer Accelerator Program	Performance/Operational Audits and/or Reviews	7/28/2016	6	1. Compliance with State E-Commerce and Cash Management Requirements 2. Compliance with Procurement Policies 3. Timely Completion of the Hiring Process 4. Timely Reconciliation of Monthly Revenue and Expense Activity 5. Approving the Program Rates 6. Potential Future Improvements	Follow-up Pending
NCSU	University Gas Cylinder Inventory Tracking and Billing	Audits/Reviews of Internal Controls	8/9/2016	3	1. Vendor Inventory System and Physical Inventory Counts 2. Inventory Tracking and Billing Verification Guidance 3. Materials Science and Engineering (MSE) Inventory Tracking and Billing Verification.	Resolved - Follow-up Completed

Campus Name	Report Name	Audit Type	Date of Report	Number of Findings	Findings (Detail)	Status of Finding Resolution
NCSU	University Employee Time and Leave Management	Compliance Audits	9/15/2016	8	<ol style="list-style-type: none"> 1. Payroll Payments to Employees 2. Timesheet Standardization and Guidance 3. Aged Out Compensatory Time Reporting Process 4. Hiring Processes 5. Holiday Pay 6. Police Dispatcher Pay 7. Compensatory Leave 8. Full Time Equivalency Status 	Follow-up Pending
NCSU	College of Agriculture and Life Sciences - Business Processes	Audits/Reviews of Internal Controls	4/19/2017	5	<ol style="list-style-type: none"> 1. Financial oversight procedures 2. Procedures for monitoring and oversight of personnel charges 3. Additional compensation payment procedures 4. Salary redistribution procedures 5. Administration of faculty departures 	Follow-up Pending
NCSU	College of Engineering - Research and Graduate Programs Investigation	Special Investigations	5/11/2017	1	<ol style="list-style-type: none"> 1. Lack of documented management approval for home use of university equipment 	Resolved - Follow-up Completed
UNCC	Financial Aid Operations	Financial Audits/Reviews	7/28/2016	4	<ol style="list-style-type: none"> 1. Financial aid not reversed for withdrawn students 2. Deficit in funding of Federal aid 3. Incompatible system access roles 4. Business Continuity Plan not updated or tested 	<ol style="list-style-type: none"> 1. Resolved - Follow-up Completed 2. Resolved - Follow-up Completed 3. Resolution in Process 4. Resolved - Follow-up Completed
UNCC	Niner Tech Store	Performance/Operational Audits and/or Reviews	8/31/2016	3	<ol style="list-style-type: none"> 1. Insufficient system of internal controls 2. Lack of internal controls over financial activities 3. Current organizational placement inhibits operations 	<ol style="list-style-type: none"> 1. Resolved - Follow-up Completed 2. Resolved - Follow-up Completed 3. Resolution in Process
UNCC	Administrative Review of the College of Health and Human Services	Performance/Operational Audits and/or Reviews	12/1/2016	3	<ol style="list-style-type: none"> 1. Workplace Safety: Recommend that each unit have an emergency plan (including building evacuation plans) that aims to protect all individuals during an emergency. 2. Banner Access: The College does not have an internal control in place to ensure regular semi-annual review of access rights. 3. Business Continuity Planning: One out of the four academic units in the College has a final, but unsigned, continuity of operations plan, and one has a draft continuity of operations plan (COOP). The two other academic units and the College as a whole do not have a business continuity plan in place. 	<ol style="list-style-type: none"> 1. Resolved - Follow-up Completed 2. Resolved - Follow-up Completed 3. Resolved - Follow-up Completed

