

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

April 28, 2017

MINUTES

The Risk Management, Audit & Compliance Committee of the Board of Trustees convened on Friday, April 28, 2017 at 12:00 noon in the Alumni-Foundation Event Center, Executive Board Room. Mr. William Dudley called the meeting to order.

Roll Call revealed the following:

Present: Mr. William Dudley
 Ms. Venessa Harrison
 Ms. Donna James

Others Present: Mr. Barry Burks, VC for Research & Economic Development
 Ms. Angela Ealey, Internal Audit Director
 Ms. LaShonna Frederick, Recorder
 Dr. Ericka N. Smith, VC for Human Resources
 Dr. Charles Waldrup, General Counsel
 Dr. Joe B. Whitehead, Jr., Provost & VC for Academic Affairs

A motion for the approval of the open session minutes of the meeting held February 17, 2017 was offered by Ms. Donna James and seconded by Ms. Venessa Harrison. The motion was unanimously carried and the minutes were approved.

Mr. Dudley 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 1, 2017 to April 15, 2017. There was one scheduled audit and no unscheduled audits completed since the last committee meeting.

Scheduled Audits

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

Follow-Up Audit: Allegation – Misuse of Grant Funds in a School/College

The report was issued on April 12, 2017. This follow-up audit was performed to determine whether corrective actions were taken by management on the reported issues in the October 30, 2015 report. In the original report, the Office of Internal Auditing (OIA) determined that two individuals hired to work directly with high school students and incoming freshmen in a grant funded summer program, did not

receive criminal background checks. The follow-up audit revealed that satisfactory progress had been made by management in correcting this deficiency.

Unscheduled Audits

There were no unscheduled audits completed since the last committee meeting.

There were no questions or comments regarding the audit completed since the last committee meeting. Dr. 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 pursuant to the laws of this state. Ms. James made the motion to go into Closed Session. It was seconded by Ms. Harrison.

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 Ms. Harrison.

Other Business

Ms. Ealey told the committee that the OIA used lapse salary funds from the vacant IT Auditor position to hire a temporary employee (former auditor) for May and June 2017. Additionally, the OIA has completed the interview process for the Information Technology (IT) Auditor position and has selected a final candidate.

The non-salary budget for the OIA is approximately \$6,400. Ms. Ealey met with the Chancellor to discuss additional resources needed by the OIA. She also informed the Chancellor of the committee's concern about the resources for the department (OIA). The Chancellor provided Ms. Ealey with guidance as to what steps to take to justify the need for additional resources for the department. Ms. James told Ms. Ealey to keep the committee posted on this.

The committee thanked the OIA staff for all their hard work.

With no further business, Ms. Harrison made the motion to adjourn the meeting and it was seconded by Ms. James. The meeting ended at 12:29 pm.

Recorded by:

LaShonna Frederick