



**Winston-Salem State University / University of North Carolina School of the Arts
Office of Internal Audit & Institutional Compliance**

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TO: Mr. Christopher Boyd, Associate Vice Chancellor for Facilities Management
Mr. James Lucas, Director of Human Resources

FROM: Shannon B. Henry, Chief Audit Executive

DATE: April 10, 2015

SUBJECT: Follow-up Review to Housekeeping Review Report

Internal Audit is conducting a follow-up review of the Housekeeping allegation review report dated December 26, 2011. The initial investigation was based on a referral from the North Carolina Office of the State Auditor. Immediately subsequent to the release of our initial review report, the University resolved certain issues by implementing policies, procedures, and control measures. To ensure continued monitoring and resolution of the deficiencies noted in the report, we are conducting a follow-up review. Our objective is to determine if management has implemented and/or sustained corrective actions regarding the following Internal Audit recommendations:

1. Facilities Management should develop detailed policies and procedures for the use of sign-in sheets within the Housekeeping Division. Included in this guidance should be a requirement that Housekeeping Supervisors review the sign-in sheets daily to ensure that each employee's attendance is properly recorded. Policies and procedures should be clear and adequate to ensure that time and attendance recording and certification is correctly performed.
2. The University should ensure supervising employees are educated as to their responsibility for the accuracy and accountability of University time reporting records. Included in this education should be mandatory ethics training to ensure employees understand their duty to apply the highest ethical standards in their time reporting practices. Adherence to such standards should be a condition of employment and any employee that violates such standards should be appropriately disciplined.
3. The University should consider strengthening its staff training regarding matters of employee conduct to include improper relations policies and other conflicts of interest to

further reduce the risk of employees engaging in unacceptable activities that could lead to lawsuits against the University or the direct incurrence of losses.

We expect the fieldwork to begin on April 29, 2015. A draft report will be issued at the conclusion of audit fieldwork to obtain your agreement with any findings and recommendations. Once we are in agreement, we will issue a final copy of the report.

We will require assistance directly from you and your staff during the course of our work, including providing the necessary information to complete our procedures as well as answering relevant questions or providing explanations to any issues encountered. We appreciate your commitment to providing the necessary information so that we may adhere to an efficient timeline.

We will be contacting you shortly to schedule a meeting to discuss our objectives and begin coordinating the advance preparation. In advance of this meeting, we would appreciate obtaining the following items, in electronic format if possible, by April 24, 2015:

- Current policies and procedures relating to time reporting; both within Facilities Management and for the University as a whole;
- Policies, procedures and/or practices regarding training for employees, inclusive of any official employee training records;
- Current organizational charts for Facilities Management and Human Resources; and
- Reports or letters from external audits or reviews pertaining to Facilities Management and/or Human Resources.

The following individuals will be involved in this audit:

- Stacy Sneed, Audit Manager
- Javon Lee, Auditor

We will distribute the copies of our final report to Mr. Lindsay Bierman, Chancellor; Mr. George Burnette, Chief Operating Officer; and the Audit Committee of the UNCSA Board of Trustees.

Please indicate your agreement with the terms set forth by signing as indicated below. If you have any particular areas of concern that you would like us to consider, we will be happy to meet and discuss. Please direct all inquiries to Ms. Shannon Henry at 336-750-2020.

*Christopher Boyd, Associate Vice Chancellor
for Facilities Management / Date*

*James Lucas, Director of Human Resources /
Date*

*Shannon B. Henry, Chief Audit Executive /
Date*

cc: Mr. Lindsay Bierman, Chancellor
Mr. George Burnette, Chief Operating Officer