Compliance, Audit, Risk Management and Legal Affairs (CARL) Committee
August 27, 2024
10:15 a.m.

Action Item

CARL-1   Consent Agenda

Background Information

The attached documents are being submitted to the CARL Committee for approval by consent agenda.

Attachments

    1.1   Minutes of the April 9, 2024, Meeting
    1.2   2024-2025 CARL Committee Work Plan
    1.3   2024-2025 Internal Audit Work Plan, Resource Plan, and Budget Plan

Compliance, Audit, Risk Management and Legal Affairs (CARL) Committee
April 9, 2024
10:15 a.m.

DRAFT MINUTES

COMMITTEE MEMBERS PRESENT: Anita Bachmann (Committee Chair), Margaret Benjamin, George Hoyle, Dale Phipps, Dean Priddy

COMMITTEE MEMBERS ABSENT: None

OTHERS PRESENT: Chancellor Franklin Gilliam; Jerry Blakemore, Vice Chancellor for Institutional Integrity and General Counsel; Kristen Bonatz, Deputy General Counsel; Eric Boyce, Chief of Police; Casey Forrest, Chief Information Security Officer; Donna Heath, Vice Chancellor for Information Technology Services; Bob Shea, Vice Chancellor for Finance and Administration; Katherine Skinner, Director of Internal Audit; Waiyi Tse, Chief of Staff; Kelly Harris, Associate Chief of Staff and Assistant Secretary to the Board of Trustees; and other members of the administration and staff.

<u>PROCEEDINGS</u>:

Chair Bachmann called the meeting to order at 10:15 a.m. She reminded the Committee members of their duty under the State Government Ethics Act to avoid conflicts of interest and advised that any conflict of interest or appearance thereof with respect to any matter before the Board of Trustees or the Committee needed to be raised at that time. None were identified.

Quorum was confirmed through roll call.

<u>Approval of the Minutes of the February 20, 2024 Meeting</u>

Chair Bachmann called for a motion to approve the minutes of the February 20, 2024, meeting as presented. Dean Priddy made the motion, which was seconded by George Hoyle. The motion carried unanimously.

<u>Discussion Items</u>:

<u>CARL-1 Campus Safety Presentation</u>

Chief of Police Eric Boyce provided a campus safety presentation. He informed the Committee that the UNCG Police Department has successfully received its second re-accreditation from the

Commission on Accreditation for Law Enforcement Agencies (CALEA), which is the gold standard in law enforcement accreditation. Boyce explained that the accreditation cycle is every four years and requires that the Department meet certain industry standards, including standards related to training, use of force, vehicle use, evidence handling, and personnel management. He also noted that of the more than 500 police agencies in North Carolina, only 72 are accredited by CALEA, and UNCG was one of the first UNC System Constituent Institutions to have an accredited police department.

Boyce also discussed with the Committee the implementation of "ZeroEyes," which is a weapons detection platform that uses existing security cameras on campus to identify "brandished" weapons, thereby enabling a strategic and tactical response from officers.

CARL-2 Information Technology Services Update

Vice Chancellor Donna Heath updated the Committee on the status of the Information Technology Services fiscal year 2024-2029 strategic plan.

Chief Information Security Officer Casey Forrest provided the Committee with a cybersecurity update, including (1) information regarding "bad actor" activity in the month of February, such as malware and phishing attempts, (2) the University's enhanced multi-factor authentication, which now displays the application to which you are authenticating, and (3) UNC Greensboro's recent participation in business email compromise simulation training with a variety of other groups, including the UNC System Office, the North Carolina Joint Cybersecurity Task Force, the FBI, and the U.S. Secret Service. Forrest also reported that the University's cyber liability insurance has been renewed, with the same coverage amounts but at a slightly reduced premium.

Information Item:

CARL-3 Internal Audit Quality Assessment Review (QAR) Status Update

As an information item, the Committee was provided with an update on the status of the Quality Assessment Review of the University's Internal Audit Department, which is in progress.

With no further business before the Committee, the meeting was adjourned at 11:05 a.m.

Respectfully submitted,

Kelly Harris
Assistant Secretary to the Board of Trustees

UNC Greensboro Board of Trustees CARL Committee Work Plan 2024-2025

August 27, 2024, 10:15 AM	October 29, 2024, 10:15 AM	February 4, 2025, 10:15 AM	April 1, 2025, 10:15 AM

