

November 15, 2023 at 3 p.m.
Via Videoconference and PBS North Carolina Livestream
University of North Carolina at Greensboro
Nursing and Instructional Building, Room 510
Greensboro, North Carolina

AGENDA

OPEN SESSION

- A-1. Approval of the Open Session Minutes of October 19, 2023Terry Hutchens
- A-2. Campus Safety — Behavioral Threat Assessment ReadinessFred Sellers
 - a. Campus Training Initiative
- A-3. Review of UNC Systemwide Internal Audit Plans and for 2023-24 Michael Ptasienski
 - a. Constituent Institutions Audit Plans
- A-4. Summary of UNC Systemwide Internal Audit Activities Michael Ptasienski
 - a. Constituent Institutions Summary of Reports
 - b. Constituent Institutions Audit Findings FY2023
- A-5. Summary of UNC Major Associated Entities..... Michael Ptasienski
 - a. Constituent Institutions Summary of Associated Entities FY2022
- A-6. Joint Cybersecurity Task Force PresentationKeith Werner

CLOSED SESSION

- A-7. Approval of the Closed Session Minutes of October 19, 2023Terry Hutchens
- A-8. Cybersecurity Budget Recommendations Update.....Keith Werner
 - a. Cybersecurity Budget Recommendations

OPEN SESSION

- A-9. Adjourn



Closed Session Motion

Motion to go 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; and
- Consult with our attorney to protect attorney-client privilege.

Pursuant to: G.S. 143-318.11(a)(1), (3), and (6).

DRAFT MINUTES

October 19, 2023 at 12 p.m.

Via Videoconference and PBS North Carolina Livestream

This meeting of the Committee on Audit, Risk Management, and Compliance was presided over by Chair Terry Hutchens. The following committee members, constituting a quorum, were also present in person or by phone: Jimmy D. Clark, Lee Roberts, Art Pope, Kirk Bradley, and Pearl Burris-Floyd.

Chancellors participating were Johnson Akinleye and Todd Roberts.

Staff members present included Fred Sellers, Brad Trahan, and others from the UNC System Office.

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

The chair called the meeting to order at noon on Thursday, October 19, 2023, and called for a motion to approve the open session minutes of September 13, 2023.

MOTION: Resolved, that the Committee on Audit, Risk Management, and Compliance approve the open session minutes of September 13, 2023, as distributed.

Motion: Kirk Bradley
Motion carried

2. 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; to consult with our attorney to protect attorney-client privilege; Pursuant to G.S. 143-318.11(a)(1) and (3).

Motion: INSERT NAME OF WHO READ THE MOTION
Motion carried

THE MEETING MOVED INTO CLOSED SESSION AT 12:05 p.m.
(The complete minutes of the closed session are recorded separately.)

THE MEETING RESUMED IN OPEN SESSION AT 12:50 p.m.

There being no further business and without objection, the meeting was adjourned at 12:51 p.m.



MEETING OF THE BOARD OF GOVERNORS
Committee on Audit, Risk Management, and
Compliance

Lee Roberts, Secretary

AGENDA ITEM

A-2. Strengthening Campus Safety — Behavioral Threat Assessment Readiness..... Fred Sellers

Situation: Each university or constituent institution within the UNC System has an established policy on behavioral threat assessment management and maintains an active multidisciplinary team headed by student affairs representatives and/or campus safety representatives. The goal of each team is to ensure that the behavioral threat assessment process can timely provide a proactive, evidence-based approach for identifying individuals who may pose a threat and provide interventions before a violent incident occurs. The behavioral threat assessment teams further help our campuses and/or constituent institutions better analyze whether the observable concrete behaviors presented by an individual pose a risk of harm to themselves or others.

In addition to performing behavioral threat assessment management roles at the campuses and/or constituent institutions, these comprehensive threat assessment teams, along with their case managers, represent the provision of supportive services for students and employees and provide systematic follow-up reviews of individuals who have received treatment. The threat assessment is managed by a multidisciplinary team of administrators, representing the interests of faculty, students, and staff and with a designated chairperson. The goal of the team is to assess risks as early as possible and minimize the occurrence of emergency situations. Each team has the expertise and the authority to intervene when appropriate.

Background: Preserving public safety and establishing a safe climate on our university campuses and constituent institutions requires not only a robust policy and adequate staffing or resources for the multidisciplinary teams, but also optimum training. The UNC System Office over the past 12 months has conducted several virtual training sessions and in-person simulations or role-play training to increase the effectiveness of behavioral threat assessment readiness at our universities and constituent institutions. The UNC System Office further coordinated with our federal partners to assist campuses with the establishment and/or updating of their current policy and protocols on their behavioral threat assessment management programs.

Assessment: The UNC System's campaign of behavioral threat assessment training for our universities and constituent institutions started with a virtual platform and included a mixture of lectures and practical/prompted exercises. The training included providing examples of campus attacks/targeted violence affecting institutions of higher

education. A few of the topics that were covered included a confidentiality discussion on Family Educational Rights and Privacy Act (FERPA), Health Insurance Portability and Accountability Act of 1996 (HIPAA), criminal investigations, advocacy, and data management. Following the virtual training platform, the UNC System Office advanced to an in-person module that allowed our campuses and constituent institutions to build upon the foundational knowledge established through previous basic and next steps virtual behavioral threat assessment trainings. The training focused on skill-building, developing competence and confidence, and building trust and relationships among multidisciplinary team members. Over the past 12 months, all campuses and constituent institutions have participated in the behavioral threat assessment readiness training and are poised to continue excelling in this area with their active multidisciplinary teams.

Action: This item is for information only.



**THE UNIVERSITY OF
NORTH CAROLINA SYSTEM**



CAMPUS TRAINING INITIATIVE

“Threat Assessment Training”

Fred Sellers
VP Safety & Enterprise Risk
Management

Continuous Threat Assessment Training

Virtual & In person

- Behavioral Threat Assessment Training provides a proactive, evidence-based approach for identifying individuals who may pose a threat and for providing interventions before a violent incident occurs.
- Behavioral Threat Assessment Training helps campus personnel analyze whether the observable concrete behaviors presented by an individual pose a risk of harm to themselves or others.

Continuous Threat Assessment Training

Foundation

Multidisciplinary
Threat
Assessment
Team

Central
Reporting
Mechanism

Risk
Management
Options

Concerning/
Prohibited
Behaviors

Threshold for
Law
Enforcement
Intervention

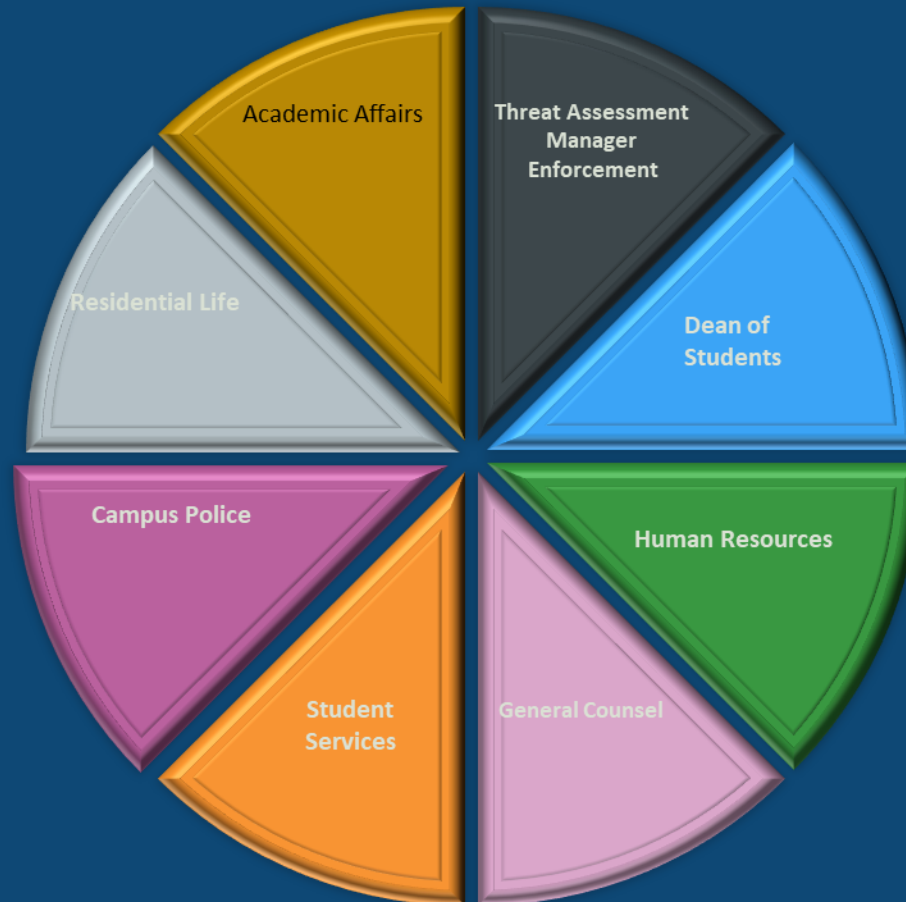
Investigative
Procedures

Implementation

Training
Practices

Safe Climate

Continuous Threat Assessment Training



*Primary Objective – Gather Information to assess risk and manage.
Secondary Objective – Investigate Criminal Violations*

*Threat Assessment
Investigative Approach – Aimed at proactively preventing incidents of targeted violence and other unwanted outcomes.*