Campus Name	Report Name	Audit Type	Date of Report	Number of Findings	Findings (Detail)	Status of Finding Resolution
UNCC	Environmental Health & Safety Office (EHSO)	Compliance Audits	12/20/2016	4	1. EHSO has no internal control to ensure that employees with direct oversight and management of central accumulation areas are annually reviewing hazardous waste training which is required by federal regulations 2. Lack of internal controls resulting in noncompliance with the North Carolina Fire Code and Occupational Safety and Health Administration regulations as they pertain to Fire Prevention and Safety Plans 3. Lack of controls in place to ensure compliance with OSHA Laboratory Safety Standards and Guidelines 4. The University Safety and Health Committee is inactive	1. Resolution in Process 2. Resolution in Process 3. Resolution in Process 4. Resolution in Process
UNCC	Business Continuity Program	Performance/Operational Audits and/or Reviews	3/20/2017	2	1. Campus is not fully prepared to recover from a disruption to operations 2. Lack of a robust training/educational curriculum to support the program	1. Resolution in Process 2. Resolution in Process
UNCC	Administrative Review of the office of Undergraduate Education	Performance/Operational Audits and/or Reviews	5/19/2017	1	1. Accuracy of Financial Records	Resolution in Process
UNC-CH	School of Law Employee Travel Allegation	Special Investigations	8/26/2016	2	1. Travel Policies and Procedures for reimbursement need improvement 2. Incorrect reimbursements to faculty member	1. Follow-up pending 2. Resolved - follow-up complete
UNC-CH	(School of Law Employee Travel Allegation) Flight Accommodations	Special Investigations	10/14/2016	1	1. Responsibility for review and approval of travel-related workplace accommodations should be transferred to the Equal Opportunity and Compliance Office	Resolved - follow-up complete
UNC-CH	Radiology 2016	Special Investigations	10/20/2016	1	1. Travel Policies and Procedures for Reimbursement Need Improvement	Resolved - follow-up complete
UNC-CH	Radiology 2016	Special Investigations	11/14/2016	1	1. An employee requested reimbursement for personal legal expenses. The department identified these costs as unallowable and rejected the reimbursement request.	Resolved - follow-up complete
UNC-CH	Travel Policy	Audits/Reviews of Internal Controls	12/9/2016	2	1. The University does not have sufficient policies or procedures related to employee travel that combines business and personal days. 2. Policy regarding travel that departs from or returns to a location other than a traveler's primary work station needs to be expanded and clarified.	1. Resolved - follow-up complete 2. Resolved - follow-up complete
UNC-CH	Radiology 2016	Special Investigations	1/5/2017	2	1. Travel approval process 2. Compliance with travel policy	1. Follow-up pending 2. Follow-up pending
UNC-CH	Orthodontics Department	Special Investigations	4/27/2017	3	1. Vendor review 2. Employee-related company doing business with University 3. Patient tracking system	1. Follow-up pending 2. Follow-up pending 3. Follow-up pending

Campus Name	Report Name	Audit Type	Date of Report	Number of Findings	Findings (Detail)	Status of Finding Resolution
UNC-CH	Carolina Center of Educational Excellence	Financial Audits/Reviews	6/29/2017	1	1. Matching of revenues and expenditures	Follow-up pending
UNCG	Contracted Services	Compliance Audits	10/31/2016	2	1. Findings relative to payments of \$5,000 or more (subject to contract review by the Purchasing Department) 2. Findings relative to payments less than \$5,000; greater than \$5,000 in aggregate	Resolved - Follow-up Completed
UNCG	State Property Reporting of Misuse- Theft	Compliance Audits	1/25/2017	1	All reportable incidents were forwarded to the SBI in accordance with the NC statute. Three incident reports were not forwarded on a timely basis (beyond the ten days requirement).	Resolved - Follow-up Completed
UNC-GA	Investigation of Travel and Purchase Card Activity	Special Investigations	7/27/2016	2	1. Travel Policies and Procedures Need Improvement 2. Purchase Card Policies and Procedures Need Improvement	Follow-up Pending
UNC-GA	Investigation of State Vehicle Misuse	Special Investigations	8/2/2016	1	1. Review and monitoring of state-issued vehicles could be improved	Follow-up Pending
UNC-GA	Review of Shared Services Payroll	Performance/Operational Audits and/or Reviews	10/19/2016	2	1. Information system controls could be improved 2. Appropriate user access could improve payroll support	Follow-up Pending
UNC-GA	Investigation of Possible Inappropriate Corporate Credit Card Use (UNC-TV)	Special Investigations	2/8/2017	1	Communication of corporate card policies needs improvement	Follow-up Pending
UNC-GA	Subrecipient and Contractor Monitoring Procedures for the GEAR UP NC Program	Compliance Audits	6/14/2017	4	1. Subrecipient risk assessments need updating 2. Subrecipient Monitoring does not follow the risk-based monitoring plan 3. Monitoring of subrecipients' cost match needs improvement 4. Terms and conditions with NC New Teacher Support Program need to be documented	Follow-up Pending
UNCP	OSA Hotline Referral: Facilities	Special Investigations	6/30/2017	1	1. Time Accounting	Resolved - Follow-up Pending
UNCSA	Information Technology Operational Review	Performance/Operational Audits and/or Reviews	9/19/2016	5	1. Insufficient IT Gap Analysis and Risk Assessment 2. Outdated Information Security Policy 3. Incomplete Data Classification 4. Operating Procedures Not Documented 5. Campus Community Concerns	Follow-up Pending
UNCSA	Information Technology Operational Review	Performance/Operational Audits and/or Reviews	9/19/2016	2	Findings not subject to public inspection	Follow-up Pending

