UNC GREENSBORO
Board *of* Trustees

Compliance, Audit, Risk Management and Legal Affairs (CARL) Committee
November 11, 2025
10:15 a.m.

Discussion Item

CARL-1 Internal Audit Report

Background Information

Katherine Skinner, Director of Internal Audit, will provide a summary of recent audits performed.

Attachments

1.1 Youth Programs Background Checks Audit
1.2 Weatherspoon Art Museum FY2025 Inventory Audit

CARL 1.1

UNC GREENSBORO
Office *of the*
Internal Auditor

YOUTH PROGRAMS BACKGROUND CHECKS

INTERNAL AUDIT

OFFICE OF INSTITUTIONAL INTEGRITY AND GENERAL COUNSEL

SEPTEMBER 2025

UNC GREENSBORO
Office *of the*
Internal Auditor

MEMORANDUM

To: Dr. Franklin D. Gilliam, Jr., Chancellor
Anita Bachman, CARL Committee Chair
From: Katherine Skinner, Director of Internal Audit
Date: September 12, 2025
RE: Youth Programs Background Check Internal Audit

The Youth Programs Background Check Internal Audit was completed by the Office of the Internal Auditor in accordance with the Internal Audit Work Plan for fiscal year 2025. Provided within this communication is an Executive Summary and the Final Report of the Internal Audit activity.

Jerry Blakemore, Vice Chancellor for the Office of Institutional Integrity and General Counsel, and Enyonam Williams, Associate General Counsel, reviewed a draft copy of this report. Their written comments are included starting on page 16.

We appreciate the courtesy and cooperation received from the Office of Institutional Integrity and General Counsel as well as the UNCG faculty and staff and other (external) program directors who were contacted during this audit.

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EXECUTIVE SUMMARY

PURPOSE

The objective of this internal audit was to determine whether background checks were conducted for individuals working or volunteering in Youth Programs held at UNCG. The internal audit was included in the FY2025 Internal Audit work plan.

The scope of the engagement includes all Summer 2025 Youth Programs held at UNCG and individuals who worked or volunteered for UNCG's youth programs between 6/1/2025 and 8/31/2025.

BACKGROUND

UNC Greensboro is committed to providing a safe and welcoming experience for minors engaged in programs and activities occurring at or in affiliation with UNCG. University Compliance supports the University's commitment through a comprehensive compliance program, which includes the development, facilitation, monitoring, revision, and oversight of policies, protocols, training, and other compliance-related activities to help groups hosting minors on campus provide a safe and healthy environment for participants.

There were 22 youth programs held on campus between June 13 and August 2, 2025 with over 3,500 minor participants. The youth programs included minor participants in 1st through 12th grade (ages 5 through 18) including 8 programs with minor participants staying overnight.

To ensure the safety of all minor participants, youth program directors must conduct current background checks on all youth program staff before the programs start date.

KEY FINDINGS

- Current background checks were conducted for 391 of 403 (97%) individuals working or volunteering for Summer 2025 youth programs.
- Background checks were timely for 357 of 391 (91%) individuals with background checks.

KEY RECOMMENDATIONS

- Youth program directors must ensure that background checks are conducted for all youth program staff, including UNCG employees, students, and volunteers, prior to the first day of involvement with the program. To ensure the safety of minors, no individual should be provided access to minors in association with youth programs at UNCG before a comprehensive background check is obtained and reviewed.

- To ensure the timely completion of background checks, program directors should request a background check from Human Resources for each UNCG faculty, staff, and student at least one week before the program or position start date. Program directors must also wait for confirmation from HR that individuals are approved to work before authorizing individuals to begin working.

- Program directors should submit a list of employees, students, and volunteers to the Compliance team for compliance monitoring and audit purposes. UNCG affiliation (faculty, staff, student, or no affiliation), individual start date, and role should be included in the list.
- To ensure the timely completion of background checks and to avoid duplication of efforts, the Compliance and HR teams should collaborate to develop and implement a process to track and monitor background check completion for internal UNCG faculty, staff, and students.

BACKGROUND

Summer 2025 Youth Programs held at UNCG

There were 22 youth programs with over 3,500 minor participants, operated by 16 different sponsors/organizers, held on campus between June 13 and August 2, 2025. The youth programs included minors in 1st through 12th grade (ages 5 through 18[1]), including 8 programs with minor participants staying overnight.