Process

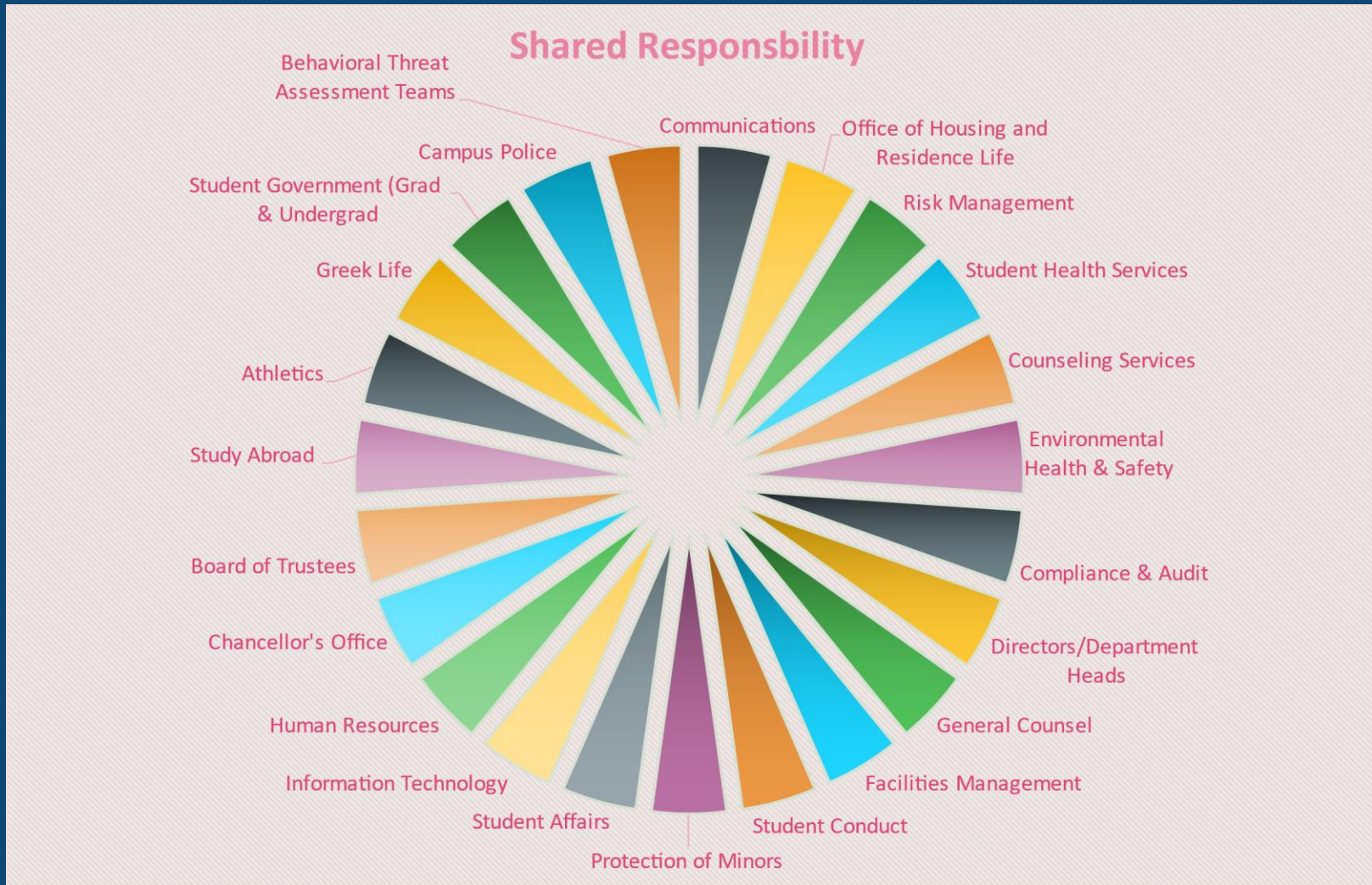
1. Receive / Screen
2. Information Gathering
3. Assessment
4. Management – If Necessary
5. Follow Up

Participation

100% participation in virtual & simulation training

Appalachian State University
East Carolina University
Elizabeth City State University
Fayetteville State University
North Carolina A&T State University
The North Carolina Arboretum
North Carolina Central University
NC State University
North Carolina School of Science and Mathematics
PBS North Carolina
University of North Carolina Asheville
University of North Carolina at Chapel Hill
University of North Carolina at Charlotte
University of North Carolina at Greensboro
University of North Carolina at Pembroke
University of North Carolina School of the Arts
University of North Carolina Wilmington
Western Carolina University
Winston-Salem State University

Safe Campus Climate



THANK YOU

QUESTIONS?

AGENDA ITEM

A-3. Review of UNC Systemwide Internal Audit Plans for 2023-24.....Michael Ptasienski

Situation:	The 2023-24 UNC Systemwide internal audit plans are presented for review by the committee.
Background:	Section 301 of <i>The Code, Committees of the Board of Governors</i> , requires this committee to review 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. The CARMC charter requires that this committee review an annual summary of the internal audit plans submitted by each constituent institution and the UNC System Office.
Assessment:	A summary, as well as individual institution internal audit plans, is attached for the committee's review (see Attachment 1).
Action:	This item is for information only.

Appalachian State University
Audit Plan
Year Ending June 30, 2024

Specific Audits
Assurance and Consulting Engagements
Petty Cash/Change Fund Counts - 6/30/23
Receipt Books - 6/30/23
Inventory Testing - 6/30/23
New River Light & Power -12/31/2023
Petty Cash/Change Fund Counts - 6/30/24
Receipt Books - 6/30/24
Inventory Testing - 6/30/24
Access Controls
IT: Business Continuity & Disaster Recovery Program
IT: Cyber Security & Data Protection re: Remote Work
IT: Information Security Org - ISO 27002-2022
Campus Wide Asset Control
Travel Disbursements
Procurement Card Expenditures Review
Mitigation of Controls of Employment Gaps
Athletics - Ticketing
Office of Research Protections
Auxiliary Unit: Bookstore
Auxiliary Unit: Food Services
GEAR UP Grants 2023 - Year 3
Additional Research Audit - TBD
Cold Mountain Review
Follow-Up - Appalachian Senior Programs
Follow-Up - Departmental Budget Reconciliations - 6/30/22
Follow-Up - ITGC: Physical Security Controls
Follow-Up - OSA Annual Financial Audit (if any issues noted by OSA)
Follow-Up - OSA IT Audit (timing: TBD)
Fraudulent Phishing Email - Follow-up to CISO Report
Management Qualifications Investigation
Other Investigations to be determined
Confirm Women's Basketball Ticket Sales Comparisons for Athletic Office '23
Confirm Men's Basketball Ticket Sales Comparisons for Athletic Office '23
Confirm Football Ticket Sales Comparisons for Athletic Office '24
Internal Control Assessments: Required Review of AICFR 'C' controls
Notifications by Faculty re: Resignation from the University
Consulting Requests to be determined
Annual Risk Assessment and Audit Planning for FY '25
Technical Assistance

Special Projects
Search Committees - Office Postings
Campus Committee Participation (11 committees)
UNCAA Officer
Other General Audit activities to be determined
SAMM Reporting due 7/15/23 (for year ended 6/30/23)
External QAR - August 2023
SAMM Reporting due 7/15/24 (for year ended 6/30/24)
KPI's / QAIP/ SAMM Improvements
Building an Info-Assist OIA Dashboard
Other Hours
Administration Hours

Elizabeth City State University
Audit Plan
Year Ending June 30, 2024

Specific Audits	
Assurance and Consulting Engagements	
Operation Plan Assessment	
Title IX Compliance	
Inventory Management	
Vending Commission Assessment	
Department Module Assessment	
IT General Controls Audit	
Admissions Operations Follow-Up	
Financial Aid Operations Follow-Up	
Student Health Operations Follow-Up	
Risk Assessment/Audit Planning	
Technical Assistance	
Special Projects	
Special Reviews - Pending	
Consultations/QAR	
Outreach – Training (Internal Control)	
IA Self-Assessment	
Other Hours	
Administration Hours	
Leave	
Professional Development	

East Carolina University
Audit Plan
Year Ending June 30, 2024

Specific Audits
Assurance and Consulting Engagements
School of Dental Medicine Patient Revenue Cycle
Succession Planning
NC New Teacher Support Program
School of Dental Medicine Ops and Admin (non-clinical)
Facilities Services Inventory Controls
HR Benefits Processes and Accounting
Academic Advising
Research-Related Systems (use, cost, effectiveness)
Cashier's Office
Student Transit
Athletics Alcohol Sales
Athletics Safety Assessment
Healthcare Provider Compensation Model (BSOM)
Effort Reporting
School of Dental Medicine IT Controls
Review Progress on External IT Recommendations
Maxient System and Application Controls
SIEM Tools and Processes (Incident Detection)
Hotline Allegations Triage
Investigative Reviews - Details not included
Action Plan Tracking and Follow-Up
Follow-Up on Parking
Follow-Up on CET IT Controls
Routine and Unplanned Consultations
Routine Data Analytics Support for Clients
Student Athlete Course Clustering
Greenphire Data Analytics Tool
ECU Health Consultation (Various topics)
Surplus Property
Risk Assessment/Audit Planning 2024-2025
Technical Assistance
Special Projects
University Committees, Workgroups, Education, and Client Relations
ERM and Regulatory Compliance Committee Support
External Audits, SBI Reports, Routine Mtgs, BOT Comm
Audit Software Admin and Maintenance
Increase Encase Forensic Capabilities
IA Self-Assessment and QAIP

Implement New Global Audit Standards
Other Hours
Administration Hours
Student Intern Program
Leave/Holiday
Professional Development