Campus Name	Report Name	Audit Type	Date of Report	Number of Findings	Findings (Detail)	Status of Finding Resolution
UNCSA	Information Technology Operational Review - Management Letter	Performance/Operational Audits and/or Reviews	12/5/2016	4	1. Outdated Strategic Plan 2. No Distinct Training Philosophy/Insufficient Management of Staff Development 3. Performance Evaluations Not Assessed Critically 4. Annual Policy Review not Completed Timely	Resolution in Process
UNCSA	Information Technology Operational Review - Management Letter	Performance/Operational Audits and/or Reviews	12/5/2016	1	Finding not subject to public inspection	Resolution in Process
UNCSA	IT Conflict of Interest	Special Investigations	1/10/2017	2	1. Appearance of Conflict of Interest 2. Noncompliance with Conflicts of Interest Policy	Resolved - Follow-up Pending
UNCW	Sponsored Programs and Research Compliance	Compliance Audits	10/11/2016	13	1. Lack of documentation and consistent process for export controls analysis 2. Lack of export controls guidelines 3. Outdated/Inaccurate policy 4. Insufficient staffing for export controls 5. Outdated and inaccurate COI policy 6. Procedures fail to capture all required COI disclosures 7. Failure to properly review disclosures 8. Failure to obtain all required disclosures in a timely manner 9. Failure to comply with RCR training requirements on funded research 10. Outdated and inaccurate RCR policy 11. Failure to certify compliance 12. Poor research compliance website 13. Insufficient back up / cross training	Follow-up Pending
UNCW	Auxiliary Services (Aramark Contract Review)	Compliance Audits	2/24/2017	5	1. Accounts Payable Process 2. Lack of Segregation of Duties 3. Lack of Consistently Documented and Prepared Reconciliations 4. Cross Training and Backup 5. Lack of Written Procedures	Follow-up Pending
UNCW	Purchasing Compliance - Auxiliary Services Vendor	Compliance Audits	2/24/2017	1	1. Services have not been bid and the solicitation for these services has not been advertised through IPS as required by the NC Procurement Manual	Follow-up Pending

Campus Name	Report Name	Audit Type	Date of Report	Number of Findings	Findings (Detail)	Status of Finding Resolution
UNCW	Randall Library Operational and Administrative Review	Performance/Operational Audits and/or Reviews	5/16/2017	12	<ol style="list-style-type: none"> 1. Budget Authorities do not have necessary access and training 2. Budget authority oversight 3. Direct Pay processing 4. Incomplete tracking and reporting of Randall Library art collection 5. Inaccuracy in fixed asset tracking and verification 6. Noncompliance with requirements for traded equipment 7. Lack of segregation of duties over surplus disposal requests of Library assets 8. Lack of review and approval of gifts-in-kind by University Advancement 9. Incomplete reporting of gifts-in-kind to Advancement Services 10. Lack of review of SharePoint access permissions 11. Lack of an up-to-date continuity of operations plan 12. Lack of cross training and backup for key position 	Follow-up Pending
UNCW	FY17 Cash Handling Review	Financial Audits/Reviews	6/29/2017	2	Of ten areas reviewed, two areas did not fully comply with UNCW Policy 05.141 and were issued findings.	Follow-up Pending
WCU	Office of Campus Services/Aramark's Compliance with Purchasing Card Industry Data Security Standards	Compliance Audits	7/15/2016	2	<ol style="list-style-type: none"> 1. Campus Services/Aramark does not provide PCI DSS training that would comply with PCI DSS v. 3.1, Requirement 9.9.3 and Requirement 12.6.1 and 12.6.2. 2. The contract between Freedom Pay and Aramark does not include clauses as outlined in PCI DSS 3.1, Requirement 12.8.2. 	Resolution in process
WCU	Petty Cash - Academic Affairs	Compliance Audits	1/4/2017	4	<u>Stage and Screen</u> <ol style="list-style-type: none"> 1. Petty cash/change fund assigned had been utilized for purchases of food in the amount of \$236.81. 2. Receipts were not submitted for reimbursement timely 3. There was a shortage of \$56.24 that was not supported by receipts. <u>Speech and Hearing</u> <ol style="list-style-type: none"> 4. The petty cash custodian did not prepare a receipt to document revenue received. 	Resolved - Follow-up Completed
WCU	PCI DSS - College of Fine and Performing Arts	Compliance Audits	1/17/2017	1	<ol style="list-style-type: none"> 1. The vendor that hosts the College of Fine and Performing Arts' ticketing system, does not support this work units' effort to maintain a strong password management system, nor does it provide a tool for reviewing individuals activities who have administrative rights. 	Resolved - Follow-up Completed
WCU	PCI DSS - University Bookstore	Compliance Audits	1/27/2017	1	<ol style="list-style-type: none"> 1. Authority to Enter into Contract 	Resolved - Follow-up Completed