Youth Program Purpose and Background

A "Youth Program" is any event, operation, or endeavor that is (1) operated, conducted, or organized by any unit or organization supported by or affiliated with the University or occurring in University facilities; (2) that includes minors; and (3) during which parents or legal guardians are not expected to be responsible for the care, custody, or control of the minors. A Youth Program may be University-Sponsored or sponsored by an External Entity but held on University facilities.

- A "University-Sponsored" Youth Program is any Youth Program that: (1) the university solely owns and operates; (2) the university jointly operates with another organization; or (3) the university contracts with another organization to provide. University-Sponsored Youth Programs may or may not take place in University facilities.
- "External Entity Activities or Programs" are Youth Programs that are offered by an individual or entity that is not affiliated with UNC Greensboro but take place in whole or in part in UNCG facilities. The external entity assumes full responsibility for the supervision of youth participants.

A variety of programs are offered to community youths, ranging from, but not limited to athletics, music, art, Esports and gaming, information technology, business and leadership, agriculture, environmental science, and theater.

UNC Greensboro is committed to providing a safe and welcoming experience for minors engaged in programs and activities occurring at or in affiliation with UNCG. University Compliance, as part of the Office of Institutional Integrity and General Counsel, supports the University's commitment through a comprehensive compliance program, which includes the development, facilitation, monitoring, revision, and oversight of policies, protocols, training, and other compliance-related activities to help groups hosting minors on campus provide a safe and healthy environment for participants.

Office of Institutional Integrity and General Counsel

The Office of Institutional Integrity and General Counsel includes Legal, Compliance, Policy, Internal Audit, Title IX, and Athletics Compliance. Part of the Compliance function of the Office of Institutional Integrity and General Counsel (OIIGC) includes monitoring compliance with the Youth Programs Policy and The

[1] While 18-year-olds are not considered minors, these programs limited participation to individuals who had not yet graduated high school.

Guide for Operating Youth Programs (Guide). The Guide contains detailed procedures and guidelines for operating Youth Programs at UNC Greensboro.

The "University Compliance Director" is an attorney in the Office of Institutional Integrity and General Counsel who is responsible for administering the Youth Programs policy. The University Compliance Director provides compliance approval for Youth Programs, certifying that Youth Programs meet the requirements of this policy and the Guide and, therefore, are approved to operate in affiliation with the University or in University facilities.

Although the Director of Internal Audit reports administratively to the Vice Chancellor for the Office of Institutional Integrity and General Counsel, there were no impairments to Internal Audit function or team member independence. As with all Internal Audit engagements, no one outside the Internal Audit team was involved in determining the scope, nature, timing, or extent of audit objectives or procedures. No one outside the Internal Audit team limited or attempted to limit audit procedures. Additionally, UNCG faculty and staff were fully cooperative in providing Internal Audit with all information, data, and documentation requested.

Background Checks Required by the Guide for Operating Youth Programs and UNC System Policies

Youth programs directors[2] are responsible for ensuring that all program staff[3] successfully complete a criminal background check. Background checks must be completed and evaluated prior to the employee or volunteer beginning work with youth participants. Criminal background checks must include (1) a review of criminal court records of all counties of residence based on the employee or volunteer's past seven (7) years of residential addresses; (2) a review for federal criminal court records; (3) searches against the national and state sex offender registries; and (4) if the individual's responsibilities include transporting minors, a mandatory driver's license check that looks back at least five years or since the employee or volunteer reached the age of 18, whichever is shorter.

UNC System Policy requires at a minimum, covered individuals whose background check reveals a prior criminal conviction for a sex offense, a crime against children, or a serious violent crime involving assault or injury to others may not participate in a program that includes sensitive populations. Sensitive populations include individuals under 18 years of age.

UNCG Policy on Youth Programs applies to all faculty, staff, students, student employees, graduate assistants, contractors, or volunteers working in youth programs, whether internally or externally sponsored.

[2] Youth program directors are sponsors or organizers of youth programs who are responsible for program oversight.

[3] Program Staff consists of both paid and unpaid individuals who have direct contact with youth participants, and may include faculty, staff, students, student employees, graduate assistants, contractors, or volunteers.

OBJECTIVE, SCOPE, AND METHODOLOGY

Objective:

The objective of this internal audit was to determine whether background checks were conducted for individuals working or volunteering in youth programs held at UNCG.

The internal audit was included in the fiscal year 2025 (FY2025) Internal Audit work plan and was started during FY2025.

