The Audit, Risk, and Compliance Committee held its regular quarterly meeting on January 19, 2017. Chair Ronnie McNeill called the meeting to order and read the required ethics statement. Members of the committee in attendance were: Mr. McNeill, Ms. Beane, Mr. Kitchin, and Mr. Miller.

The meeting began with the review and approval of minutes from the meeting that occurred on October 27, 2016.

Next, Ms. Sara Thorndike gave a presentation on the fiscal year 2016 audit for UNCW. Ms. Thorndike noted that the State Auditor issued an unqualified opinion and there were no management letter comments or findings. In addition, there were no material weaknesses in internal controls. Ms. Thorndike emphasized that UNCW had continued growth in net position, with net position having increased $21.1 million in fiscal year 2016. Ms. Thorndike also went over revenue sources, total expenses, and a debt summary.

Ms. Thorndike then briefed the committee members on UNCW associated entities and their fiscal year 2016 audited financial statements. She noted that there are 16 separate associated entities which have been created under the guidelines of the related UNC policy. There was a discussion of the benefits of the associated entities and future plans related to the associated entities.

There were two action items from the meeting, and Ms. Stefanie Powell presented each. The first was the required annual approval of the Audit, Risk and Compliance Committee Charter, and there were no changes proposed this year. The second was the required annual approval of the Internal Audit charter. Minor changes to the Internal Audit charter were proposed in accordance with the Standards of the Institute of Internal Auditors (IIA). Throughout the charter, the word “consulting” was replaced with “advisory.” In addition, the wording of the “Standard of Audit Practice” section was updated to reflect revised language provided by the IIA. The two action items were jointly approved for recommendation to the Board.

Ms. Powell then provided an update on Internal Audit activity for the quarter ending December 31, 2016. The office assisted with the financial statement audit of Friends of UNCW and conducted an audit of the operations of the Abrons Student Health Center. The Student Health Center audit included a review of medical services and the pharmacy operations, and there were no findings associated with this review. Internal
Audit also completed a follow up related to physical access, and all findings associated with the physical access review are now closed. Finally, Internal Audit completed a consulting engagement in which they reviewed the policies and procedures of Information Technology Services (ITS). Ms. Powell also gave a brief overview of engagements in process and the status of the engagements on the office’s fiscal year 2016 audit plan.

On motion by Mr. McNeill, the Audit, Risk and Compliance Committee voted to convene in closed session, as allowed under the Open Meetings Act, to consider the qualifications, competence, performance, condition of appointment of a public officer or employee or prospective public officer or employee and to consult with the attorney to protect the attorney-client privilege.

The Audit, Risk and Compliance Committee reconvened in open session. There being no further business, the meeting was duly adjourned.