



INTERNAL AUDIT & COMPLIANCE SERVICES

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**Audit Committee  
Winston-Salem State University Board of Trustees  
Minutes**

Thursday, June 11, 2015  
10:00 – 10:45 a.m.  
Chancellor's Conference Room  
200 Blair Hall

**Audit Committee Members Present**

Debra Miller, BOT Chair  
Karen McNeil-Miller  
Keith Vaughan  
Pradeep Sharma

**Members Absent**

**University Staff Present**

Elwood L. Robinson, Chancellor  
Shannon B. Henry, Chief Audit Officer  
Camille Kluttz-Leach, University General Counsel  
Anthony Bennett, NCAA Compliance Officer  
Frank Lord, Controller  
Dr. Randy Mills, Vice Chancellor of Finance and Administration  
Robert Muhammad, Financial Aid  
Derrick Murray, Associate Provost and Chief Information Officer  
Patricia Norris, Police Chief  
Henry Gray, Police Officer

**I. Call to Order**

The meeting was called to order at 10:02 a.m. by Keith Vaughan. A quorum was confirmed.

**II. Approval of Minutes**

Keith Vaughn read the motion to approve the minutes for the September and December meetings. Mr. Pradeep Sharma seconded the motion and it was unanimously approved.

### **III. Discussion of External Audit/Reports**

Auditor Henry reported that the University received a clean 2014 Financial Statement Audit. She extended congratulations to Mr. Frank Lord and his team for their work.

Also discussed was the National Alumni Association's 2014 Financial Statement Audit, which also received a clean audit.

The final external audit report discussed was the University's 2014 Federal Compliance Audit concerning Student Financial Aid. Auditor Henry shared with the committee the report's findings along with the recommendation for improvements. Internal Audit is legislatively required to follow up on these findings within a 90 day period and will be reviewing the matter to ensure the University satisfactorily resolves the issues.

### **IV. University Compliance Matters**

The committee heard from Mr. Anthony Bennett, NCAA Compliance Officer. Mr. Bennett discussed recent updates to NCAA rules. According to Mr. Bennett, new legislation was passed to provide more flexible support to Institutions for student athletes and to ease the burden for compliance officers. Mr. Bennett shared that there were 17 pieces of legislation passed. Mr. Bennett also shared that the 2008 cohort of student athletes had a 54% graduation rate which equates to approximately 51 students. Of those 51 students 73% either graduated or transferred out of the Institution to compete elsewhere and were in good standings when exiting the University. The University is doing a number of things to ensure that student athletes are successful academically.

Mrs. Henry briefly discussed that Internal Audit is developing a University-wide compliance calendar. The calendar will provide a system of documentation & monitoring & assist management in determining the cost of compliance inclusive of the resources necessary to ensure it's properly managed.

### **V. 2014-2015 Internal Audit Plan Activity Update & Completion (summary)**

The Auditor provided a snapshot of Internal Audit Operations as of May 31, 2015. The Office of Internal Audit has completed audits, advisory services & investigations resulting in reports with 22 findings that produced 23 recommendations for improvements in the following University departments: Campus Police, Facilities, IT, Accounting, Student Affairs, Environmental Health & Safety, and HR. The reviews also included three written follow-up reports on audit findings from previous years. The office completed its peer review with the top rating of general conformance. So far the office of Internal Audit has an audit plan completion rate of 77%.

**a. Fuel Inventory Review - Final Report**

The Audit reviewed four issues from the previous fiscal year. Their follow-up review found that one issue has been resolved, two issues were partially resolved, and one issue is currently unresolved.

**b. Travel Payments Audit – Final Report**

The Audit reviewed six issues from the previous fiscal year and found that three were resolved and three were partially resolved.

**c. Risk Management - *Engagement Letter***

A review of the University's Risk Management function is in progress. The purpose of this review is to determine if the University is properly insured to mitigate loss & noncompliance.

**d. Recommendation Implementation Rate**

WSSU's percentage of Internal Audit findings resolved is currently 55%. The university is slightly below Internal Audit's target rate of 70% as it pertains to resolving audit findings.

**VI. Closed Session**

Dr. Karen McNeil-Miller read the motion to move into closed session to hear or investigate a complaint, charge or grievance by or against a public officer or employee under N.C.G.S. 143-318.11(a) (6).

**VII. Return to Open Session**

Mr. Keith Vaughan moved and Dr. Karen McNeil-Miller seconded the motion to come out of closed session. The motion passed.

**VIII. Adjournment**

The committee thanked and bid farewell to Mr. Keith Vaughan, who, after eight years of service to the University will no longer be a part of the WSSU Board of Trustees.

Mr. Keith Vaughan moved and Dr. Karen McNeil-Miller seconded the motion to adjourn the meeting.

The next WSSU Audit Committee meeting will be held on Thursday, September 17, 2015 at 10:00 a.m.

Submitted by: *Deidra R. Gilliard*  
University Program Associate

