AGENDA
ECU Board of Trustees
Audit Committee
ECHI Conference Room
February 25, 2010

I. Approval of November 19, 2009 Minutes  Action

II. University Policy Manual – Dr. Steve Ballard  Information

III. N.C. Office of the State Auditor – Ms. Beth Wood, Ms. Lynne Sanders, Mr. Ray Whitby  Information

IV. Internal Audit Report – Ms. Stacie Tronto
   a. Audit Committee Bylaws/Charter  Discussion
   b. Dashboard/Metrics Update  Information
   c. Foundation Audit Reports  Information
   d. UNC FIT/Internal Audit Advisory Team  Information

V. BSOM Compliance Office Report – Ms. Joan Kavuru  Information

VI. Enterprise Risk Management Report – Mr. Tim Wiseman  Information

VII. Research Compliance Office Report – Mr. John Chinn  Information

VIII. Other Business
Minutes from ECU BOT Audit Committee  
November 19, 2009  
East Carolina Heart Institute – Conference Room

Committee members present:  Joel Butler-Chair, Ken Chalk, Carol Mabe  
Executive Council members present:  Steve Ballard, Donna Payne  
Others present: Stacie Tronto, Tim Wiseman, John Chinn

Chairman Butler convened the meeting at 8:30 a.m. and read the conflict of interest provisions as required by the State Government Ethics Act. Mr. Butler asked if anyone would like to declare a conflict of interest. Hearing none, he asked for the approval of the minutes for the September 24, 2009 Audit Committee meeting. The minutes of the September 24, 2009 meeting were approved with no changes.

Ms. Tronto provided a report on Internal Audit. A letter regarding “EAGLE compliance through UNC FIT” from Gwen Canady (UNC FIT Project Manager) was shared with the Audit Committee. Ms. Tronto reported that UNC FIT will replace EAGLE and it is not known at this time how this change will impact Internal Audit. Internal Audit provided the testing of controls for EAGLE and UNC FIT is still in the planning stages regarding its approach to EAGLE. Next, Ms. Tronto provided the Audit Committee a benchmark regarding the completion of the annual audit plan for FY 2008-2009. The benchmark utilized was a comparison of ECU’s audit plan completion with that of other internal audit functions in the UNC System. As required by UNC Policy 600.2.5, the independent auditor’s report regarding the East Carolina University Foundation, Inc. and Consolidated Affiliate was presented to the Audit Committee. As required by UNC General Administration, the Office of Internal Audit will follow-up on any audit findings identified in the report. Ms. Tronto also shared a document from the Institute of Internal Auditors entitled, “The Audit Committee: Internal Audit Oversight.” Mr. Butler went through the 10 point oversight checklist and commented that most if not all of the best practices have been implemented at ECU.

Mr. Tim Wiseman reported on the activities of Enterprise Risk Management. A document entitled, “Road to Implementation: Enterprise Risk Management for Colleges and Universities” was shared with the Audit Committee. Mr. Wiseman stated that it was his plan to use this framework as a basis for implementing ERM at the University and provided a handout regarding where ECU was in the process. Enterprise Risk Management has established a “sharepoint” site to exchange information among the ERM committee members and has also established a website.

Dr. Steve Ballard provided comments regarding the culture of risk management at East Carolina University. Mr. John Chinn commented on ECU’s compliance
with the UNC FIT standards for Grants and Contracts and stated that ECU is a model for the UNC System with regard to grants and contracts.

Under other business, Mr. Chinn reported that the IRB had undergone a “not for cause audit” and “passed with flying colors”. Mr. Ken Chalk asked if “risk” could be included as part of the name of the Audit Committee. Ms. Tronto stated she would confer with Mr. John Durham about changing the name of the committee and/or the Audit Committee bylaws and would report at the next Audit Committee meeting. Mr. Butler informed the committee that Dr. Ballard had established a 90% target for the satisfactory completion of “management’s corrective actions” and the rate would be reviewed in the future.

The Audit Committee went into closed session at 9:30am. At 9:45am, the Audit Committee returned to open session. With there being no further business, the Audit Committee meeting was adjourned at 9:45am.

Respectfully submitted by Stacie Tronto
ARTICLE I.

ORGANIZATION

Section 101. **Membership.** (A) EAST CAROLINA UNIVERSITY shall have a Board of Trustees composed of thirteen (13) persons chosen as follows: (i) eight (8) elected by the Board of Governors of The University of North Carolina, (ii) four (4) appointed by the Governor, and (iii) the President of the Student Government Association ex officio.

(B) In every odd-numbered year, the Board of Governors shall elect four (4) persons to the Board of Trustees and the Governor shall appoint two (2) persons to the Board of Trustees; and the term of office of all such elected or appointed trustees (excluding the ex-officio trustee) shall commence on July 1 of such odd-numbered year and shall be for four (4) years and until the successor is elected or appointed.

(C) Whenever any vacancy occurs in the membership of the Board of Trustees among those appointed by the Governor, it shall be the duty of the Secretary of the Board of Trustees to inform the Governor of the existence of such vacancy, and the Governor shall appoint a person to fill the unexpired term, and whenever any vacancy occurs among those elected by the Board of Governors, it shall be the duty of the Secretary of the Board of Trustees to inform the Board of Governors of the existence of the vacancy, and the Board of Governors shall elect a person to fill the unexpired term. If for any reason other than ill health or service in the interest of the State or nation, a member fails to be physically present for three (3) successive regular meetings of the Board of Trustees, his/her place as a member shall be deemed vacant.