**Fayetteville State University
Audit Plan
Year Ending June 30, 2024**

Specific Audits
Assurance and Consulting Engagements
Internal Control Questionnaire
Purchasing
Human Resources
Purchasing – Contracts – Continuous Monitoring
Miscellaneous Follow-Ups as Determined Necessary
Annual Risk Assessment and Audit Plan Development
Technical Assistance
Special Projects
Banner Steering Committee
Routine Consultations/Management Requests/Committees
External Audit Assistance
Internal Control Committee
Audit Software/Workpaper Implementation
External Reporting Requirements (UNC System Office, Council of Internal Audit, Office of State Budget and Management, etc.)
Quality Assurance and Improvement Program (QAIP)
Other Hours
Administration Hours
Continuing Professional Education (CPE)

North Carolina Agricultural and Technical State University
Audit Plan
Year Ending June 30, 2024

Specific Audits
Assurance and Consulting Engagements
Assessment of Internal Controls Over Financial Reporting (FY24)
UNC System Policy 1400 – IT Governance, Information Security, and User Identity & Access Control
Protection of Minors on Campus
Travel Expense/Reimbursement
NCAA Compliance
Review of Selected University Policies and Practices Follow-Up
Review of Course and Curriculum Changes Follow-Up
Review of Internal Controls Over the Awarding of Undergraduate Degrees Follow-Up
Information Technology General Controls Audit Follow-Up
BDM/Xtender IT Process & Control Audit Follow-Up
Consultative Review of University's Employment Eligibility Verification Follow-Up
OSA Investigative Audit Finding & Referral Follow-Up
Investigations – Pending (2)
Investigations - Unscheduled
Risk Assessment/Audit Plan
Technical Assistance
Special Projects
Committee Assignments – IT Security Advisory Committee, Clery, Internal Control Committee, etc.
Routine Consultations
NC State Ethics Commission Liaison
OSA Investigative Liaison
UNCAA Conference Planning 2023
Internal Self-Assessment/Quality Assurance and Improvement Plan (QAIP)
External Quality Assurance Review (QAR)
Website Revisions
Updates to Audit Manual
Other Hours
Administration Hours

North Carolina Central University
Audit Plan
Year Ending June 30, 2024

Specific Audits	
Assurance and Consulting Engagements	
Accounts Payable	
Eagle Card	
Cash Audit	
Travel	
Cares Act	
Transportation Audit	
Audits Not Identified	
Follow-Up on Outstanding Audits	
Investigations & Hotlines	
Management Requests	
Risk Assessments	
Technical Assistance	
Special Projects	
Quality Assurance Review (QAR)	
Self-Assessment Maturity Model (SAMM)	
Other Hours	
Administration Hours	
Professional Development	
Planning	
Administrative Hours	

North Carolina School of Science and Mathematics
Audit Plan
Year Ending June 30, 2024

Specific Audits
Assurance and Consulting Engagements
SCSSI Review
Summer Operations Review
Key and Access Pass Inventory Management
Vehicle Fleet Management
Library Finances Review
Summer Bridge Program
FY24 AICFR Committee Participation
Follow-Up on Corrective Action Plans from FY21 (Capitol Projects Review)
Unplanned Investigations
Annual Risk Assessment/FY24 Audit Plan Development
Technical Assistance
Special Projects
Quality Assurance Review
Quality Assurance and Improvement Program
Annual Charter Review
Central Internal Audit Office Risk-Based Audit Plan Review
Leadership and Board Meetings (DR, LT, FBOD, FAHR, BOT)
Requested Advisory Services
Risk Review Board Committee
Conflict of Interest Committee
Other Hours
Administration Hours
Administration

NCSU
Audit Plan
Year Ending June 30, 2024

Specific Audits
Assurance and Consulting Engagements
Operational Processes and Internal Controls - Accounts Payable
Operational Processes and Internal Controls - Accounts Receivable
Operational Processes and Internal Controls – P-Card
Operational Processes and Internal Controls - Travel
Operational Processes for Asset Management
Operational Processes and Internal Controls - Motor Fleet Management
Office of Research and Innovation (ORI) - Research Equipment Facilities - Billing Practices
Compliance with the University Regulation on Programs that Involve the Participation of Minors
University-wide Compliance - Vulnerability Management
University-wide Compliance - Configuration Management
University-wide Compliance - Systems Operations
College of Sciences - General IT Controls Follow-Up
College of Agriculture and Life Sciences - PHHI Travel Investigation - Report 1 of 2 Follow-Up
College of Agriculture and Life Sciences - PHHI P-Card and Travel Reimbursement Process Follow-Up
College of Agriculture and Life Sciences - Crop and Soil Sciences Investigation - Report 1 of 3 Follow-Up
College of Agriculture and Life Sciences - Crop and Soil Sciences- Select Internal Controls and Compliance - Report 2 of 3 Follow Up
College of Agriculture and Life Sciences - Regulation on Disposal of University Property Follow-Up
Campus Enterprises - Rave! Catering Internal Controls - Report 2 of 3 Follow-Up
Campus Enterprises - Accounts Receivables Collections - Report 3 of 3 Follow-Up
University Wide - Guests and Affiliates Access Follow-Up
Office of Finance and Administration - Environmental Health and Public Safety – Security applications and technologies - Physical Access Services Follow-Up
COVID-19 HEERF Relief Funding: Compliance with Federal and State Requirements Follow-Up
Continuous Risk Assessment and Audit Planning
Technical Assistance
University Information Technology Governance Committees
Office of Research Innovation (ORI) - Institutional Animal Care and Use Committee (IACUC)
Insider Threat Program (ITP) Working Group
Enterprise Research Administration (ERA) Project and Research Enterprise Database (RED)
Special Projects
Quality Assurance Improvement Projects
Other Hours
Administration Hours

**UNC System Office
Audit Plan
Year Ending June 30, 2024**

Specific Audits
Assurance and Consulting Engagements
UNC System Office IT Contracting and Vendor Management
PBS IT Contracting and Vendor Management
Campus Data Quality
Generative AI Policies
Unplanned/Various as occurs: Investigations of internal/external hotline reports and similar types of investigations.
Annual Risk Assessment/ FY2024 Audit Plan Development
Technical Assistance
Special Projects
System Office Peer Review
Participation in OSBM Peer Review Process
Technical Assistance to Finance, Information Technology, Human Resources, Academic Affairs, Strategy and Policy, Government Relations, University Communications, Office of the Secretary, University Advancement, Safety & Emergency Operations, UNC Affiliates (PBSNC, UNC Press, etc.)
Preparation for Board Meetings and Meeting Attendance (Includes NCSSM and NCSEAA Boards and Committees)
Unit Oversight, Staff Hiring, MOUs, Procedure and Charter Updates
NC Council on Internal Auditing Reporting Requirements (SAMM, Attestations, Annual Report, KPI). Meetings with OSBM and attending Council Meetings
Other Services – Routine Advisory Services; assist external Auditors; QAIP work; and other projects to be determined
Outreach and coordination with other UNC System Internal Audit Groups. Collection of KPIs.
Management of Internal Audit Hotline
Other Hours
Administration Hours
Professional Development
Holiday and Staff Leave
Internal Audit Shared Services
Internal Audit Services to NCSSM
Internal Audit Services to NCSEAA

UNC at Ashville
Audit Plan
Year Ending June 30, 2024

Specific Audits
Assurance and Consulting Engagements
IT Systems Inventory
Active Assailant Preparedness
Information Security
Americans with Disabilities Act (ADA) Compliance
Off Campus Instruction
Committee Involvement Consult
As Requested Consulting Services
Investigative Audits
Follow-Up Procedures
Annual Risk Assessment
Technical Assistance
Special Projects
University #1 QAR
University #2 QAR
KPI's
ERM Meetings
Internal Controls Over Financial Reporting
Financial Statements, Single Audit, and NCAA AUP
OSBM Reporting and Attestations
UNC System Office Reporting KPI's and Meetings
Office of Internal Audit Strategic Plan
OSBM Quality Assurance Review
Other Hours
Administration Hours

UNC at Charlotte
Audit Plan
Year Ending June 30, 2024

Specific Audits
Assurance and Consulting Engagements
Recharge Units
P-Cards
IT Projects Prioritization (Deferred from FY 2023)
Criminal Justice Information Services (CJIS) Compliance
P-Card Continuous Monitoring
IT General Controls - Student Affairs - Housing and Residence Life
Cybersecurity - Follow-Up
Annual Internal Control Testing
International Admissions
Environment Health & Safety - Heavy Equipment Safety
Grants - Post Award
Millennial Campus - Business Partnerships
College of Health and Human Services - Admin Review
Housing and Residence Life - Admin Review
Corporate Governance - Strategic Plan
NCAA Compliance - Name, Image, and Likeness
Investigations – As Needed
Niner Research Post Implementation Review
Annual Risk Assessment and Create Risk-based Internal Audit Plan
Technical Assistance
Special Projects
Monitor Enterprise Risk Management (ERM)
Internal Quality Assessment Review (QAR) of Internal Audit
Perform External QAR of Internal Audit at Western Carolina University
Other Hours
Administration Hours

**UNC at Chapel Hill
Audit Plan
Year Ending June 30, 2024**

Specific Audits
Assurance and Consulting Engagements
CampDoc Software Implementation
Student Financial Aid Award Letters
Administrative Space Inventory
UNC Campus Recreation
Carolina Housing
Undergraduate Career Counseling Center
Campus Deferred Maintenance
Employee Carolina Blue Benefit Elections
Strategic Enrollment Planning
Automated External Defibrillator Inventory
Fraternity & Sorority Life
2U Contract
Aging Accounts Receivable
Associated Entity MOU
Business Unit Funding Model
The Ackland Art Museum
Game Day Stadium Activities
Playmakers Repertory Company
IT Audit Services for Cyber Security
Technical Controls for P-Card IT Purchases
IT Access Controls for Affiliated Entities
IT Key Controls Review (Academic)
Foreign Gift and Contract Reporting
Subrecipient Monitoring
Clinical Trials
Athletic Name Image Likeness
Grant Award Terms and Conditions
FY23 Carry-Over Engagement Work
Technical Assistance
Special Projects
Special Projects (6 Projects @ 280 Hours)
Other Hours
Administration Hours