Scope:

The scope of the audit includes all Summer 2025 youth programs held at UNCG and individuals who worked or volunteered for UNCG's youth programs between 6/1/2025 and 8/31/2025.

Methodology:

Auditors performed the following procedures:

- Obtained and reviewed youth program policies, procedures, forms, and guidance.
- Obtained and analyzed the registration information for all Summer 2025 youth programs.
- Surveyed all Summer 2025 youth program sponsors/organizers to obtain program-specific information.
- Requested and reviewed background checks for all non-UNCG affiliated youth program staff.
- Requested and reviewed background check confirmation from UNCG's Human Resources for all UNCG faculty and staff who also worked or volunteered as youth program staff.
- Requested and reviewed additional information as applicable including revised program start dates, employee start dates, and affiliation with UNCG (e.g., faculty, staff, student, no affiliation).
- Determined whether background checks met the following criteria:
    - No older than one year prior to the start of the program.
    - Conducted prior to the start of the program or individual employee start date.
    - Included a comprehensive search in accordance with UNCG Youth Program Policies.
- Analyzed, summarized, and communicated results.

Because of the test nature and other inherent limitations of an audit, together with limitations of any system of internal and management controls, this audit would not necessarily disclose all performance weaknesses or lack of compliance.

As a basis for evaluating internal control, auditors applied the internal control guidance contained in professional auditing standards. However, our audit does not provide a basis for rendering an opinion on internal control, and consequently, we have not issued such an opinion.

This audit was conducted in conformance with the Global Internal Audit Standards (*Standards*) issued by the Institute of Internal Auditors, 2024 edition. The findings were presented in order of significance in accordance with *Standard* 15.1.

FINDINGS AND RECOMMENDATIONS

FINDING: COMPLIANCE RATES FOR CURRENT BACKGROUND CHECKS IS 97% AND TIMELINESS IS 91%

Current background checks were conducted for 391 of 403 (97%) individuals working or volunteering in Summer 2025 youth programs held at UNCG and they were timely for 357 of the 391 (91%) background checks conducted. Without current and timely background checks, program directors cannot be sure that the individuals working or volunteering in their programs do not have disqualifying criminal convictions. Program directors did not obtain current and timely background checks on program staff because they did not fully understand the requirements. UNCG Youth Program policies require comprehensive background checks to be conducted on all program staff within 12 months prior to the start of respective programs.

UNCG hosted 22 youth programs between June 13 and August 2, 2025 with over 3,500 minor participants. The youth programs included minor participants in 1st through 12th grade (ages 5 through 18) including 8 programs with minor participants staying overnight.

97% of Youth Program Staff Have Current Background Checks

Current background checks were conducted for 391 of 403 (97%) individuals working or volunteering in Summer 2025 youth programs held at UNCG. All 391 of the youth program staff with background checks were approved to work with no disqualifying factors. In addition to meeting comprehensive background check requirements (see the Appendix), a current background check is one that was conducted no more than 12 months prior to the program start date or an individual's start date with the program.

All 12 of the individuals without *current* background checks were current faculty or staff[4] and eight of them had background checks conducted between 2015 and 2023. The other four individuals were long-time employees of UNCG and consequently, documentation of background checks was not available.

91% of Youth Program Staff Have Timely Background Checks

Background checks were timely for 357 of the 391 (91%) background checks conducted. In addition to meeting other background check requirements, a timely background check is one that is conducted before the program start date or employee start date *and* no more than 12 months prior to the program start date.

Program Level Background Check Compliance

Only one of the 22 Summer youth programs did not provide evidence that all program staff were background checked and five of 22 programs did not obtain and review the background checks before the start of respective programs. See Table 1 below, for detailed results by program.

[4] Current faculty and staff are considered lower risk because (1) they would have had a background check before being approved to work at the University, and (2) any disqualifying criminal convictions would have resulted in significant incarceration time that would have prevented continuing employment at the University.