Discussion Items:
● Internal Audit Report
  ○ Summary of any Internal and/or External Audits
  ○ Significant consulting engagements
  ○ Quality Assessment Review (QAR) Status Update
● NCAA Changes (joint meeting with Athletics Committee)
● ITS Update (including cybersecurity)
	Discussion Items:
	● Internal Audit Report
	  ○ Summary of any Internal and/or External Audits
	  ○ Significant consulting engagements
	● Policy and Compliance Update (including NCAA Compliance Review)
	● ITS Update (including cybersecurity)
		Discussion Items:
		● Internal Audit Report
		  ○ Summary of any Internal and/or External Audits
		  ○ Significant consulting engagements
		● Enterprise Risk Management Annual Update (Top 5 Risks, et al)
		● ITS Update (including cybersecurity)
			Discussion Items:
			● Internal Audit Report
			  ○ Summary of any Internal and/or External Audits
			  ○ Significant consulting engagements
			● Campus Safety Presentation
			● ITS Update (including cybersecurity)

Action Items: ● 2024-2025 CARL Committee Work Plan (consent agenda) ● 2024-2025 Internal Audit Work Plan, Resource Plan, and Budget Plan (consent agenda)	**Action Items:** ● Revisions to CARL Committee Charter (consent agenda) ● Revisions to Internal Audit Charter (consent agenda)	**Action Items:** ● Acknowledge receipt of report from State Auditor regarding University's annual financial statement audit (consent agenda)	**Action Items:** ● None
Information Items: ● Summary of 2023-2024 Audit Activities vs. Work Plan provided to UNC System Office ● New Title IX Rule	**Information Items:** ● Institute of Internal Auditors (IIA) Three Lines of Defense ● CARL Committee Chair to meet with State Auditor regarding University's annual financial statement audit	**Information Items:** ● Internal Audit's Quality Assurance and Improvement Program annual update ● Director of Internal Audit will confirm to the CARL Committee the organizational independence of the internal audit activity	**Information Items:** ● None

UNC Greensboro Board of Trustees CARL Committee Work Plan 2024-2025

August 27, 2024, 10:15 AM	October 29, 2024, 10:15 AM	February 4, 2025, 10:15 AM	April 1, 2025, 10:15 AM
Reporting Items: ● Approved 2024-2025 Internal Audit Work Plan and attestation must be submitted to the Council of Internal Auditing by September 30, and will also be provided to UNC System Office. ● Annual letter from CARL Committee Chair certifying Internal Audit compliance matters must be submitted to UNC System Office by September 30.	**Reporting Items:** ● Internal Audit Charter updates must be submitted to NC Office of State Budget & Management	**Reporting Items:** ● None	**Reporting Items:** ● None

Note: **Any updates regarding Board of Governors Policy and/or Federal and State legislation and regulation will be reported on an ad hoc basis during the course of the academic year.**

Internal Audit Work Plan Fiscal Year 2024 - 2025

No.	Engagements and Other Activities	Governance	Risk Management	Control Processes
	FY 2024 - 2025 Internal Audit Work Plan			
	Audits/Review of Internal Controls			
1	Weatherspoon Arts Museum Inventory			✓
2	Clery Act Reporting	✓	✓	✓
3	ITS Inventory		✓	✓
4	Departmental Expense	✓	✓	✓
	Compliance Audits			
5	Financial Aid	✓	✓	✓
6	Youth Camps - Background Checks	✓	✓	✓
	Follow-up Resolution of Audit Findings			
7	Travel Follow-up	✓	✓	✓
8	Employee Eligibility (I-9) Follow-up	✓	✓	✓
	Special Assignments			
A	Self-Assessment of Internal Controls			
B	Risk Assessment			
C	Quality Assurance and Improvement Program			
D	Key Performance Indicators			
E	Update Audit Manual			
F	Update Audit Charter			
G	Annual Audit Plan			
H	Strategic Plan			
I	Other Special Projects			
J	SAMM Tool			
K	Productivity Tool			

Global Internal Audit Standards

This audit plan was developed based on criteria established in Standard 9.4, Internal Audit Plan, of the Global Internal Audit Standards published by the Institute of Internal Auditors in January 2024. Specifically, the audit plan:

- Adheres to the Internal Audit Charter and elements therein.
- Was developed based on a university-wide risk assessment with consideration of input from the Board and university leaders.
- Addresses UNCG-specific risks and concerns.

- Covers governance, risk management, control processes, information technology, fraud risk, the effectiveness of university compliance and ethics programs, and other high-risk areas.
- Identified the necessary human, financial, and technology resources necessary to complete the plan.

Budget & Resource Plan:

This audit plan will require approximately 3,740 hours to complete. Auditors estimate that there will be approximately 3,500 work hours available for resource allocation. Therefore, the audit plan will require approximately 240 hours more than what is estimated to be available during the fiscal year. However, auditors anticipate that one or more planned engagements may be postponed, cancelled, stopped early, or continued into the following fiscal year. Therefore, the internal audit plan is appropriate to ensure the continuing productivity of the internal audit team.

This audit plan was developed with consideration of the current financial, human, and technological resources available to the Internal Audit team.

Approvals:

Chancellor	Date

CARL Committee Chair	Date

Director of Internal Audit	Date