**UNC at Greensboro
Audit Plan
Year Ending June 30, 2024**

Specific Audits
Assurance and Consulting Engagements
Weatherspoon Art Museum (Inventory Observation)
Accounts Receivable
Athletics Reporting
Financial Aid – Timeliness of Awards Processing
HR – Benefits Reconciliation
ITS Consulting
Follow-Up HR-I9 Compliance
Follow-Up Travel Review
OSA/Other Audit Follow-Up (TBD)
Investigations TBD – As Determined by Tips/Leads
Risk Assessment
FY2025 Audit Plan
Technical Assistance
Special Projects
Key Performance Indicators
Update Audit Charter
Update Audit Manual
Quality Assurance and Improvement Program (QAIP)
Audit Software & Templates Updates
Self-Assessment of Internal Controls for Financial Report (AICFR)
Committee Work
SAMM Tool
Other Hours
Administration Hours

UNC at Pembroke
Audit Plan
Year Ending June 30, 2024

Specific Audits
Assurance and Consulting Engagements
Review of IT General Controls
Controls Over Campus-Wide Cash Handling Procedures
Review of CD Spangler Endowed Distinguished Professorship Program
Review of Use of Student Activity Fees
Follow-Up of June 2021 Audit "Leave Report Submissions"
Allegations of Misuse of Literacy Grant Funds Investigation
Other Investigations as Received
Consulting Assistance Upon Request
Annual Risk Assessment and Risk-Based Audit Plan
Technical Assistance
Technical Assistance Upon Request
Special Projects
Assignment to UNC-CH Quality Assurance Review
IT Governance Committee
ERM Committee
Search Committees
Other Hours
Administration Hours
Continuing Professional Education (CPE)

UNC at Wilmington
Audit Plan
Year Ending June 30, 2024

Specific Audits
Assurance and Consulting Engagements
Friends of UNCW Financial Audit
IT Change Management
Disaster Recovery Planning
Housing (Complete Prior Year Work)
University Police Department (UPD)
Athletics
Disability Resource Center
ERM Maturity Assessment
Campus Safety
Various Follow-Ups
General Investigations
Risk Assessment/Audit Planning
Technical Assistance
Special Projects
Advisement and Support for Two New Colleges (College of Humanities, Social Sciences, and the Arts (CHSSA); and College of Science and Engineering (CSE))
Routine and Unplanned Consultations
Committee Assignments
Campus Engagement
Quality Assurance Activities – External Quality Assurance Review Improvements; QAIP Workpaper Reviews; Internal Audit Self-Assessment, Including Assessment and Implementation/Update of Practices for New Global Internal Audit Standards
Council Reporting Requirements (SAMM, Attestation, Annual Report, KPI)
External Peer Review Project Lead for North Carolina A&T
Other Routine Tasks (i.e. Reporting, Audit Team Collaboration, IIA/UNCAA)
Data Analytics Enhancements
Compliance Assurance Mapping
Other Hours
Campus Training
Administration Hours

Western Carolina University
Audit Plan
Year Ending June 30, 2024

Specific Audits
Assurance and Consulting Engagements
Purchase Cards – Continuous Monitoring (Quarterly) Audit
Cybersecurity
Privileged Accounts
Table Top Exercises (Carry Over from FY23)
Title IX Audit
Grants Management (Post-Award), Consultative
Catamount Club (Efficiency & Effectiveness of Operations, Advancement & Athletics), Consultative
Continuity of Operations Plans, Consultative
PCI Compliance, Consultative
Clery Act Follow-Up (Carry Over from FY23)
Technical Assistance
Special Projects
Strategic Planning Committee
Information Security and Privacy Committee
Health and Safety Committee
Self-Assessment Maturity Model (SAMM)
Key Performance Indicators (KPI)
Quality Assurance Review (QAR)
Hotlines (Fraud, Waste, Abuse, and Other)
ACUA (Professional Organization)
IIA (Professional Organization)
ACFE (Professional Organization)
Other Hours
Administration Hours
CPE's
Admin

**WSSU
Audit Plan
Year Ending June 30, 2024**

Specific Audits
Assurance and Consulting Engagements
Vacancy Review Assessment (Advisory/Consultative)
Budget Process Analysis
Payroll
Grant Monitoring – HBCU (Graduate)
Grant Monitoring – Gear Up Partnership
Follow-Up Project - Historical Observations
Follow-Up Project - FY23-FY24 Reviews
UNC System Office – 2023 Foundation Payments Investigation
Business Continuity/Disaster Recovery
Human Resources Operations
Crisis Management & Emergency Preparedness
Facility Infrastructure
Student Mental Health Services
Athletic Operations
Pharmacy Inventory
Annual Risk Assessment
Technical Assistance
Special Projects
Other Hours
Administration Hours

AGENDA ITEM

A-4. Summary of UNC Systemwide Internal Audit Activities 2023.....Michael Ptasienski

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 reviews an annual summary of the work performed by the internal audit activities overseen by the audit committee of each constituent institution's board of trustees. This summary provides an overview of audits, reviews, investigations, or special assignments completed by the internal audit department of each constituent institution and the UNC System Office, and notes material reportable conditions and the status of resolution.

Assessment: Audit committees at each constituent institution provide oversight for the work of the internal audit function. Annually, the chief audit officer and audit committee chair confirm to the UNC System Office that the institution has met its respective oversight responsibilities. One key responsibility of the chief audit officer is to manage the internal audit activity to ensure it adds value to the institution. Establishing a risk-based internal audit plan, executing the approved internal audit plan, and ensuring timely reporting to the audit committee are of paramount importance in meeting the Institute of Internal Auditors (IIA) standards.

During the fiscal year, audit plans may require adjustment to meet the changing needs of the institution or to respond to emerging risks or investigative complaints. The chief audit officer responds to those needs and reports significant changes to their internal audit plans to their respective board of trustees' audit committee.

Between July 1, 2022, and June 30, 2023, internal audit departments across the UNC System completed risk assessments, audits, advisory services, audit finding follow-ups, and investigations resulting in 188 reports (Attachment 1). Those internal audit activities produced 213 recommendations (Attachment 2) for improvements to internal controls. Corresponding management corrective actions were identified and agreed upon by university leadership.

Action: This item is for information only.

ATTACHMENT 1- Summary of Reports (by institution) Issued July 1, 2022 - June 30, 2023

Appalachian State University (17)

1. Compliance - PCard Expenditures
2. Compliance - Title IX Policies Review
3. Compliance - Fixed Asset Review
4. Compliance - App Senior Programs
5. Compliance - Gear Up Grants Audit Report FY22
6. Compliance - Calculating Employee "Years of Total State Service"
7. Consulting - Confirm Percentage Change in Tickets Sold
8. Financial - Inventory FYE 2022
9. Financial - Petty Cash & Change Fund Counts FYE 2022
10. Financial - Receipt Books FYE 2022
11. Financial - Fund Reconciliation FY22 Annual Review
12. Financial - New River Light & Power FY22
13. Information Systems - Access Review
14. Investigative - Years of Service
15. Operational - Follow-Up Mountaineer Printing Fund
16. Operational - Follow-Up Parking and Transportation FYE 2021
17. Operational - OIED International Travel

East Carolina University (32)

1. Compliance - Athletics Team Policies
2. Compliance - Athletics Camps and Clinics
3. Compliance - Pandemic Relief Funds (HEERF III)
4. Consulting - University Policy Process
5. Consulting - Reg Compliance Workgroup Recs
6. Consulting - Youth Programs and Minors on Campus
7. Consulting - Ombuds Services
8. Follow-Up - COI Management Plans
9. Follow-Up - OSA IT Recommendations (3rd Follow-Up)
10. Follow-Up - Progress on External IT Recs
11. Information Systems - Employee Enterprise Account Terminations
12. Information Systems - Outward Facing Servers
13. Information Systems - CET IT Controls
14. Investigative - Acad Affairs Employee Timekeeping (IPAR)
15. Investigative - Chancellor Division Employee Timekeeping
16. Investigative - AA Employee Timekeeping (Registrar)
17. Investigative - ECUP Employee Misuse of Resources
18. Investigative - Alleged Misuse of Funds (AA)
19. Investigative - ECUP Employee Timekeeping
20. Investigative - Employee Mixed Kronos Punch Locations
21. Investigative - Alleged COI and Use of Resources (AA)
22. Investigative - BSOM Employee Alleged Misuse of Funds
23. Investigative - Terminated Employees Payroll Review
24. Investigative - BSOM Academic Dept Concerns
25. Investigative - Acad Affairs Unit Allegations
26. Operational - Campus Living (Housing)
27. Operational - Flex and Remote Work - Oversight and Accountability
28. Operational - Campus Rec and Wellness
29. Operational - Automated Journal Voucher Process
30. Operational - Employee Supplemental Pay
31. Operational - Sponsored Programs Subrecipient Monitoring
32. Operational - Potential Payroll Overpayments

Elizabeth City State University (4)

1. Follow-Up - University Advancement Operations
2. Follow-Up - Division of Information Technology
3. Follow-Up - Division of Information Technology
4. Follow-Up - Admissions Operations

ATTACHMENT 1- Summary of Reports (by institution) Issued July 1, 2022 - June 30, 2023

Fayetteville State University (2)

1. Compliance - Assessment of Internal Controls Over Financial Reporting
2. Compliance - Continuous Monitoring - Purchase Orders - January 22 - June 22

North Carolina A&T State University (14)