Table 1. Results of Background (BG) Check Compliance Review

Youth Program -per Survey	Total # of Staff	Staff With Current BG Check	Current BG Check Errors	Timely BG Checks	Timeliness Errors
Workman Soccer Camps (2 Programs)	22	22	-	22	-
Esports and Gaming Summer Camps	6	6	-	2	4
Upward Bound	11	11	-	-	11
Trina Patterson Day Camp	10	10	-	10	-
Trina Patterson Team Camp	14	14	-	14	-
Global Leaders Academic Exploration Prog	4	4	-	4	-
Summer Arts and Design Intensive	26	26	-	26	-
Intersection UNCG	4	4	-	1	3
UNCG Summer Musical Theatre Intensive	6	6	-	6	-
Chris Rich Soccer - HS Team Camp	34	34	-	34	-
Chris Rich Soccer - Jr. Spartan Day Camp 1	9	9	-	9	-
Chris Rich Soccer - Jr. Spartan Day Camp 2	10	10	-	10	-
Chris Rich Soccer - Jr. Spartan Day Camp 3	9	9	-	9	-
Chris Rich Soccer - Summer ID Camp	6	6	-	6	-
Chris Rich Soccer - Summer GK Camp	7	7	-	7	-
UNCG Summer Music Camp	156	144	12[5]	142	2
Explorers	11	11	-	11	-
Technovation for Good	18	18	-	4	14
CHANCE	48	48	-	48	-
Mike Jones Basketball Team Camp	16	16	-	16	-
Mike Jones Basketball Day Camp	26	26	-	26	-
Less: repeat staff for >1 Program	(50)	(50)		(50)	
Totals	**403**	**391**	**12**	**357**	**34**
		97%	**3%**	**91%**	**9%**

[5] All 12 are current UNCG faculty or staff with previous background checks and are therefore considered lower risk.

Conducting Current and Timely Background Checks Provides Necessary Assurance

Without conducting and reviewing current background checks prior to the start of youth programs, program directors cannot be sure that the individuals working or volunteering in their programs do not have disqualifying criminal convictions and may unknowingly endanger minor participants. Additionally, enforcement of background check requirements demonstrates the University's commitment to promote the safety of minors participating in youth programs at the University.

Youth Program Policies, Guidance, and Information Sessions Support Strong Compliance Rates

The high rate of compliance, with 97% for having current background checks conducted for all program staff and 91% for timeliness, resulted from the OIIGC's Compliance Department's efforts to establish and communicate policies and guidance. Specifically, the OIIGC hosted information sessions, documented policies, procedures, and forms, and established links to important policy and compliance information on the OIIGC webpage. The University Compliance Director also updated the language in the UNCG Guide to Operating Youth Programs in 2024 to clarify the background check requirements.

However, some program directors did not fully understand the requirements. For example, one youth program director did not obtain ***current*** background checks on faculty and staff because of a misunderstanding as to the requirements being applicable to current faculty and staff.

Additionally, five youth program directors did not obtain ***timely*** background checks on youth program staff because they did not fully understand the requirements. For example, one program director obtained local criminal history checks, but did not obtain national criminal and misdemeanor background checks covering offender registries and all jurisdictions in which the individuals resided. Upon learning of the more comprehensive requirements during audit inquiries, the program director obtained more comprehensive background checks, but it was after the employees started working.

All program directors expressed an intent to comply with the youth program policies.

Comprehensive Background Checks are Required by Youth Program Policies and Procedures

UNCG youth program policies require that criminal background checks be conducted and evaluated prior to employees or volunteers beginning work with youth participants, and they must be conducted within 12 months prior to the start date of the program. University sponsored youth programs are responsible for ensuring that all program staff successfully complete a criminal background check. Additionally, UNCG's Youth Program Policies requiring background checks are compliant with UNC System Policies for Youth Programs. Specific requirements are provided below.

UNCG Guide for Operating Youth Programs

Section 5.2.2, subsection D of the UNCG Guide for Operating Youth Programs addresses criminal background checks states, *"University-Sponsored Youth Programs are responsible for ensuring that all Program Staff successfully complete a criminal background check within the 12 months prior to the start date of the program."*

Youth Programs Policy

Section 2 of the UNCG Policy on Youth Programs states that the *"policy applies to all faculty, staff, students, student employees, graduate assistants, contractors, or volunteers working in Youth Programs."*

Section 4.1 states that youth programs must ensure program staff *"successfully complete background* checks*, reference checks, and/or student conduct checks consistent with the requirements of the UNCG Policy on Background Checks and the Guide before they are permitted to work in Youth Programs."*

Youth Program Background Check, Conduct Standards, and Training Certification Statement

The UNCG Compliance Legal team requires all youth program sponsors and/or organizers to certify compliance with UNCG's youth program policies and guidelines. Specifically, each "program director" must sign the "Youth Program: Background Check, Conduct Standards, and Training Certification Statement" before being authorized to host a youth program on UNCG campus. For purposes of the certification statement, program directors are those in charge of the youth program.