Campus Name	Report Name	Audit Type	Date of Report	Number of Findings	Findings (Detail)	Status of Finding Resolution
WCU	Petty Cash - Student Affairs	Compliance Audits	2/7/2017	1	1. The Petty cash custodian for the recreation center did not prepare receipts for the \$40 revenue taken in on the day the petty cash count occurred although the revenue appeared to be documented in a log of daily transactions.	Resolved - Follow-up Completed
WCU	Laboratory Safety and Training - College of Arts and Sciences	Performance/Operational Audits and/or Reviews	5/24/2017	16	Physical Observation 1. Secondary containers not labeled-five instances 2. Hazardous waste not labeled-2 instances 3. Chemical fume hood obstructed-2 instances 4. Tripping hazards- 4 instances 5. Sharps, waste maintained in an unsafe manner-2 instances 6. Food products not labeled for lab use only-1 instance 7. Chemicals stored above eye level-2 instances 8. Appliances not labeled for lab use only-1 instance 9. No lab specific standard operating procedures. 8 instances 10. Consumption of food, eating/drinking in lab.-5 instances 11. Fire extinguisher obstructed-1 instance 12. Cluttered work areas-1 instance 13. Chemical fume hood used as storage-2 instances Training 1. Not all students had completed the required training. 2. Evidence of training had not been documented. 3. Faculty and staff had not completed hazard assessment forms or training.	Follow-up pending
WCU	Laboratory Safety and Training - College of Health and Human Sciences	Performance/Operational Audits and/or Reviews	6/19/2017	1	1. We found that in two of the eight classes included in the sample, or twenty-five percent of the sample, faculty stated that training had occurred; however they could not provide evidence that training had occurred. Safety Office Biosafety Manual, Section 1 states that, "Principal Investigators/Supervisors are responsible for training laboratory personnel and students he/she supervises to work safely with biological materials and operations, and maintain records of training provided locally as well as ensure that training and coordinating audits are completed." Failure to ensure that students participate in the required training could result in injury to students.	Follow-up pending
WSSU	Homecoming Parade	Special Investigations	9/14/2016	1	1. Inadequate Accounting and Control Procedures	Follow-up Pending

Campus Name	Report Name	Audit Type	Date of Report	Number of Findings	Findings (Detail)	Status of Finding Resolution
WSSU	Investigative Review - Athletics	Special Investigations	4/7/2017	5	1. Inappropriate Treatment of Funds 2. Lack of Contract Monitoring, Uncollected Revenue, and No Independent Account Reconciliations 3. Invalid Contract 4. Untimely Deposits 5. Inadequate Knowledge of Funds Management Policies and Lack of Risk-Mitigating Internal Procedures	Resolution in Process

ASU

Audit Plan

Year Ending June 30, 2018

Specific Audits	
Financial Audits/Reviews	
Petty Cash/Change Fund Counts/Receipt Books - 6/30/17	
Petty Cash/Change Fund Counts/Receipt Books - 6/30/18	
Inventory Testing - 6/30/17	
Inventory Testing - 6/30/18	
New River Light & Power- 12/31/2016	
New River Light & Power- 12/31/2017	
Athletics - 6/30/2017	
Appalachian Real Estate Holdings, Inc. 6/30/17	
Banner Vendor Tables - Internal Controls	
Bookstore	
Parking and Traffic	
Information System Controls	
Housing Employees Time Cards (System/Internal Controls)	
Access Controls	
BOA Works Access Review	
AIM System Application Controls Review (Module TBD)	
IT General Controls Audit (Banner)	
IT Security Risk Assessment - Annual Review of completion and approval	
Audits/Reviews of Internal Controls	
Departmental Budget Reconciliations	
Equipment and Technology (E&T) Disbursement Testing	
Campus Wide Asset Control	
Travel Disbursements	
Procurement Card Expenditures Review	
Foundation Expenditure Review	
Performance/Operational Audits and/or Reviews	
Child Care Development Center	
Conferences and Camps - Baseball Camp	
Compliance Audits	
Financial Aid - Payments to Students	
Over-time Compensation to Exempt Employees	
Appalachian SBIRT Student Training (Grant Fund # 552117)	
ADA (American Disability Act) Compliance - Physical Access on Main Campus	
NCAA - Paid Attendance Ticket Audit	
GEAR UP Grant - Year 3	

ASU
Audit Plan
Year Ending June 30, 2018

Specific Audits	
Audit Findings Follow-up	
Follow-up - DRP/BC	
Follow-up - Distributed IT	
Follow-up - ACH	
Follow-up - PCI	
Follow-up Food Services Banner/CS Gold Reconciliation	
Follow-up - CS Access	
Follow-up - NCRC Cash Handling/Contract Administration	
Follow-up - Concessions Cash -Inventory reconciliation - in conjunction with Athletics FY 17 audit)	
Follow-up - State Financial Audit	
Follow-up - State IT Audit	
Special Investigations	
IRB - Institutional COI	
UB - Questioned costs	
Special Assignments	
Data Management Committee	
Identity Management Committee	
Productivity and Security Services Technology Portfolio Committee	
UNCAA Conference - Host Committee	
Payment Card Oversight Committee	
Pcard Review Committee	
Information Security Advisory Council	
Administrative Institutional Effectiveness Council	
Internal Control Assessments Committee	
Other	
QAR - Self Assessment with Independent Validation	
Quality Assurance and Improvement Program (QAIP/QAR)	

