



Compliance, Audit, Risk Management and Legal Affairs (CARL) Committee
March 17, 2026
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 internal and external audits performed.

Attachments

- 1.1 Internal Audit Report Presentation
- 1.2 Travel Reimbursement Review Process - Internal Audit
- 1.3 UNCG FY2025 Financial Statement Audit - NC OSA
- 1.4 The Endowment Fund of UNCG FY2025 FS Audit - BRC
- 1.5 The UNCG Excellence Foundation FY2025 FS Audit - BRC
- 1.6 The UNCG Investment Fund FY2025 FS Audit - BRC



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Office of Institutional
Integrity and General Counsel

Internal Audit

UNC Greensboro Board of Trustees

Compliance, Audit, Risk Management, and Legal Affairs (CARL) Committee

March 17, 2026

Katherine Skinner, Director of Internal Audit

Ronald Fulton, Internal Auditor



Internal Audit Reporting Requirements – **What** and **Why**

Global Internal Audit Standards required reporting:

- Results of audit services
- Results of Internal Quality Assessments
- Independence, objectivity, integrity of IA team
- Current initiatives
- Other: Charter, Audit Work Plan, Resources, etc. – previously reported or submitted for approval.

System Office required reporting:

- External Audit Reports (as well as other IIA reporting)

The NC Internal Audit Act

(NC General Statute 147 Article 79)

requires us to comply with

*Global Internal Audit Standards
(Standards)*

issued by the

Institute of Internal Auditors (IIA).

Internal Audit Reporting Requirements –What and **Why**

Internal Audit - a proactive strategic partner to University leaders.

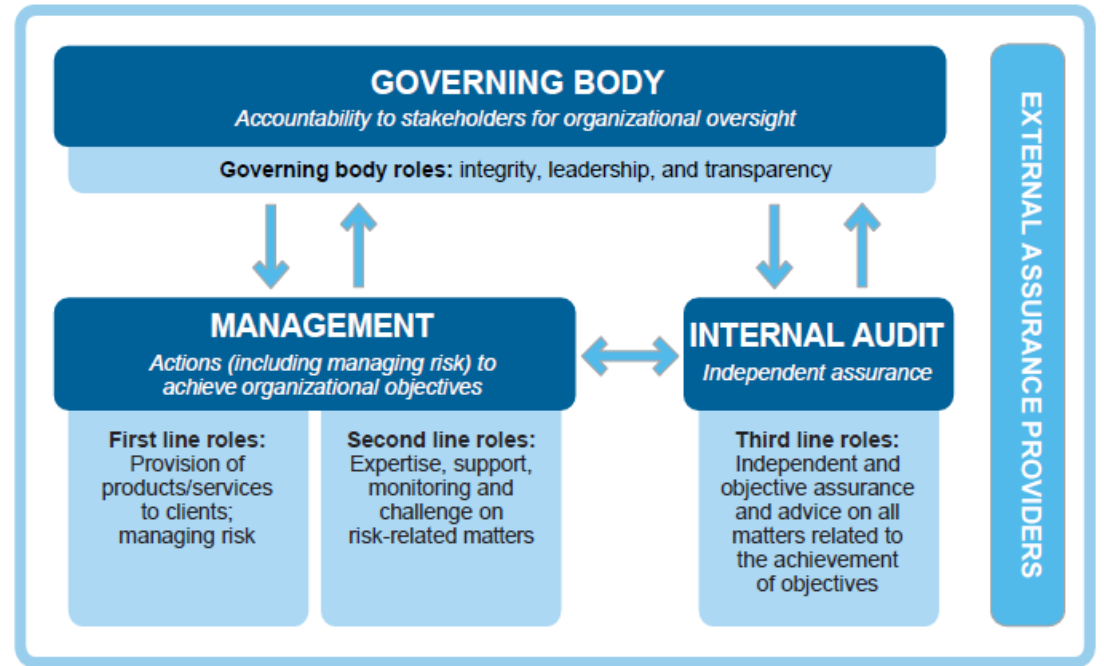
As the third line of defense, Internal Audit:

- Ensures that the Board has the information needed to provide oversight of the Internal Audit function as Internal Audit works toward achieving its mission.
- Provides risk-based, independent, and objective assurance, advice, insight, and foresight regarding the governance, risk management, and control processes of the University.

Internal Audit Mission:

With a commitment to adhering to the Global Internal Audit Standards and utilizing best practices, Internal Audit will strive to enhance the University’s: (a) successful achievement of its objectives; (b) governance, risk management, and control processes; (c) decision-making and oversight; (d) reputation and credibility with its stakeholders; and (e) ability to serve the public interest.