Section I of the certification statement requires the Program Director to certify that background checks,

- ☐ *"have been* completed within the 12 months prior to the start date of the program; or"
- ☐ "will be completed prior to the first day of the program."

[*Program Directors must check either or both boxes next to the options as applicable.*]

The certification statement also provides the nature and extent of background checks required as well as requirements related to Conduct Standards and training.

HR Policy on Background Checks

According to University Policy on Background Checks, "*all candidates selected for volunteer opportunities and who will work with sensitive populations must have a criminal background check and may not commence volunteering prior to the completion of a satisfactory criminal background check."* Sensitive populations are defined in the policy as, *"Individuals under 18 years of age, patients receiving care in any* clinical *setting, and other individuals entitled to enhanced supervision or protection based on University practice or State or Federal law."*

RECOMMENDATIONS

Youth program directors must ensure that background checks are conducted for all youth program staff, including UNCG employees, students, and volunteers, prior to the first day of involvement with the program. To ensure the safety of minors, no individual should be provided access to minors in association with youth programs at UNCG before a comprehensive background check is obtained and reviewed.

To ensure the timely completion of background checks, program directors should request a background check from Human Resources for each UNCG faculty, staff, and student at least one week before the program or position start date. Program directors must also wait for confirmation from HR that individuals are approved to work before authorizing individuals to begin working.

Program directors should submit a list of employees, students, and volunteers to the Compliance team for compliance monitoring and audit purposes. UNCG affiliation (faculty, staff, student, or no affiliation), individual start date, and role should be included in the list.

To ensure the timely completion of background checks and to avoid duplication of efforts, the Compliance and HR teams should collaborate to develop and implement a process to track and monitor background check completion for internal UNCG faculty, staff, and students.

APPENDIX

UNC GREENSBORO

YOUTH PROGRAM: BACKGROUND CHECK, CONDUCT STANDARDS, AND TRAINING CERTIFICATION STATEMENT

INSTRUCTIONS: For the purposes of this form, the "program director" is the person in charge of the Youth Program. The form must be signed by the program director and returned to the University as part of the registration process. Contact youthpro@uncg.edu if you have questions.

Youth Program Name	Program Date
Name of Legal Entity	
Program Director Name	
Program Director Email	Program Director Phone

I. Background Checks

I certify that background checks have been or will be conducted on all persons working in the program named above. These background checks:

☐ have been completed within the 12 months prior to the start date of the program; or

☐ will be completed prior to the first day of the program.

Each check met or will meet the following minimum requirements and parameters:

A. Criminal Search
   i. 7-year felony and misdemeanor search based on all jurisdictions provided on application and social security number trace.
   ii. Statewide searches conducted in all states in which the individual has resided.
   iii. Federal criminal search conducted on a nationwide basis in all United State District Courts.
   iv. All maiden names and AKAs are included in the search.

B. National DB Offender Scan: 50 state Sex Offender Registry search, and the USA Patriot Act Search

I further certify these have been or will be reviewed for the following charges (or charges that are similar in nature to the following charges) and that individuals with disqualifying events in their background check report will not be permitted to work in the program.

Felony Convictions

- Murder
- Child abuse or neglect
- Crimes against children, including child pornography
- Spousal abuse
- Crimes involving rape or sexual assault
- Kidnapping
- Arson
- Physical assault or battery
- Drug-related offenses committed during the preceding 5 years
- Misdemeanor convictions (committed as an adult against a child)
- Child abuse
- Child endangerment

- Sexual assault
- Child pornography
- Stalking or harassment (committed as an adult against a child)
- Criminal offenses relating to the abuse, exploitation, or neglect of an elder, an individual with disabilities, or animals will also be considered

II. Disciplinary Records Check

I certify that all UNCG students working in the program: Write "N/A" in this section if UNCG students will not work for the program:_____

☐ have completed a UNCG Youth Program Disciplinary Records check; or

☐ will complete a UNCG Youth Program Disciplinary Records check prior to the first day of the program.

III. Conduct Standards

I certify that the program will uphold and enforce the Conduct Standards. I further certify that all persons working in the program named above:

☐ have been provided with a copy of the UNCG Youth Programs Conduct Standards and have received training regarding these standards; or

☐ will be provided with a copy of the UNCG Youth Programs Conduct Standards and will receive training regarding these standards prior to the first day of the program.