ECU

Audit Plan

Year Ending June 30, 2018

Specific Audits
Financial Audits/Reviews
None
Information System Controls
Mobile Device Policies and Controls
Change Control Practices
IT Disaster Recovery
Audits/Reviews of Internal Controls
None
Performance/Operational Audits and/or Reviews
Teaching Overload Payments
School of Dental Medicine Community Service Learning Centers
Greek Life
Athletics Imprest Fund
Security Cameras
Export Controls
Governance and Ethics
Compliance Audits
University Youth Programs
Student Academic Appellate Process
Conflict of Interest/Management Plans
Audit Findings Follow-up
3rd-Parking and Transportation Services (A15014)
2nd-Academic Integrity (A16019)
Undergraduate Admissions Waivers (A17028)
Title IX (A17027)
Telemedicine (A16050)
Incident Detection (A17009)
Kronos/Payroll (A16038)
Organizational Continuity (A16044)
User Account On and Off-Boarding (A17008)
One Card Access (A17004)
Special Investigations
Pending
In Process
Special Assignments
Committees/Other Routine Tasks
Routine Consults

ECU
Audit Plan
Year Ending June 30, 2018

Specific Audits	
Data Analytics - Accounts Payable/Travel/Payroll	
Anti-Fraud Guide	
Audit Management Software Implementation	
Student Intern	
Self-Assessment of Internal Audit	
Risk Assessment/Audit Planning 2018-2019	
Risk Assessment/Audit Planning 2017-2018	
Other	
None	

ECSU
Audit Plan
Year Ending June 30, 2018

Specific Audits	
Financial Audits/Reviews	
None	
Information System Controls	
Banner Access	
Audits/Reviews of Internal Controls	
None	
Performance/Operational Audits and/or Reviews	
Fixed Assets/Other Assets	
Compliance Audits	
Student Judicial Process	
Audit Findings Follow-up	
UNC-GA Admissions and Financial Aid Review	
Hiring Process	
Coaches Salaries	
Office of the State Auditor Reviews	
Contracts & Grants	
Special Investigations	
Special Reviews - Pending	
Special Assignments	
Consultations and Advisory Services/Committees	
Risk Assessment/Auditing Planning 2017/18	
Other	
None	

FSU
Audit Plan
Year Ending June 30, 2018

Specific Audits
Financial Audits/Reviews
None
Information System Controls
None
Audits/Reviews of Internal Controls
Internal Control Questionnaire
Performance/Operational Audits and/or Reviews
Departmental Budget Procedures
Departmental Asset Inventories
Quarterly Cash Counts
Compliance Audits
Student Accounts Receivables and Collections
Grant Close-Out Process
Compliance with the Cleary Act
PCI Data Security Compliance
Title IX Compliance
Audit Findings Follow-up
ITTS State Auditor's Findings
Testing Services Financial Operations
Special Investigations
As occurs.
Special Assignments
Banner Steering Committee
Internal Control Committee
Other
None

NC A&T
Audit Plan
Year Ending June 30, 2018

Specific Audits	
Financial Audits/Reviews	
Surprise Cash Counts	
Food Service Contract	
Parking Services - Vehicle Registration	
Information System Controls	
Notification Process for Separated Employees	
Audits/Reviews of Internal Controls	
Assessment of Internal Controls Over Financial Reporting	
Purchasing Cards	
Tuition Surcharge Process	
Annual Conflict of Interest Forms	
Performance/Operational Audits and/or Reviews	
None	
Compliance Audits	
NCAA Compliance Audit - Phase II	
Conflict of Interest for Researchers	
Contracts and Grants - Closeout Procedures	
Research Conflict of Interest Management	
Audit Findings Follow-up	
Improper Procurement Card Purchases and Conflict of Interest in a University Department	
Office of the State Auditor - Statewide Federal Compliance Procedures-Student Financial Aid	
US Department of Education - Student Financial Aid	
Review of the University's Change Management Process	
Office of the State Auditor IT General Controls Review - Pending	
Review of the University's Non-fixed Assets	
Special Investigations	
Special Investigation Wrap-up	
Special Investigation In Progress 1	
Special Investigation In Progress 2	
Special Investigations - Pending	
Special Assignments	
Consultative Engagements/Committees	
Clery Committee	
Office of the State Auditor IS General Controls Audit (Shadow OSA Auditors)	
North Carolina Ethics Commission Liaison	
Other	
None	