The IIA’s Three Lines Model



KEY: ↑ Accountability, reporting ↓ Delegation, direction, resources, oversight ↔ Alignment, communication coordination, collaboration

Internal Audit Initiatives

Issued since last CARL Committee Meeting

- 1 assurance audit (Travel audit to be presented next)

Currently In progress:

- 2 assurance audits
- 1 follow-up project
- 1 external peer review project





Internal Audit Issued:

Travel Reimbursement Review Process Audit

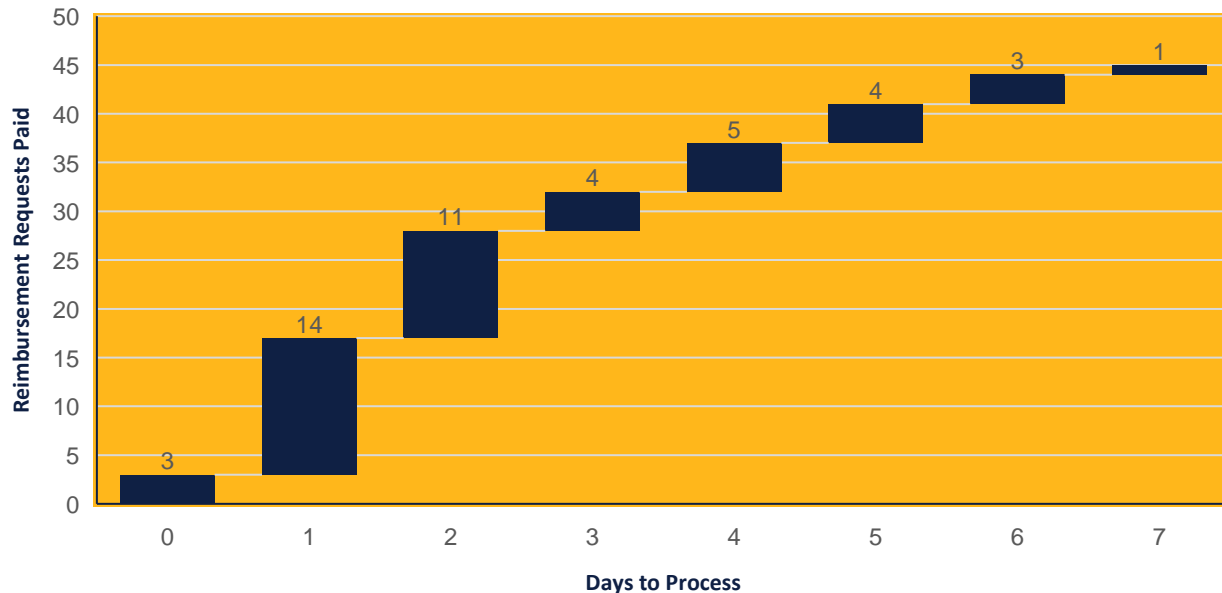
- Background
 - A 2023 audit determined that manual processes resulted in payment delays and errors.
 - Travel reimbursement submission, review, and approval processes have been automated with Chrome River / Emburse.
- With Chrome River / Emburse fully implemented, we followed up to determine the efficiency and effectiveness of the travel reimbursement review process.
 - *Payment timeliness significantly improved*
 - *Payment accuracy significantly improved*

Travel Reimbursement Review Process Audit - Results

Efficiency

- AP paid all 45 travel reimbursements within 7 days.
- Most were processed and paid within 2 days; average <2.5 days
- Previously, some payments took over 30 days and average was 8 days

Travel Reimbursements - Days to Process and Pay



Effectiveness

- Nearly \$20k tested
- Only \$146 (0.7%) in payment errors
- Previously, over 5% error rate
- The Controller’s Office is aware of the cause of insignificant errors and is implementing controls to mitigate future errors. Mostly human errors for unallowable meal per diems based on times of departure/arrival when traveling.

External Audits – audits performed by external auditors

Annual Financial Statement Audit Reports FY2025

- UNCG - Issued by the NC Office of the State Auditor – **clean opinion**
- UNCG Associated Entities - Issued by BRC, LLP (independent CPA)
 - The Endowment Fund of UNCG – **clean opinion**
 - UNCG Excellence Foundation, Inc. – **clean opinion**
 - UNCG Investment Fund, Inc. – **clean opinion**
- Single Audit (release is pending)
 - Management Letter was Issued by the State Auditor
 - 2 findings for Financial Aid
 - CAP is being developed by Financial Aid
 - Internal Audit will verify sufficient progress



Congratulations to
Ghazala Bibi and her teams
for excellence in financial
reporting and for successfully
automating Accounts
Payable!





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Questions?

Contact an audit team member:

Katherine Skinner: kaskinner@uncg.edu

Or

Ronald Fulton: rsfulton@uncg.edu



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