IV. Training

I certify that all persons working in the program named above:

☐ have completed the training materials supplied by UNCG; or

☐ will complete the training materials supplied by UNCG prior to the first day of the program.

I understand that the University may monitor and require proof of compliance with all applicable policies, including the Youth Programs and Minors on Campus: Reporting Policy. I understand that failure to comply with University policies may result in sanctions as outlined in UNCG policies, including revocation of the program's privilege to operate in affiliation with UNCG and/or within UNCG Facilities.

Signature:_____

Print Name: _____

Date:_____

The example form (above) has been automated; program directors electronically complete and sign a version of this form.

AUDITEE RESPONSE

Jerry Blakemore, Vice Chancellor for the Office of Institutional Integrity and General Counsel, and Enyonam Williams, Associate General Counsel, reviewed a draft copy of this report. Their written comments are provided below.

The UNC System President has identified the Protection of Minors on Campus (PMOC) as a critical priority for campuses following the adoption of the Policy on Protection of Minors on Campus in 2019 (UNC Policy Manual 1300.10). UNC Greensboro participates in annual System-wide and regular committee meetings/trainings on this topic with other constituent institutions. UNC Greensboro's executive administration supports this priority and recognizes that background checks for staff working with minors in Youth Programs are essential for safety.

We accept the findings and recommendations of this audit, and we appreciate our Internal Audit team for investigating background check compliance. In our oversight role, we are pleased with the high levels of compliance with background check requirements for the 2025 summer camps. As a result of this audit, the Office of Institutional Integrity and General Counsel will increase training and monitoring efforts to ensure the highest level of understanding and compliance with this vital requirement. We will also continue to provide support for the outstanding individuals across campus who sponsor and administer the Youth Programs UNC Greensboro hosts throughout the year to ensure those programs continue to impact our youth in positive ways.

CARL 1.2

UNC GREENSBORO
Office of the Internal Auditor

INTERNAL AUDIT REPORT

WEATHERSPOON ART MUSEUM INVENTORY

FOR THE YEAR ENDED JUNE 30, 2025

AUGUST 2025

UNC GREENSBORO
Office of the Internal Auditor

MEMORANDUM

To: Dr. Franklin D. Gilliam, Jr., Chancellor
Anita Bachman, CARL Committee Chair
From: Katherine Skinner, Director of Internal Audit
Date: August 15, 2025
RE: Weatherspoon Art Museum FY2025 Inventory Internal Audit Report

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The Weatherspoon Art Museum Fiscal Year 2025 Inventory Internal Audit was completed by the Office of the Internal Auditor in accordance with the Internal Audit Work Plan for fiscal year 2026. Provided within this communication is an Executive Summary and the Final Report.

Juliette Bianco, Weatherspoon Art Museum Anne and Ben Cone Memorial Endowed Director and Associate Vice Chancellor for Museums and Creative Practice, reviewed a draft copy of this report and provided written comments; see page 10.

We appreciate the courtesy and cooperation received from management and the employees of Weatherspoon Art Museum and Foundation Finance during our audit.

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Executive Summary

PURPOSE

The objective of this internal audit is to determine whether the Weatherspoon Art Museum's (Museum) Inventory Management System is sufficiently reliable to support the accuracy of reported art collection inventory that is owned by the Weatherspoon Art Museum Council (WAM Council).

The scope of the internal audit is inventory accessions for July 1, 2024, through June 30, 2025, and the art collection items in the inventory record through June 30, 2025.[1]

This audit has been conducted pursuant to the University of North Carolina System Office Policy 600.2.5.2[R][2] which requires the WAM Council to have an annual audit.

BACKGROUND

The WAM Council was established as a private non-profit organization, formerly known as the Weatherspoon Arts Foundation, to hold title to the permanent collection of the Museum. The WAM Council's only asset is the art collection. The collection is maintained for teaching, research, and public service purposes exclusively for the use and benefit of the University of North Carolina at Greensboro (University) and its broader community.

By an operating agreement, the WAM Council delegates full management responsibility for the collection to the Museum, which is owned and operated by the University. The art collection inventory included 6,724 items as of June 30, 2025, with a collective book value of approximately $28.6 million.