NCCU
Audit Plan
Year Ending June 30, 2018

Specific Audits	
Financial Audits/Reviews	
None	
Information System Controls	
None	
Audits/Reviews of Internal Controls	
Pre & Post Award - Sponsored Programs	
Performance/Operational Audits and/or Reviews	
Salary Administration	
Benefit Administration	
Institutional Advancement Services	
Compliance Audits	
Clery Act	
Audit Findings Follow-up	
Student Affairs Financial Review	
Unidentified Follow-ups	
Special Investigations	
Eagle Card Office - Internal Controls	
Contract Administration	
School of Education	
Speaking/Writing Laboratories in University College	
Unplanned but Anticipated	
Special Assignments	
Campus Education & Training Presentations	
Other	
Risk Assessment	

NCSSM
Audit Plan
Year Ending June 30, 2018

Specific Audits	
Financial Audits/Reviews	
Student and Constituent Support Services, Inc. Expenditures	
Information System Controls	
None	
Audits/Reviews of Internal Controls	
None	
Performance/Operational Audits and/or Reviews	
None	
Compliance Audits	
Additional Pay Contracts	
Audit Findings Follow-up	
Student Information System's Access/FERPA Audit	
Accelerator Program Review	
Special Investigations	
Unplanned / Various: Hold for unexpected investigations of internal or external hotline reports and other similar reported incidents.	
Special Assignments	
NCSSM-Morganton Business Operations Planning Consult	
Human Resources Consult	
Consults: NCSSM Annual Self-Assessment of Internal Controls over Financial Reporting; Charter Updates; Annual Certification Letters; Operating Efficiencies over Human Resources Forms & Processes; Other Unplanned Consults/Projects	
Other	
Risk Assessment/FY2018 Audit Plan Development	
Risk Assessment / FY2019 Audit Plan Development	
Board & management meetings, unit oversight & marketing	
Quality Assurance Review (QAR) Preparation	

NCSU
Audit Plan
Year Ending June 30, 2018

Specific Audits	
Financial Audits/Reviews	
Cooperative Extension Services Financial Governance	
Grant Expenses at Award End	
Information System Controls	
Academic Information Technology Disaster Recovery Planning	
Audits/Reviews of Internal Controls	
Fraud Controls in the Accounts Payable Vendor Account Management Process	
Internal Controls Over Salary Supplements	
College of Agriculture and Life Sciences - Foundations Internal Controls Review	
Security Applications and Technology Services	
Performance/Operational Audits and/or Reviews	
None	
Compliance Audits	
College Program Enhancement Fee and Special Tuitions	
Title IX	
Audit Findings Follow-up	
College of Agriculture and Life Sciences - Animal Sciences Department Investigation Follow-up	
College of Agriculture and Life Sciences - Business Processes Follow-up	
University Employee Time and Leave Management Follow-up	
User Controls Over Ultra-Sensitive Data Follow-up	
Special Investigations	
As occurs	
Special Assignments	
National Institute of Standards and Technology (NIST) 800-171 Compliance Steering Team	
University Information Technology Strategic Advisory (ITSAC) Committee and Security Subcommittees	
Other	
Implementation of Accounts Payable Vendor Management Systems	
PeopleSoft Module Implementation - Timekeeping and Absence Management Module	
Power America - Government Accountability Office (GAO) Audit	
Research Administration Systems Replacement - eRA (electronic Research Administration)	

UNCA
Draft Audit Plan
Year Ending June 30, 2018

Specific Audits	
Financial Audits/Reviews	
None	
Information System Controls	
Monthly Banner IT Reporting of System Changes	
PCI Compliance	
Audits/Reviews of Internal Controls	
Inventory Testing	
Assessment of Internal Controls over Financial Reporting	
Performance/Operational Audits and/or Reviews	
None	
Compliance Audits	
Athletics / NCAA Compliance Topics	
Audit Findings Follow-up	
Clery Act Follow-up	
Special Investigations	
As Occurs	
Special Assignments	
Risk Assessment	
Data Security	
KPI Reporting	
Institutional Effectiveness Committee	
Routine Consultations	
Other	
Internal Audit Intern	
Quality Assurance Review Activities	

UNCC

Audit Plan

Year Ending June 30, 2018

Specific Audits
Financial Audits/Reviews
Travel / Complex Payments
Scholarships / Restricted Gifts
Capital Construction Contracting
Effort Reporting
Information System Controls
IT - Disaster Recovery Plan (DRP) (FY17 --> FY18)
PCI Compliance
Audits/Reviews of Internal Controls
N/A (included in each operational audit)
Performance/Operational Audits and/or Reviews
Institutional Research
Centers & Institutes
Building Access controls / 49er Card
Minors on Campus
Admin Review - International Programs
Admin Review - College of Computing & Informatics (CCI)
Admin Review - Dean of Students
Admin Review - Alumni Affairs
Clery Reporting Review
Academic Integrity Review
Compliance Audits
Residency Classification
NCAA Compliance - Rules Education
NCAA Compliance - Football Attendance
Audit Findings Follow-up
Environmental Health and Safety Audit
RSM - Network Security Audit
OSA - IT General Controls Audit
Special Investigations
As occurs
Special Assignments
CAO - Information Assurance Committee (IT Governance)
Other
Internal Audit Quality Assurance Review