1. Compliance - FY2021-22 Internal Assessment Review
2. Consulting - Review of the University's Employment Verification (Form I-9) Process
3. Follow-Up - Resolution of the AAF of NCA&T State University, Inc. Financial Statement Audit Finding & Opportunities
4. Follow-Up - 4th Qtr Review Post Award C&G Audit
5. Follow-Up - Allegations of Time Abuse in a University Department
6. Follow-Up - Resolution of OSA Investigative Audit Finding
7. Follow-Up - COVID 19 Billing Concerns
8. Follow-Up - Review of Technology Transfer Process
9. Investigative - Several Allegations in a University Department
10. Investigative - Allegations of Time Abuse, Excessive Vacation Leave Taken & Inappropriate Behavior in a University Department
11. Investigative - Nepotism and Conflict of Interest
12. Investigative - Nepotism and Abuse of Leave
13. Investigative - Waste of State Funds Allegation
14. Operational - Assessment of Internal Controls over Financial Reporting

North Carolina Central University (6)

1. Follow-Up – Human Resources
2. Investigative – UNIV 1100 Course Instructors
3. Investigative – Secondary Employment
4. Investigative – Unauthorized Volunteer on Campus and a Duplicate Payment to a Vendor
5. Operational – Procurement Cards
6. Operational – NCCU Vehicles (State Motor Fleet & University Sourced)

North Carolina School of Science & Mathematics (4)

1. Consulting - Policy Review
2. Follow-Up - Follow-Up Report
3. Investigative - Summer Programs
4. Operational - Attendance Ticketing System

North Carolina State University (16)

1. Compliance - Audit of Title IX Governance Processes
2. Compliance - CALS - Crop and Soil Sciences - Regulation on Disposal of University Property
3. Compliance - OIT - Federal Safeguards Rule - S&C
4. Consulting - Information Technology Risk Assessment Program
5. Consulting - NCSCaLES - McKimmon Center Cash Receipts Process
6. Financial - Campus Enterprises - Accounts Receivable Collections
7. Follow-Up - College of Engineering (COE) - Materials Science and Engineering Investigation
8. Follow-Up - CALS - NCCE - Business Process Governance
9. Follow-Up - College of Science - Biological Sciences
10. Information Systems - Guests and Affiliates Access
11. Investigative - College of Veterinary Medicine - NC State Veterinary Hospital Patient Care Allegation
12. Investigative - Campus Enterprises - Rave! Catering Investigation
13. Investigative - CALS PHHI
14. Investigative - CALS - Crop and Soil Sciences
15. Operational - CALS PHHI PCard and Travel Reimbursement Process
16. Operational - CALS - Crop and Soil Sciences - Select Internal Controls and Compliance

ATTACHMENT 1- Summary of Reports (by institution) Issued July 1, 2022 - June 30, 2023

University of North Carolina at Chapel Hill (36)

1. Compliance - Research Effort Reporting
2. Compliance - University Travel Internal Audit
3. Compliance - NCAA Academic Performance Audit
4. Compliance - HEERF II and III (CRRSAA and ARPA) Institutional Funds Audit
5. Compliance - CARES Pandemic Funds North Carolina Collaboratory Audit
6. Financial - Carolina Union Internal Audit
7. Financial - University Recharge Centers Audit
8. Financial - School of Medicine Expenditure Audit
9. Financial - Student Fees Internal Audit
10. Financial - Institute of Convergent Science
11. Follow-Up - Associated Entities External Audit
12. Follow-Up - Carolina for Kibera, Inc. Financial Audit
13. Information Systems - Tarheel Mission Ready Disaster Recovery Plans
14. Investigative - School of Medicine Special Project Request
15. Investigative - Review of Fraudulent University Travel Card Expenditures
16. Investigative - Investigative Project Report 12-2023
17. Investigative - EthicsPoint Case #476
18. Investigative - EthicsPoint Case #467
19. Investigative - EthicsPoint #506
20. Operational - Faculty Development - Promotion and Tenure Audit
21. Operational - Academic Program Course Evaluation Audit
22. Operational - Classroom Space Utilization Audit
23. Operational - University Centers and Institutes Audit
24. Special Project - FY 2021-22 Year-End Security Audit - OIA Access Control Management
25. Special Project - Advisory Project University of Florida Audit Request
26. Special Project - Advisory Project - April 29, 2022 - Research Misconduct Follow-Up
27. Special Project - Information Technology Collaboration
28. Special Project - Retirement Conference Expense Review Final Correspondence
29. Special Project - Undergraduate Admission Tours Review
30. Special Project - FY2022 Annual Report of Activities of the Office of Internal Audit
31. Special Project - ITS Consultation for Internal Audit - Stage 3 Status Report
32. Special Project - Lineberger Comprehensive Cancer Center Payroll Matter
33. Special Project - Utilization of Residual Fund Account
34. Special Project - Consultive Engagement Information Technology
35. Special Project - Public Report on Information Technology Audit Consulting Services Provided in Fiscal Year 2023
36. Special Project - ITS Consulting for the Office of Internal Audit

University of North Carolina at Charlotte (16)

1. Consulting - Diversity & Inclusion Engagement
2. Consulting - Research Process Engagement
3. Financial - Payroll Audit
4. Follow-Up - Building Access Review
5. Information Systems - Gramm-Leach-Bliley Act Audit
6. Information Systems - System and Organization Controls (SOC 2) Report Verification
7. Information Systems - Banner Access Audit
8. Information Systems - ITGCs Student Affairs - Health and Wellbeing
9. Internal Control - Internal Controls Testing
10. Operational - Library Administrative Review
11. Operational - Facilities Management - Warehouses
12. Operational - Enrollment Management - Undergraduate Admissions
13. Operational - NCAA Compliance - Travel Expenses Audit Report
14. Operational - Environmental Health and Safety - Fire Marshal Report
15. Operational - Human Resources Admin Review
16. Special Project - NCAA Compliance - Football Attendance

ATTACHMENT 1- Summary of Reports (by institution) Issued July 1, 2022 - June 30, 2023

University of North Carolina at Greensboro (5)

1. Consulting - ITS Consulting Engagement Report
2. Follow-Up - OSA FY2021 - Single Audit Recommendations
3. Follow-Up - OSA - ITGC Audit - Confidential
4. Operational - Travel Reimbursement Review Process
5. Risk Assessment - Risk Assessment Attestation

University of North Carolina at Pembroke (1)

1. Investigative - School of Education Accreditation Reporting

University of North Carolina at Wilmington (13)

1. Compliance - Title IX
2. Consulting - Student Organization Facility Use
3. Financial - Friends of UNCW
4. Follow-Up - IT Resource Management
5. Follow-Up - SPARC
6. Follow-Up - OIDI
7. Information Systems - Incident Response Procedures
8. Information Systems - NC OSA IT Recommendations - Phase II
9. Investigative - Online Complaint - Student Affairs
10. Investigative - OSA Referral ITS
11. Investigative - Title IX Complaint
12. Operational - Office of Institutional Diversity & Inclusion (OIDI)
13. Operational - D.C. Virgo Laboratory School

University of North Carolina School of the Arts (5)

1. Information Systems - UNCSA Cybersecurity - Public
2. Internal Control - Title IX - Student Programming
3. Internal Control - Strategic Management Training
4. Investigative - HR Data
5. Investigative - Facilities Conflict of Interest

University of North Carolina System Office (3)

1. Follow-Up - Audit Follow-Up Report
2. Information Systems - Policies
3. Internal Control - Business Financial Processes Source Code Creation and Use

Western Carolina University (2)

1. Consulting - Athletics Engagement
2. Operational - Travel and Travel Cards

ATTACHMENT 1- Summary of Reports (by institution) Issued July 1, 2022 - June 30, 2023

Winston-Salem State University (12)

1. Financial - Student Health Services Billing and Collection
2. Information Systems - Cybersecurity - Public
3. Information Systems - Cybersecurity - Management Letter - Public
4. Investigative - Payroll and Garnishments
5. Investigative - Payroll and Garnishments - Risk Notification Memo - Leave Reports Not Completed
6. Investigative - UNC SO - Campus Safety
7. Investigative - UNC SO - Campus Safety - Management Letter
8. Investigative - UNC SO - Campus Safety - Risk Notification - Student Conduct
9. Investigative - UNC SO - Facilities Work Environment - Management Letter
10. Investigative - WSSU Foundation 1099s
11. Investigative - Zoom
12. Operational - Enrollment Management

FY2023 – Audit Findings – Attachment 2

Agency	Title	Type of Audit	Date of Final Report or Completion of Engagement	# of Findings
Appalachian State University	App Senior Programs	Compliance	12/15/22	1
Appalachian State University	Calculating Employee “Years of Total State Service”	Compliance	2/21/23	2
Appalachian State University	Fund Reconciliation – FY22 Annual Review	Financial	10/13/22	4
Appalachian State University	OIED International Travel	Operational/Integrated	6/27/23	3
Appalachian State University	P-Card Expenditures	Compliance	8/31/22	1
Appalachian State University	Petty Cash & Change Fund Counts FY22	Financial	8/17/22	1
Appalachian State University	Physical & Environmental Security of Data Centers	Information Systems	11/30/22	2
Appalachian State University	Receipt Books – FY22	Financial	8/17/22	1
East Carolina University	AA Employee Timekeeping (Registrar)	Investigative	9/19/22	1
East Carolina University	ACAD Affairs Employee Timekeeping (IPAR)	Investigative	7/15/22	1
East Carolina University	Alleged COI and Use of Resources (AA)	Investigative	3/30/23	3
East Carolina University	Athletics Team Policies	Compliance	8/24/22	1
East Carolina University	Automated Journal Voucher Process	Operational/Integrated	1/11/23	6
East Carolina University	BSOM Employee Alleged Misuse of Funds	Investigative	4/19/23	3
East Carolina University	Campus Living (Housing)	Operational/Integrated	10/31/22	10
East Carolina University	Campus Rec & Wellness	Operational/Integrated	1/11/23	12
East Carolina University	CET IT Controls	Information Systems	12/7/22	8
East Carolina University	Chancellor Division Employee Timekeeping	Investigative	7/27/22	1
East Carolina University	ECUP Employee Misuse of Resources	Investigative	9/30/22	1

