



STATE OF NORTH CAROLINA COUNCIL OF INTERNAL AUDITING

Dr. Linda Combs
State Controller, Chair

Charles Perusse
State Budget Officer

Pamela Cashwell
Secretary of
Administration

Josh Stein
Attorney General

Ron Penny
Secretary of Revenue

Beth Wood
State Auditor

Agenda

April 14, 2021

Reading of Ethics Awareness Reminder1

A. Approval of Minutes

 1. December 16, 2020 (*Action item*)3

B. Council Items

 1. OSHR Classification and Compensation (*Information item*)

 2. Self-Assessment Maturity Model (*Information item*)

 3. Productivity Tool (*Information item*)

 4. External Quality Assurance Review Update (*Information item*)

COUNCIL OF INTERNAL AUDITING
ETHICS AWARENESS
AND CONFLICT OF INTEREST REMINDER

It is the duty of every Council member to avoid both conflicts of interest and the appearances of conflict.

If any Council member has any known conflict of interest or is aware of facts that might create the appearance of such conflict, with respect to any matters coming before the Council today, please identify the conflict or the facts that might create the appearance of a conflict to ensure that any inappropriate participation in that matter may be avoided. If at any time, any new matter that raises a conflicts issue arises during the meeting, please be sure to identify it at that time.



STATE OF NORTH CAROLINA

COUNCIL OF INTERNAL AUDITING

Dr. Linda Combs
State Controller, Chair

Charles Perusse
State Budget Officer

Machelle Sanders
Secretary of Administration

Joshua Stein
Attorney General

Ron Penny
Secretary of Revenue

Beth A. Wood
State Auditor

Minutes

December 16, 2020

Call to Order

The Council of Internal Auditing (COIA) met virtually on Wednesday, December 16, 2020. Chair Dr. Linda Combs presided and called the meeting to order at 3:00 pm, took a voice roll call of members present (see below), then read the Ethics Awareness and Conflict of Interest Reminder. No conflicts were noted by the members.

The following Council of Internal Auditing Members were present virtually:

Dr. Linda Combs, Chair – State Controller
Charles Perusse, State Budget Director
Machelle Sanders, Secretary of Department of Administration
David Elliot representing Josh Stein, Attorney General
Ronald Penny, Secretary of Revenue
Beth Wood, State Auditor

A. Approval of Minutes by Roll Call Vote

Request for approval of the November 18, 2020 meeting minutes was made by Chair Dr. Combs.

Secretary Ron Penny made the motion to approve the November 18, 2020 minutes and Secretary Machelle Sanders seconded the motion.

Roll Call Vote for Approval of November 18, 2020 Minutes were all verbally accepted by the following members:

Charles Perusse
Machelle Sanders
David Elliott
Ronald Penny
Dr. Linda Combs

B. Objectives

1. Annual Activity Report

Barbara Baldwin provided an overview of the Council on Internal Auditing Annual Activity Report Executive Summary. The summary provides Internal Audit activity rather than just information pertaining to the program. It was also specified next to the self-reported information that it was self-reported and not validated by the Council staff.

Dr. Combs expressed her appreciation to those who assisted with providing suggestions to make the Annual Activity Report better this year and she feels with the input provided by the staff, Barbara Baldwin, Auditor Wood and other Council of Internal Auditing members that it is better.

Charles Perusse mentioned that there was a lot of discussion pertaining to this report, as well as changes made; however, the report is not perfect and expects there will be additional modifications next year. He moved to approve the report as recommended. Secretary Ron Penny seconded the motion. There was no further discussion.

Roll Call Vote for Approval of the Annual Activity Report were all verbally accepted by the following members:

Dr. Linda Combs
Charles Perusse
Machelle Sanders
David Elliott
Ronald Penny

D. Council Items

1. Internal Auditor's Award of Excellence

Due to the pandemic, the Award of Excellence recipient notification was handled differently. The announcement was made at the Office of State Controller 2020 Financial Conference on December 15th with photos displayed of the recipients receiving their awards while Michael Euliss, OSC IT team, verbally recognized Kwoklin Lee and Cynthia Lu.

Prior to the Financial Conference and while social distancing, Jack Gagnon and Barbara Baldwin met the two award recipients at the UNC Rex Hospital campus on Friday, December 11th and gave them their plaque and monetary gift while photos were taken to share at the OSC Financial Conference. Barbara praised them

for their efforts to promote Internal Auditing among the healthcare system. They publish a quarterly audit newsletter which highlights internal control measures. They also conduct monthly Lunch and Learn sessions to educate their staff on internal audit work and specific controls, as well as data analytics (Tableau).

Dr. Combs recognized Terry Dail, CFO and Audit Director for the NC Ports Authority, as that agency was the recipient of the 2020 Fiscal Integrity Award.

1. Future Meetings

Next objective of the Council will be to discuss the annual work plan. The next scheduled Council of Internal Audit meeting is January 13, 2020 at 9:00 a.m. Chair Combs wished all the members a happy holiday with peace, love and joy during the season.

With no further discussion, Dr. Combs adjourned the meeting.

Witness my hand, this ____ day of April 2021.

Linda Combs, State Controller, Chair

Barbara Baldwin, Secretary