UNC-CH
Audit Plan
Year Ending June 30, 2018

Specific Audits	
Financial Audits/Reviews	
None	
Information System Controls	
None	
Audits/Reviews of Internal Controls	
None	
Performance/Operational Audits and/or Reviews	
Historically Under-utilized Business Program	
Chemistry Department	
Energy Services Equipment	
Building Access	
Governance - Trustee Orientation	
Athletic Ticket Sales	
Compliance Audits	
Clery Act Reporting	
Audit Findings Follow-up	
University-wide Follow-up - Internal Audit Finding	
Follow-up for OSA IT General Controls Audit	
Special Investigations	
Nutrition Research Institute	
Lineberger Cancer Center Cameras	
Special Assignments	
University Committee for the Protection of Personal Data	
HIPAA Security Liaisons	
Enterprise Data Coordinating Committee	
Internal Control and Governance Committee	
Policy Liaisons	
Other	
Internal QAR	

UNCG
Audit Plan
Year Ending June 30, 2018

Specific Audits
Financial Audits/Reviews
None
Information System Controls
None
Audits/Reviews of Internal Controls
Auxiliary Enterprises
Gift Processing (Stock)
Self-Assessment of Internal Controls
Student Health Center (e.g., student accounts)
Weatherspoon Arts Foundation (Inventory Observation)
Performance/Operational Audits and/or Reviews
None
Compliance Audits
Financial Aid (reporting)
Intercollegiate Athletics Program (assistance with Agreed-Upon Procedures review)
Misuse or Theft of State Property (reporting)
Purchasing Cards
Travel Expenditures (e.g., students)
Audit Findings Follow-up
Follow-up Resolution of Audit Findings of the Office of the State Auditor (financial audit)
Special Investigations
As occurs
Special Assignments
Risk Assessment (for development of internal audit plans)
Other
None

UNC-GA
Audit Plan
Year Ending June 30, 2018

Specific Audits	
Financial Audits/Reviews	
None	
Information System Controls	
End User Data Storage & Security Awareness	
Audits/Reviews of Internal Controls	
Go Global Expenditure Process & Procedures	
Design of Independent Contractor Evaluation Process	
Design of the Employee On-boarding/Off-boarding Process	
Performance/Operational Audits and/or Reviews	
Design of the Vendor Payment Process at UNC-TV	
Compliance Audits	
NC New Teacher Support Program	
Audit Findings Follow-up	
UNC-GA Internal 2016 Travel & Purchase Card Follow-up +Travel Review	
OSA 2017 IT General Controls Audit Follow-up	
UNC-GA Internal 2017 GEAR-UP	
Special Investigations	
Unplanned / Various as occurs: Investigations of internal/external hotline reports and similar types of investigation.	
Petty Cash Investigation (issued August 2017)	
Special Assignments	
Finance & Budget Consults: Data Modernization, Cybersecurity, Enrollment Growth, Electronic Forms	
Academic Affairs Consult: Licensure Procedures Consult	
Strategy & Policy Consults: Program Development & Process Consult	
Academic & Student Affairs Consult: NC Pathways Agreements & Procedure Updates	
UNC-TV Consults: New CRM System, FCC Tower Project, Cost Methodology, other	
Board Meetings/Unit Oversight & Marketing	
Other Consults/Committees: Routine consults for UNC-TV and UNC-GA such as: Cheatham White Scholars, Annual Self-Assessment of Controls, and other unplanned consults; Charter updates; Annual Certifications; CAO/OIA committee meetings; and other unknown projects.	
Other	
Risk Assessment/2018 Audit Plan Development	
Annual Risk Assessment / FY2019 Audit Plan Development	
Quality Assurance Review Preparation	
Board Meetings/Unit Oversight & Marketing	

UNCP

Audit Plan

Year Ending June 30, 2018

Specific Audits
Financial Audits/Reviews
Banner Access
Information System Controls
None
Audits/Reviews of Internal Controls
Annual Inventory Observation and Surprise Cash Counts (Routine)
Performance/Operational Audits and/or Reviews
Human Resources - Hiring Process
Purchasing/Facilities - CI Projects and Personal Services Contracts
Purchasing General Controls
Accounts Payable
Advancement
Financial Aid
Compliance Audits
Campus Safety
Student Safety - Clery Act
Athletic Camps & Other Clinics
Grants
Audit Findings Follow-up
Follow-up activity related to audit findings resulting from external audits
Follow-up activity related to audit findings resulting from internal audits
Special Investigations
Library Theft
Special Assignments
Internal Control Assessment Committee
Review issues or concerns expressed by management or others on audit related issues
Other
Enhancements to Internal Audit Website
Audit Software