FY2023 – Audit Findings – Attachment 2

Agency	Title	Type of Audit	Date of Final Report or Completion of Engagement	# of Findings
East Carolina University	ECUP Employee Timekeeping	Investigative	2/9/23	1
East Carolina University	Employee Mixed Kronos Punch Locations	Investigative	3/14/23	2
East Carolina University	Employee Supplemental Pay	Operational/Integrated	2/28/23	3
East Carolina University	Enterprise Account Terminations	Information Systems	1/27/23	7
East Carolina University	Flex & Remote Work Accountability	Operational/Integrated	11/29/22	2
East Carolina University	Ombuds Services Consultations	Consulting	5/30/23	4
East Carolina University	Outward Facing Servers	Information Systems	6/28/23	4
East Carolina University	Pandemic Relief Funds (HEERF III)	Compliance	7/27/22	1
East Carolina University	Potential Payroll Overpayments	Operational/Integrated	4/12/23	1
East Carolina University	Progress on External IT Recs	Follow-Up	6/29/23	1
East Carolina University	Sponsored Programs Subrecipient Monitoring	Operational/Integrated	5/24/23	2
East Carolina University	Terminated Employees Payroll Review	Investigative	5/25/23	1
East Carolina University	University Policy Process	Consulting	10/14/22	6
East Carolina University	Youth Programs & Minors on Campus	Consulting	3/29/23	4
Elizabeth City State University	Division of Information Technology	Follow-Up	11/28/22	1
Elizabeth City State University	Division of Information Technology	Follow-Up	11/28/22	1
Elizabeth City State University	University Advancement Operations	Follow-Up	11/22/22	1
NC A&T State University	Nepotism & Abuse of Leave	Investigative	5/31/23	1
NC A&T State University	Waste of State Funds Allegation	Investigative	6/13/23	1

FY2023 – Audit Findings – Attachment 2

Agency	Title	Type of Audit	Date of Final Report or Completion of Engagement	# of Findings
NC Central University	Procurement Cards	Operational/Integrated	6/6/23	6
NC Central University	Human Resources Follow-Up	Follow-Up	6/30/23	3
NC Central University	Univ 1100 Course Instructors	Investigative	6/27/23	2
NC Central University	Secondary Employment	Investigative	6/27/23	2
NC Central University	Unauthorized Volunteer on Campus & A Duplicate Payment to a Vendor	Investigative	6/20/23	2
NC Central University	NCCU Vehicles (State Motor Fleet & University Sourced)	Operational/Integrated	6/30/23	10
NC State University	Audit of Title IX Governance Processes	Compliance	9/21/22	3
NC State University	CALS – Crop & Soil Sciences	Investigative	3/22/23	1
NC State University	CALS – PHHI	Investigative	3/30/23	1
NC State University	CALS – PHHI P-Card & Travel Reimbursement Process	Operational/Integrated	3/30/23	1
NC State University	CALS – Crop & Soil Sciences – Select Internal Controls & Compliance	Operational/Integrated	3/22/23	6
NC State University	CALS – Crop & Soil Sciences – Regulation on Disposal of University Property	Compliance	3/22/23	1
NC State University	Campus Enterprises – Accounts Receivable Collections	Financial	6/28/23	4
NC State University	Guests & Affiliates Access	Information Systems	6/29/23	1
NC State University	Information Technology Risk Assessment Program	Consulting	9/21/22	1
NC State University	NCSCaLES – McKimmon Center Cash Receipts Process	Consulting	1/20/23	1
NC State University	OIT – Federal Safeguards Rule – S&C	Compliance	5/11/23	1
UNC at Chapel Hill	Academic Program Course Evaluation Audit	Operational/Integrated	2/27/23	4

FY2023 – Audit Findings – Attachment 2

Agency	Title	Type of Audit	Date of Final Report or Completion of Engagement	# of Findings
UNC at Chapel Hill	Advisory Project – University of Florida Audit Request	Special Project	9/29/22	2
UNC at Chapel Hill	CARES Pandemic Funds NC Collaboratory Audit	Compliance	5/28/23	2
UNC at Chapel Hill	Carolina Union Financial Internal Audit	Financial	3/13/23	2
UNC at Chapel Hill	Classroom Space Utilization Audit	Operational/Integrated	4/5/23	5
UNC at Chapel Hill	HEERF II & III (CRRSAA & ARPA) Institutional Funds Audit	Compliance	4/27/23	1
UNC at Chapel Hill	Lineberger Comprehensive Cancer Center Payroll Matter	Special Project	2/10/23	2
UNC at Chapel Hill	Recharge Centers Audit	Financial	3/24/23	2
UNC at Chapel Hill	Research Effort Reporting	Compliance	9/27/22	1
UNC at Chapel Hill	Research Misconduct Follow-Up	Follow-Up	7/1/22	1
UNC at Chapel Hill	Retirement Conference Expense Review	Special Project	10/18/22	1
UNC at Chapel Hill	School of Medicine Expenditure Audit	Financial	4/10/23	1
UNC at Chapel Hill	University Centers & Institutes Compliance Audit	Operational/Integrated	6/26/23	1
UNC at Chapel Hill	University Travel Internal Audit FY 2023	Compliance	3/14/23	2
UNC at Charlotte	Banner Access Audit	Information Systems	3/22/23	2
UNC at Charlotte	Building Access Follow-Up Review	Follow-Up	3/23/23	2
UNC at Charlotte	Diversity & Inclusion Consulting Engagement	Consulting	11/14/22	3
UNC at Charlotte	Enrollment Management – Undergraduate Admissions	Operational/Integrated	12/14/22	1
UNC at Charlotte	Environmental Health & Safety – Fire Marshall Report	Operational/Integrated	3/22/23	3

FY2023 – Audit Findings – Attachment 2

Agency	Title	Type of Audit	Date of Final Report or Completion of Engagement	# of Findings
UNC at Charlotte	Facilities Management – Warehouses	Operational/Integrated	10/19/22	6
UNC at Charlotte	Human Resources Admin Review	Operational/Integrated	6/12/23	2
UNC at Charlotte	Library Administrative Review	Operational/Integrated	10/12/22	6
UNC at Charlotte	Payroll Audit	Financial	1/16/23	2
UNC at Charlotte	Systems & Organization Controls (SOC 2) Report Verification	Information Systems	11/22/22	2
UNC at Greensboro	Travel Reimbursement Review Process	Operational/Integrated	6/28/23	2
UNC at Pembroke	School of Education Accreditation Reporting	Investigative	4/18/23	1
UNC at Wilmington	D.C. Virgo Laboratory School	Operational/Integrated	3/30/23	11
UNC at Wilmington	Office of Institutional Diversity & Inclusion (OIDI)	Operational/Integrated	9/30/22	10
UNC at Wilmington	Title IX	Compliance	8/18/22	3
UNC School of the Arts	Facilities Conflict of Interest	Investigative	4/17/23	2
UNC School of the Arts	HR Data	Investigative	9/16/22	2
UNC School of the Arts	Strategic Management Training	Internal Control/Assessment	1/30/23	1
UNC School of the Arts	Title IX – Student Programming	Internal Control/Assessment	11/29/22	1
UNC System Office	Information Systems Policies	Information Systems	11/30/22	1
Western Carolina University	Travel & Travel Cards	Operational/Integrated	6/30/23	4
Winston-Salem State University	Campus Safety	Investigative	12/7/22	1
Winston-Salem State University	Campus Safety – Risk Notification – Student Conduct	Investigative	12/7/22	1

FY2023 – Audit Findings – Attachment 2

Agency	Title	Type of Audit	Date of Final Report or Completion of Engagement	# of Findings
Winston-Salem State University	Cybersecurity – Public	Information Systems	1/30/23	1
Winston-Salem State University	Enrollment Management	Operational/Integrated	3/8/23	2
Winston-Salem State University	Facilities Work Environment	Investigative	6/30/23	1
Winston-Salem State University	Payroll & Garnishments	Investigative	9/9/22	2
Winston-Salem State University	Payroll & Garnishments – Risk Notification Memo – Leave Reports Not Completed	Investigative	9/9/22	1
Winston-Salem State University	Student Health Services Billing & Collection	Financial	8/19/22	1
Winston-Salem State University	WSSU Foundation 1099's	Investigative	6/7/23	1

AGENDA ITEM

A-5. Summary of UNC Major Associated EntitiesMichael Ptasienski

Situation:	Annually, the Committee on Audit, Risk Management, and Compliance reviews a summary of the University of North Carolina System's associated entities' annual financial audit reports.
Background:	Under Section 600.2.5.2[R] of the UNC Policy Manual, <i>Regulation on Required Elements of University-Associated Entity Relationships</i> , associated entities of the UNC System and its constituent institutions must provide copies of the audit report management letters, and responses to management letters to the chancellor of the approving institution. The chancellor then distributes these materials to the governing board of the approving institution and the president of the UNC System, who in turn distributes the materials to the Board of Governors. One of the responsibilities of the Committee on Audit, Risk Management, and Compliance is to review a summary of the annual financial audit reports of the UNC System's major associated entities.
Assessment:	As of June 30, 2022, there were 90 major associated entities subject to the reporting requirements in Section 600.2.5.2[R]. All associated entities received opinions from audit firms that were in good standing with the North Carolina State Board of CPA Examiners. All had unmodified opinions except one entity which had a modified opinion. Two associated entities are still awaiting the final reports on their FY22 financial statement audits.
Action:	This item is for information only.