KEY FINDINGS

The Weatherspoon Art Museum's inventory management system is sufficiently reliable to support the accuracy of the $28.6 million in reported book value of the art collection inventory.

KEY RECOMMENDATIONS

The audit team has no recommendations for improvement.

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[1] Inventory on record as of June 30, 2025, includes all items with a recorded "legal date" of June 30, 2025, or earlier.

[2] The UNC Policy Manual, 600.2.5.2[R], Regulation on Required Elements of University-Associated Entity Relationship, Section V, Financial and Accounting Controls, Part A states, "Associated Entities and their single-member subsidiaries (LLCs or corporations) must be audited on an annual basis … An Associated Entity with annual expenditures of less than $100,000 may elect to have its annual audit conducted by the Approving Institution's internal auditor…"

Background

The Weatherspoon Art Museum (Museum), which is owned and operated by the University of North Carolina at Greensboro (University), maintains and manages the art collection that is owned by the Weatherspoon Art Museum Council (WAM Council). During FY2025, the Museum managed 6,724 items with a collective book value of approximately $28.6 million, including 33 new accessions valued at $141,543.

WEATHERSPOON ART MUSEUM

The Museum serves the University, community, state, national, and international audiences by collecting, preserving, presenting, and interpreting the work of nationally recognized American artists from the turn of the twentieth century onward. To encourage aesthetic and critical awareness within its audiences, the Museum engages in research, scholarship, and community outreach, and develops publications, exhibitions, and education programs.

In April 2025, the Museum again achieved accreditation by the American Alliance of Museums (AAM), the highest national recognition afforded to U.S. museums. AAM accreditation brings national recognition to a museum for its commitment to excellence, accountability, high professional standards, and continued institutional improvement. AAM's museum accreditation program is the field's primary vehicle for quality assurance, self-regulation, and public accountability.

WEATHERSPOON ART MUSEUM COUNCIL BACKGROUND AND PURPOSE

The Weatherspoon Art Museum Council (**WAM Council**) was initially established in 1990 as the Weatherspoon Arts Foundation, a private, non-profit organization to hold title to the permanent collection of the Museum. The Weatherspoon Art Museum Advisory (WAMA) Board was part of the UNCG Excellence Foundation, a certified non-profit organization. The WAMA Board provided guidance, funding, and volunteer time to the Museum. In the Fall of 2022, the WAMA Board and the Weatherspoon Arts Foundation merged into the WAM Council**.** The WAM Council retains private, non-profit status and title to the permanent collection of the Museum and continues to delegate full management responsibility for the collection to the University.

The collection is maintained for teaching, research, and public service purposes exclusively for the use and benefit of the University and its broader community. The WAM Council supports the Museum's mission and advances the Museum's capacity to:

- Build, manage, and preserve an increasingly diverse and significant art collection.
- Promote access to the Museum and its resources.
- Amplify the visibility, reputation, and accessibility of the Museum.
- Secure resources to support all areas of the museum's operations and collections.

Objective, Scope, and Methodology

OBJECTIVE:

The objective of the audit was to determine whether the Weatherspoon Art Museum's (Museum) Inventory Management System is sufficiently reliable to support the accuracy of reported art collection inventory that is owned by the Weatherspoon Art Museum Council (WAM Council).

SCOPE:

The scope of the internal audit is inventory accessions July 1, 2024, through June 30, 2025, and the art collection items in the inventory record through June 30, 2025.

METHODOLOGY:

To determine whether the reported inventory is reasonably accurate, auditors performed the following procedures:

- Interviewed Museum staff, reviewed policies and procedures, and physically observed Museum grounds and security procedures.
- Compared prior year inventory reports to current year inventory reports and reconciled differences.
- Compared inventory reports from the University's financial records to the Museum's inventory records.
- Physically observed a sample, using stratification to test significant items and a random sample of less significant items. Auditors verified that items selected in the random sample were not previously selected during the FY 2024 audit. A judgmental sample, using stratification and selecting high risk items, and selecting a random sample of lower risk items was determined by auditors to be the most efficient and effective method to achieve the audit objective. Auditors considered the results of prior year testing and the potential risks to the art collection. Auditors referred to authoritative sampling guidance published in 2014 by the American Institute of Certified Public Accountants (AICPA) in Audit Sampling, Audit Guide.
- Reviewed supporting documentation for fiscal year 2025 accessions and compared relevant details to inventory records (e.g., item number, artist, title, method (gift/purchase), value, legal date, description, and type).