UNCSA
Audit Plan
Year Ending June 30, 2018

Specific Audits	
Financial Audits/Reviews	
None	
Information System Controls	
None	
Audits/Reviews of Internal Controls	
None	
Performance/Operational Audits and/or Reviews	
Human Resources	
Compliance Audits	
Title IX	
Environmental Health and Safety - Life Safety	
Audit Findings Follow-up	
NCSEAA Follow-up	
FYE Cash Count and Receipting	
Student Life - Mental Health Counseling	
Vendor Contracts/Payments	
Special Investigations	
CDI Equipment	
Special Assignments	
Audit Committee	
Ethics Committee	
Enterprise Risk Management	
Search Committees	
Compliance Calendar - assistance with monitoring	
Other	
Annual Risk Assessment	
Internal Audit Strategic Plan Development	
Quality Assessment and Improvement Activities	

UNCW

Audit Plan

Year Ending June 30, 2018

Specific Audits
Financial Audits/Reviews
Friends of UNCW Financial Audit
Information System Controls
Disaster Recovery Planning
Information Systems Compliance Consultation
Audits/Reviews of Internal Controls
None
Performance/Operational Audits and/or Reviews
Auxiliary Services
Cameron School of Business
Center for Innovation and Entrepreneurship
Facilities, Phase I
Housing and Residence Life
Summer School
Compliance Audits
Environmental Health & Safety
Purchasing Card
Audit Findings Follow-up
Various Follow Ups
Special Investigations
As occurs
Special Assignments
Committee Assignments
Routine Consultations
Audit Client Ongoing Assistance
Other
Quality Assurance Activities
Risk Assessment/Audit Plan
Expanded Campus Risk Discussions
Campus Fraud Risk Assessment
Campus Training

WCU
Audit Plan
Year Ending June 30, 2018

Specific Audits	
Financial Audits/Reviews	
See Audits/Reviews of Internal Controls	
Information System Controls	
IT General Control Audits	
Examination of Certification of Access to Sensitive Data	
Audits/Reviews of Internal Controls	
Business Processes-Overall Examination of Deposits	
Performance/Operational Audits and/or Reviews	
Laboratory Safety and Training, Engineering and Technology	
Laboratory Safety and Training, Fine and Performing Arts	
Laboratory Safety and Training, School of Nursing	
Testing of training-Business Continuity	
Testing of training-Building Emergency Action Plans	
Compliance Audits	
Audit of Grant Expenditures	
Periodic Audits of Petty Cash	
Periodic Audits of Fixed Assets	
Construction Audit	
Audit Findings Follow-up	
Laboratory Safety and Training, College of Arts and Sciences	
Laboratory Safety and Training, College of Health and Human Sciences	
Networking Closets	
SciQuest (e-procurement system)	
Special Investigations	
Special Investigation #1	
Special Investigation #2	
Special Assignments	
Data Security and Stewardship Committee	
Information Technology Leadership Counsel	
Association for College and University Auditors	
University of North Carolina Auditors Association	
Enterprise Risk Management Council	
Institutional Effectiveness Council	
Other committees that meet only as needed (Computer Security Incident Response Team, and Export Control Committee)	
Other	
2017 2018 Annual Risk Assessment	
Collaborative work partnering with Purchasing, teaching them how to use queries for Pcard analysis.	
Preparation for a Quality Assurance Review in 2018-2019	

WSSU
Draft Audit Plan
Year Ending June 30, 2018

Specific Audits
Financial Audits/Reviews
FYE Testing - Cash
FYE Testing - Fuel
Information System Controls
IT - Strategy, Operations, Performance
Audits/Reviews of Internal Controls
Construction Contracting
Fiscal Management - Student Affairs
P-Card Monitoring - Automated Analytics
Performance/Operational Audits and/or Reviews
None
Compliance Audits
Title IX
Audit Findings Follow-up
Clery Act Compliance
Athletics' Fundraising
P-Card Monitoring - previous reviews
Overtime - Temporary Employees
Business Continuity Management
Special Investigations
Student Health Center
Housing - Budget
Athletics - Travel
Academics - Library - Check Fraud
Facilities - Housekeeping - Time
Student Affairs - Checkbook
Academics - MSEN - P-Card
Facilities - Overtime
Facilities - Environmental Services
Facilities - Grounds
Facilities - Scrap Metal
Special Assignments
Audit, Risk and Compliance Committee Reporting
Enterprise Risk Management - Steering Committee
Enterprise Risk Management - Implementation Committee
Ethics Committee
Search Committees - Various
Strategic Planning - Objectives Committees
Chancellor's Executive Staff
University-wide Compliance Calendar implementation and assistance with monitoring
WSSU's Administrative Assessment
Other
Annual Risk Assessment
Internal Audit Strategic Plan Development
Quality Assessment and Improvement Activities