Summary of Associated Entity Financial Statement Audits for FY2022

Approving Institution Name	Associated Entity Name	Associated Entity Type	Operating Expenditures	Assets/Net Position	Name of Audit Firm or Independent Auditor	Unqualified Audit Opinion	Reporting Status
Appalachian State University	Appalachian Student Housing Corporation	Major	\$4,326,484.00	\$23,508,237.00	Blackburn, Childers, & Steagall, PLC	Yes	Blended
Appalachian State University	Appalachian State University Foundation, Inc.	Major	\$26,521,219.00	\$203,856,012.00	Williams Overman Pierce, LLP	Yes	Blended
Appalachian State University	Endowment Fund of Appalachian State University	Special Purpose	\$4,293,057.00	\$48,874,873.00	N.C. Office of the State Auditor	Yes	Blended
East Carolina University	East Carolina University Real Estate Foundation, Inc.	Major	266,759.29	1,135,998.42	Bernard Robinson & Company, LLP	Yes	Discretely Presented
East Carolina University	Green Town Properties, Inc.	Major	831,170.28	237,243.08	Bernard Robinson & Company, LLP	Yes	Discretely Presented
East Carolina University	East Carolina University Alumni Association, Inc.	Major	\$1,176,386.00	\$4,235,750.00	Bernard Robinson & Company, LLP	Yes	Discretely Presented
East Carolina University	East Carolina University Medical & Health Sciences Foundation	Major	\$4,783,503.00	\$78,180,717.00	Bernard Robinson & Company LLP	Yes	Discretely Presented
East Carolina University	East Carolina University Educational Foundation, Inc.	Major	\$11,474,849.00	\$29,010,145.00	Bernard Robinson & Company, LLP	Yes	Discretely Presented
East Carolina University	East Carolina University Foundation, Inc.	Major	12,624,690.99	183,403,199.87	Bernard Robinson & Company, LLP	Yes	Discretely Presented
Elizabeth City State University	ECSU Foundation	Major	\$1,622,202.00	-\$274,093.00	Cherry Bekart LLP	Yes	Blended
Fayetteville State University	Fayetteville State University Student Housing Corporation	Major	\$35,532.00	\$801,872.00	Sharpe Patel CPA	Yes	Blended
Fayetteville State University	Fayetteville State University Housing Foundation	Major	\$1,595,345.00	\$2,541,057.00	Sharpe Patel CPA	Yes	Blended
Fayetteville State University	Fayetteville State University Foundation	Major	\$1,705,682.00	\$16,754,386.00	Sharpe Patel CPA	Yes	Blended
NC State University	North Carolina State University College of Sciences Foundation, Inc.	Major	\$1,861,299.00	\$40,087,135.00	Williams Overman Pierce, LLP	Yes	Discretely Presented
NC State University	NC State Natural Resources Foundation, Inc.	Major	\$3,135,179.00	\$54,784,869.00	Williams Overman Pierce, LLP	Yes	Discretely Presented
NC State University	North Carolina Textile Foundation, Inc.	Major	\$3,563,889.00	\$84,371,282.00	Williams Overman Pierce, LLP	Yes	Discretely Presented
NC State University	North Carolina State University Club	Major	\$4,416,181.00	\$15,343,055.00	Batchelor, Tillery and Roberts, LLP	Yes	Discretely Presented
NC State University	North Carolina State University Alumni Association, Inc.	Major	\$6,159,307.00	\$61,327,171.00	Williams Overman Pierce, LLP	Yes	Discretely Presented
NC State University	North Carolina Veterinary Medical Foundation, Inc.	Major	\$7,261,929.00	\$124,115,669.00	Williams Overman Pierce, LLP	Yes	Discretely Presented
NC State University	NC State Engineering Foundation, Inc.	Major	\$8,995,486.00	\$171,528,774.00	Williams Overman Pierce, LLP	Yes	Discretely Presented
NC State University	NC State Student Aid Association, Inc.	Major	\$21,256,629.00	\$84,390,710.00	James Moore & Co. P.L.	Yes	Discretely Presented
NC State University	The North Carolina Agricultural Foundation, Inc.	Major	\$24,632,426.00	\$242,419,825.00	Williams Overman Pierce, LLP	Yes	Discretely Presented
NC State University	North Carolina State University Foundation, Inc.	Major	\$34,838,004.00	\$673,508,741.00	Williams Overman Pierce, LLP	Yes	Discretely Presented
NC State University	NC State University Partnership Corporation	Special Purpose	\$5,981,753.00	\$21,665,577.00	Williams Overman Pierce, LLP	Yes	Blended
NC State University	NC State Investment Fund, Inc.	Special Purpose	\$7,756,290.00	\$1,929,190,763.00	Williams Overman Pierce, LLP	Yes	Blended
North Carolina A&T State University	North Carolina Investment Foundation	Major	\$929,061.00	\$161,093,657.00	NC Office of the State Auditor	Yes	Discretely Presented
North Carolina A&T State University	NCCU Foundation	Major	\$5,905,747.00	\$40,846,608.00	Blackmon & Sloop	Yes	Blended
North Carolina A&T State University	The North Carolina A&T Real Estate Foundation, Inc.	Major	\$25,835,732.00	\$52,472,466.00	Thomas & Gibbs CPAs, PLLC	Yes	Discretely Presented
North Carolina A&T State University	The Foundation for NC A&T State University	Major	\$470,990.00	\$3,398,444.00	Thomas & Gibbs	Yes	Discretely Presented
North Carolina A&T State University	The Aggie Athletic Foundation Inc	Special Purpose	\$1,099,115.00	\$2,033,260.00	Thomas & Gibbs CPAs, PLLC	Yes	Discretely Presented
North Carolina Central University	NCCU Real Estate Foundation	Major	-\$1,814,974.00	\$2,339,034.00	Blackman & Sloop	Yes	Blended
North Carolina Central University	Educational Advancement Foundation	Major	\$0.00	\$0.00	Thomas & Gibbs	FY22 Not Yet Complete	Discretely Presented
North Carolina Central University	NCCU Alumni Association	Major	\$0.00	\$0.00	Thomas & Gibbs	FY22 Not Yet Complete	Discretely Presented
North Carolina Central University	NCCU Foundation	Major	\$5,905,747.00	\$37,756,631.00	Blackman & Sloop	Yes	Discretely Presented
North Carolina School of Science and Mathematics	North Carolina School of Science and Mathematics Foundation	Major	\$4,170,831.00	\$44,976,135.00	Williams Overman Pierce, LLP	Yes	Blended
University of North Carolina at Asheville	UNCA Foundation, Inc.	Major	6,171,078.26	56,588,602.62	Burleson & Early	Yes	Discretely Presented
University of North Carolina at Chapel Hill	UNC Intermediate Pool, LLC	Major	\$133,678.00	\$978,418,628.00	KPMG, LLP	Yes	Blended
University of North Carolina at Chapel Hill	Carolina Research Ventures, LLC	Major	\$307,156.00	\$1,459,549.00	Blackman & Sloop, CPAs, PA	Yes	Blended
University of North Carolina at Chapel Hill	HVPV Holdings, LLC	Major	\$326,331.00	\$5,583,259.00	Blackman & Sloop, CPAs, PA	Yes	Blended
University of North Carolina at Chapel Hill	Carolina Angel Network, LLC	Major	\$471,870.00	\$89,901.00	Williams Overman Pierce, LLP	No	Discretely Presented
University of North Carolina at Chapel Hill	Medical Air, Inc	Major	\$1,264,583.00	\$7,533,436.00	Blackman & Sloop, CPAs, PA	Yes	Discretely Presented
University of North Carolina at Chapel Hill	UNC Global Projects, LLC	Major	\$1,365,648.00	\$0.00	Blackman & Sloop, CPAs, PA	Yes	Discretely Presented
University of North Carolina at Chapel Hill	Carolina for Kibera, Inc.	Major	\$1,386,904.00	\$5,297,581.00	Maddison & Caison, LLP	Yes	Discretely Presented
University of North Carolina at Chapel Hill	The Botanical Garden Foundation, Inc.	Major	\$1,679,209.00	\$11,503,609.00	Blackman & Sloop, CPAs, PA	Yes	Discretely Presented
University of North Carolina at Chapel Hill	UNC Investment Fund, LLC	Major	\$1,983,141.00	\$10,176,639,469.00	KPMG, LLP	Yes	Blended
University of North Carolina at Chapel Hill	Morehead-Cain Scholarship Fund	Major	\$3,673,194.00	\$57,055,868.00	Batchelor, Tillery & Roberts LLP	Yes	Discretely Presented
University of North Carolina at Chapel Hill	The Dental Foundation of North Carolina, Inc.	Major	\$4,007,416.00	\$108,521,535.00	Blackman & Sloop, CPAs, PA	Yes	Discretely Presented
University of North Carolina at Chapel Hill	UNC Eshelman School of Pharmacy Foundation	Major	\$4,477,270.00	\$75,883,589.00	Dean Dorton Allen Ford, PLLC	Yes	Discretely Presented
University of North Carolina at Chapel Hill	UNC Law Foundation, Inc.	Major	\$4,905,997.00	\$100,707,113.00	Blackman & Sloop, CPAs, PA	Yes	Discretely Presented
University of North Carolina at Chapel Hill	The School of Government Foundation, Inc.	Major	\$4,957,964.00	\$55,590,042.00	Blackman & Sloop, CPAs, PA	Yes	Discretely Presented
University of North Carolina at Chapel Hill	Development Finance Initiative, LLC	Major	\$5,131,422.00	\$762,737.00	Blackman & Sloop, CPAs, PA	Yes	Blended
University of North Carolina at Chapel Hill	School of Government Services and SOG DFI, LLC	Major	\$5,131,422.00	\$762,737.00	Blackman & Sloop, CPAs, PA	Yes	Discretely Presented
University of North Carolina at Chapel Hill	UNC Hussman School of Journalism and Media Foundation	Major	\$5,716,858.00	\$48,890,448.00	Blackman & Sloop, CPAs, PA	Yes	Discretely Presented
University of North Carolina at Chapel Hill	General Alumni Association	Major	\$6,512,763.00	\$138,450,980.00	Bernard Robinson & Company, LLP	Yes	Discretely Presented
University of North Carolina at Chapel Hill	The Kenan-Flagler Business School Foundation	Major	\$7,311,774.00	\$259,828,258.00	Bernard Robinson & Company, LLP	Yes	Blended
University of North Carolina at Chapel Hill	The University of North Carolina at Chapel Hill Public Health Foundation, Inc	Major	\$8,422,135.00	\$89,902,326.00	Blackman & Sloop, CPAs, PA	Yes	Discretely Presented
University of North Carolina at Chapel Hill	Granville Towers LLC	Major	\$9,634,160.00	\$4,845,522.00	KPMG, LLP	Yes	Blended
University of North Carolina at Chapel Hill	Chapel Hill Foundation Real Estate Holdings, Inc.	Major	\$10,357,271.00	\$8,556,960.00	KPMG, LLP	Yes	Blended
University of North Carolina at Chapel Hill	WUNC Public Radio, LLC	Major	\$12,446,204.00	\$31,452,132.00	Blackman & Sloop, CPAs, PA	Yes	Blended
University of North Carolina at Chapel Hill	The University of North Carolina at Chapel Hill Arts & Sciences Foundation, Inc	Major	\$19,921,851.00	\$516,955,220.00	Blackman & Sloop, CPAs, PA	Yes	Discretely Presented

