

RISK MANAGEMENT, AUDIT & COMPLIANCE COMMITTEE OF THE BOARD OF TRUSTEES
North Carolina Agricultural and Technical State University
Greensboro, NC

April 22, 2016

MINUTES

The Risk Management, Audit & Compliance Committee of the Board of Trustees convened on Friday, April 22, 2016 at 12:01 pm in the Alumni-Foundation Event Center, Executive Board Room. Ms. Laura Meagher called the meeting to order.

Roll Call revealed the following:

Present:	Mr. William Dudley Ms. Donna James Ms. Laura Meagher, Chair
Absent:	Ms. Venessa Harrison
Others Present:	Ms. Angela Ealey, Internal Audit Director Ms. LaShonna Frederick, Recorder Ms. Kathy Murphy, Deputy General Counsel Ms. Nicole Pride, Chief of Staff Dr. Charles Waldrup, General Counsel Dr. Bertram Walls, Chair, Board of Trustees

A motion for the approval of the open session minutes of the last meeting held February 19, 2016 was offered by Mr. William Dudley and seconded by Ms. Donna James. The motion was unanimously carried and the minutes were approved.

Ms. Meagher yielded the meeting to Ms. Angela Ealey.

The open session and closed session activity reports were provided to the committee members prior to the meeting. These reports were broken down by scheduled and unscheduled audits. Ms. Ealey discussed the open session activity report. The reporting period was February 16, 2016 to April 15, 2016.

There were two audits completed since the last committee meeting.

Scheduled Audits

There was one scheduled audit completed since the last committee meeting.

FY 2015-16 3rd Quarter Surprise Cash Counts

The OIA performed surprise cash counts in the Child Development Lab, Housing & Residence Life, Aggie OneCard Center, and Cooperative Extension. There were no deficiencies noted.

Unscheduled Audits

There was one unscheduled audit completed since the last committee meeting.

Improper Procurement Card Purchases & Conflict of Interest in a University Department

The Department Head noted some peculiar transactions while reviewing the department's procurement card reconciliations and requested that we take a look at it. A former employee made recommendations to another employee to purchase equipment and supplies, using the procurement card, from a company belonging to the former employee's spouse. The former employee reimbursed the university for the equipment and supplies not received by the department. The OIA made several recommendations and the department responded with their action plan to correct the deficiencies noted. Ms. Meagher asked whether there was a standard, well-known conflict of interest policy and whether the employees were educated on the fact that they should not steer business towards people they know. Ms. Ealey responded that the university has a conflict of interest policy that employees sign on an annual basis. Ms. James asked whether or not this could be a problem across the university. Ms. Ealey responded that the OIA has made an inquiry to the Division of Human Resources to determine what they are requiring from employees and if they are receiving all of the conflict of interest forms back.

There were no additional questions or comments. Mr. Charles Waldrup read the language for closed session in accordance with N.C.G.S. 143-318.11 a (1) to prevent the disclosure of information that is privileged and confidential. Mr. Dudley made the motion to go into Closed Session. It was seconded by Ms. James.

There were four scheduled and four unscheduled audits in process for the period. These audits, which were in various stages, were discussed in Closed Session.

Following the discussion, Ms. James made the motion to resume Open Session. It was seconded by Mr. Dudley.

Other Business

Ms. Ealey told the committee that the OIA still has a vacant position that needs to be filled.

With no further business, Ms. James made a motion to adjourn the meeting. It was seconded by Mr. Dudley. The meeting adjourned at 12:48 pm.

Recorded by:

LaShonna Frederick