  Note that auditors are not art experts or qualified appraisers and thus cannot opine on item values or whether items are legitimate or forgeries. Accordingly, tests were limited to verifying that items

appear to exist as indicated in the inventory records and in accordance with supporting documentation for new items and items with changes in book values.[3]

Because of the test nature and other inherent limitations of an audit, together with limitations of any system of internal and management controls, this audit would not necessarily disclose all performance weaknesses or lack of compliance.

As a basis for evaluating internal control, auditors applied the internal control guidance contained in professional auditing standards. However, our audit does not provide a basis for rendering an opinion on internal control, and consequently, we have not issued such an opinion.

This audit was conducted in conformance with Global Internal Audit Standards issued by the Institute of Internal Auditors, January 2024 edition.

[3] Changes in book values result from the incurrence of conservations costs.

Findings and Recommendations

INVENTORY MANAGEMENT SYSTEM IS SUFFICIENTLY RELIABLE

The Weatherspoon Art Museum's (Museum) Inventory Management System is sufficiently reliable to support the accuracy of reported art collection inventory that is owned by the Weatherspoon Art Museum Council (WAM Council).

The Museum was responsible for managing 6,724 art collection items with a book value of approximately $28.6 million during fiscal year 2025[4] (FY2025). During FY2025, the Museum added 33 items to the art collection through 26 gifts, 5 purchases, and 2 bequests collectively valued at $141,543. See Table 1, below.

Table 1. Art Collection Value, FY2025

	Price	Quantity
Book value of art collection as of June 30, 2024	$ 28,453,278	6,691
Acquisitions of art (Purchases)	75,390	5
Bequests	8,500	2
Transfers	0	0
Gifts of art	57,653	26
Conservation Costs[5]	6,037	0
Less Deaccessions	0	0
Book value of art collection as of June 30, 2025	**$ 28,600,858**	**6,724**

Auditors physically observed a sample of art collection inventory items and did not identify any discrepancies between the recorded inventory items and the inventory stored on the premises as described. Specifically, auditors confirmed that:

- All inventory items selected for observation exist as described in the inventory records.
- Inventory records include items acquired during the fiscal year.
- Book values for new acquisitions and conservation costs are accurately recorded.
- Legal dates for new acquisitions are accurately and consistently recorded.

In addition, Auditors reviewed documentation for new items to verify that policies and procedures are consistently followed and that new items are correctly reflected in the inventory records. Auditors did not identify any discrepancies or inconsistencies with legal dates or reported book values for new items.

During the audit, Museum leadership also shared information about improvements to its security. For example, during FY 2025, the Museum added or replaced several security cameras and updated parameters on the card access readers. Additionally, beginning this year, vault access is available only during normal museum operating hours.

[4] July 1, 2024, through June 30, 2025.

[5] Conservation costs increased book values for two items owned prior to the start of FY2025.

OPERATING AGREEMENT REQUIRES ACCURATE RECORDS

Museum management designed and implemented policies and procedures to ensure inventory is protected and related records are accurate and consistent because an operating agreement requires it. Specifically, an operating agreement between the University and the WAM Council states that the Museum staff are responsible for managing all art collection inventory and related records.

RECOMMENDATIONS

Finding no reportable errors in the inventory management process or records, the audit team has no recommendations for improvement.

Response From Weatherspoon Art Museum

August 15, 2025

Katherine Skinner, Director of Internal Audit
Ronald Fulton, Internal Auditor
123 Mossman | P.O. Box 26170
UNC Greensboro
Greensboro, NC 27402

Dear Katherine and Ron,

Thank you for your thorough attention and diligence in conducting the FY 2024–25 audit of the Weatherspoon Art Museum's collection. I am pleased to hear that the museum's inventory management system supports the accuracy of the art collection inventory and that no improvements are needed. I agree with your findings.

The Weatherspoon staff and I take the management of the art collection (valued at approximately $28.6 million) very seriously. I am pleased to hear that the collection's care and the accuracy of all related records continue to support the museum's teaching, research, and public service objectives.

Thank you for the support and courtesy you exhibited to the Weatherspoon staff during this process. I look forward to continuing our working relationship with you in the years ahead.

Sincerely,

Juliette Bianco
Anne and Ben Cone Memorial Endowed Director
Weatherspoon Art Museum, UNC Greensboro
1005 Spring Garden Street
Greensboro, NC 27412