Summary of Associated Entity Financial Statement Audits for FY2022

Approving Institution Name	Associated Entity Name	Associated Entity Type	Operating Expenditures	Assets/Net Position	Name of Audit Firm or Independent Auditor	Unqualified Audit Opinion	Reporting Status
University of North Carolina at Chapel Hill	UNC Management Company, Inc.	Major	\$21,964,769.00	\$32,093,597.00	KPMG, LLP	Yes	Blended
University of North Carolina at Chapel Hill	The Educational Foundation, Inc.	Major	\$33,837,428.00	\$95,214,196.00	Batchelor, Tillery & Roberts, LLP	Yes	Discretely Presented
University of North Carolina at Chapel Hill	The University of North Carolina at Chapel Hill Foundation, Inc.	Major	\$36,042,931.00	\$623,870,371.00	KPMG LLP	Yes	Blended
University of North Carolina at Chapel Hill	UNC Health Foundation Inc.	Major	\$42,659,703.00	\$566,464,039.00	KPMG, LLP	Yes	Discretely Presented
University of North Carolina at Chapel Hill	The University of North Carolina at Chapel Hill Foundation Investment Fund,	Major	\$47,289,563.00	\$5,242,251,223.00	KPMG, LLP	Yes	Blended
University of North Carolina at Charlotte	The University of North Carolina at Charlotte Investment Fund, Inc.	Major	\$1,484,041.00	\$306,228,247.00	RSM US LLP	Yes	Blended
University of North Carolina at Charlotte	The Athletic Foundation of the University of North Carolina at Charlotte	Major	\$4,216,549.00	\$42,913,407.00	RSM US LLP	Yes	Discretely Presented
University of North Carolina at Charlotte	The Foundation of the University of North Carolina at Charlotte	Major	\$19,591,739.00	\$253,958,943.00	RSM US LLP	Yes	Discretely Presented
University of North Carolina at Greensboro	Capital Facilities Foundaton	Special Purpose	\$619,985.00	\$4,821,097.00	Bernard Robinson & Co (BRC)	Yes	Discretely Presented
University of North Carolina at Pembroke	The UNCP University Foundation, LLC	Major	\$1,645,704.00	\$4,003,669.00	Dean Dorton	Yes	Blended
University of North Carolina at Pembroke	The University of North Carolina at Pembroke Foundation, Inc.	Major	\$2,990,215.00	\$18,563,788.00	Dean Dorton	Yes	Blended
University of North Carolina School of the Arts	RiverRun International Film Festival	Major	\$149,732.00	\$499,168.00	Butler & Burke LLP	Yes	Discretely Presented
University of North Carolina School of the Arts	University of North Carolina School of the Arts Foundation, Inc.	Major	\$621,928.00	\$99,120,894.00	Smith Leonard PLLC	Yes	Discretely Presented
University of North Carolina School of the Arts	University of North Carolina School of the Arts Housing Corporation	Major	\$955,720.00	\$2,322,147.00	Bernard Robinson & Company, LLP	Yes	Blended
University of North Carolina School of the Arts	Thomas S. Kenan Institute for the Arts Supporting Organization	Major	\$1,317,054.00	\$1,472,275.00	Bernard Robinson & Company, LLP	Yes	Blended
University of North Carolina System	The University of North Carolina Foundation, Inc.	Major	1,047,936.9	1,671,424.49	Sharpe Patel CPA	Yes	Blended
University of North Carolina System	Project Kitty Hawk	Major	\$1,119,977.00	\$2,882,523.00	Frazier and Deeter	Yes	Discretely Presented
University of North Carolina Wilmington	The Alumni Association of the University of North Carolina Wilmington	Major	\$108,058.00	\$912,567.00	Bernard Robinson & Company, LLP	Yes	Discretely Presented
University of North Carolina Wilmington	The Foundation of the University of North Carolina Wilmington, Inc.	Major	\$271,201.00	\$1,588,750.00	Bernard Robinson & Company, LLP	Yes	Discretely Presented
University of North Carolina Wilmington	UNCW Student Aid Association	Major	\$1,881,798.00	\$1,255,818.00	Bernard Robinson & Company, LLP	Yes	Discretely Presented
University of North Carolina Wilmington	UNCW Corporation II	Special Purpose	\$84,068.00	\$1,583,731.00	Bernard Robinson & Company, LLP	Yes	Blended
University of North Carolina Wilmington	Donald R. Watson Foundation	Special Purpose	\$89,765.00	\$1,412,803.00	Bernard Robinson & Company, LLP	Yes	Blended
University of North Carolina Wilmington	UNCW Research Foundation	Special Purpose	\$553,953.00	\$510,283.00	Bernard Robinson & Company, LLP	Yes	Blended
University of North Carolina Wilmington	UNCW Corporation	Special Purpose	\$4,718,928.00	\$0.00	Bernard Robinson & Company, LLP	Yes	Blended
Western Carolina University	WCU Research and Development Corporation	Major	277,334.37	4,562,490.93	Sharpe Patel CPA	Yes	Blended
Western Carolina University	Western Carolina University Foundation	Major	1,993,231.61	76,293,814.05	Sharpe Patel CPA	Yes	Blended
Western Carolina University	The North Carolina Arboretum Society	Major	\$5,378,873.00	\$3,736,133.00	Carter PC	Yes	Discretely Presented
Winston-Salem State University	S.G. Atkins Community Development Corporation	Major	\$1,038,232.00	\$3,303,401.00	DJMPS, LLC	Yes	Discretely Presented
Winston-Salem State University	Winston-Salem State University Alumni Association	Special Purpose	\$123,723.00	\$225,102.00	Butler and Burke LLP	Yes	Discretely Presented
Winston-Salem State University	Winston-Salem State University Foundation	Special Purpose	\$6,826,800.00	\$99,592,540.00	Butler and Burke, CPA	Yes	Discretely Presented

NOTES

North Carolina Central University	NCCU Alumni Association	CPA Firm is still completing the FY22 Financial Statement Audit, FY2021 Audit had a Unqualified opinion.
North Carolina Central University	NCCU Foundation	CPA Firm is still completing the FY22 Financial Statement Audit, FY2021 Audit had a Unqualified opinion.
University of North Carolina at Chapel Hill	Carolina Angel Network, LLC	Qualified Opinion by the CPA Firm due to presentation of financial statements (assets being expensed instead of depreciated)

AGENDA ITEM

A-6. Joint Cybersecurity Task Force Presentation Keith Werner

Situation: The purpose of this item is to provide the Committee on Audit, Risk Management, and Compliance (CARMC) with a presentation from Special Agent Jessica Nye, supervisor of the Federal Bureau of Investigation (FBI) Cyber Squad in Raleigh. The FBI is a federal partner of the North Carolina Joint Cybersecurity Task Force (JCTF).

Background: The JCTF provides security incident response and coordination, forensics, resource support, technical assistance, and proactive services to educational entities like schools and universities and state and local government agencies that have been the target of significant cybersecurity incidents. In May 2022, Executive Order 254 formally established the JCTF. The members include the NC Department of Information Technology/Enterprise Security and Risk Management Office, NC Division of Emergency Management, NC National Guard, and the NC Local Government Information Systems Association Cybersecurity Strike Team. The partners of the JCTF include the NC Information Sharing and Analysis Center, FBI, U.S. Secret Service and other federal agencies, North Carolina state agencies, or other stakeholders as needed.

Assessment: The JCTF is a strategic partner in protecting the state's Critical Infrastructure and Key Resources (CIKR). A new statute, G.S. 166A-19.78A. Cybersecurity Support Requests, passed in October 2023, requiring North Carolina public and private sector CIKR entities to report significant cybersecurity incidents to the North Carolina Emergency Management 24-Hour Watch for operational support from or access to cyber resources for intake and activation. The task force will help mitigate the cascading impacts of a cybersecurity incident.

Action: This item is for information only.