(D) Any person who has served two (2) full four-year (4) terms in succession as a member of the Board of Trustees shall be ineligible, for a period of one (1) year, for election or appointment to the Board but may be elected or appointed to the Board of another institution.
(E) No member of the General Assembly or officer or employee of the State or of any constituent institution of The University of North Carolina or spouse of any such member, officer or employee shall be eligible for election or appointment as a member of the Board of Trustees. Any trustee who is elected or appointed to the General Assembly or who becomes an officer or employee of the State or of any constituent institution of The University of North Carolina or whose spouse is elected or appointed to the General Assembly or becomes such officer or employee shall be deemed thereupon to have resigned as a member of the Board of Trustees.

(F) No person may serve simultaneously as a member of the Board of Trustees and as a member of the Board of Governors. Any trustee who is elected or appointed to the Board of Governors shall be deemed to have resigned as a trustee effective as of that date that his/her term commences as a member of the Board of Governors.

Section 102. Officers. (A) At the first meeting after June 30 of each year, the Board of Trustees shall elect from its membership a Chair, a Vice Chair and a Secretary, each of whom shall serve for a term of one (1) year and until his/her successor is elected. If the Chair’s term on the Board of Trustees expires on June 30 of that year, the Vice-Chair will serve as Chair until elections are held. If the terms of the Chair and the Vice-Chair on the Board of Trustees both expire on June 30 of that year, the Secretary will serve as Chair until elections are held. If the terms of the Chair, the Vice-Chair, and the Secretary all expire on June 30 of that year, the Assistant Secretary of the Board will notify the Executive Committee prior to June 30 of that year and the Executive Committee will nominate a trustee to serve as Chair from July 1 until elections are held. The Executive Committee’s nominee will be approved by the Board prior to June 30 of that year.

(B) If a vacancy occurs in the office of Chair during a term, the Vice Chair shall succeed to the office of Chair for the remainder of the unexpired term. Vacancies in the office of Vice Chair, Secretary or member at large of the Executive Committee during their terms shall be filled by election by the Board of Trustees, and persons so elected shall serve for the remainder of the unexpired term. No trustees shall serve for more than two (2) elected terms in succession in the same office.

(C) The Board of Trustees may also elect an Assistant Secretary from among the members of the
Chancellor’s staff. Copies of all minutes, papers and documents of the Board of Trustees may be certified by its Assistant Secretary with the same force and effect as though such certification were made by the Secretary of the Board.

Section 103 Committees. The Chair, with the approval of the Board of Trustees, shall establish the committees of the Board and identify their duties and jurisdiction consistent with any Board of Governors requirements. The members and chairs of the committees shall be appointed by the Chair of the Board.

Section 104. Endowment Fund Board. The Trustees of the Endowment Fund Board shall consist of six (6) members, one (1) of whom shall be the Chair of the Board of Trustees who shall serve as the ex-officio Chair of the Endowment Fund Board; one (1) of whom shall be the Chancellor; one (1) of whom shall be the [Vice Chair of the Board of Trustees or the Chair of the Advancement & Naming Committee]; and three (3) of whom shall be elected by the Board of Trustees. The terms of the three (3) elected members of the Endowment Fund Board shall be initially for one (1), two (2), and three (3) years each. All elections thereafter shall be for a regular term of three (3) years, except that any person elected by the Board of Trustees to fill a vacancy created otherwise than by expiration of a term shall be elected to serve the term of the person whom he or she succeeds.

The Trustees of the Endowment Fund Board shall make decisions concerning the receipt and administering of Endowment Fund gifts and property bequests, exclusive always of monies received through State appropriations and from tuition and fees.

The Endowment Fund Board shall function in accordance with North Carolina General Statute 116-36 and regulations of the Board of Governors of the University of North Carolina.
ARTICLE II.

POWERS AND DUTIES

Section 201. General Powers and Duties. The Board of Trustees shall promote the sound development of East Carolina University within the functions prescribed for it, helping it to serve the people of the State in a way that will complement the activities of the other institutions and aiding it to perform at a high level of excellence in every area of endeavor. The Board of Trustees shall serve as advisor to the Board of Governors on matters pertaining to East Carolina University and shall also serve as advisor to the Chancellor concerning the management and development of the institution.

Section 202. Other Powers and Duties. The Board of Trustees shall have such other powers and duties, not inconsistent with provisions of The Code of The University of North Carolina or as defined and delegated by the Board of Governors.

ARTICLE III.

MEETINGS

Section 301. Regular Meetings. There shall be not fewer than three (3) regular meetings of the Board of Trustees each year. At each regular meeting a tentative date shall be announced for the next regular meeting. The Chair of the Board, in consultation with the Chancellor, is authorized to change the date if necessary because of schedule conflicts and to give immediate notice to the members of the Board. A notice specifying the time and place of each regular meeting of the Board shall be mailed by the Secretary of Assistant Secretary to each member of the Board at least seven (7) days in advance of the meeting date. Any matter of business may be considered at a regular meeting of the Board.

Section 302. Special Meetings. A special meeting of the Board of Trustees may be called by the Chair, and shall be called by the Secretary or Assistant Secretary upon the written request of not fewer than six (6) members of the Board. A special meeting called by the Secretary or Assistant Secretary shall be held within ten (10) days of receipt by the Secretary or Assistant Secretary of the sixth written request for such special meeting. A notice specifying the time and place of a special meeting of the Board shall be mailed by the Secretary or
Assistant Secretary to each member of the Board at least seven (7) days in advance of the meeting date, but 48 hours notice may be given by telephone or telegram when, in the opinion of the Chair, an emergency exists. Any matter of business may be considered at a special meeting of the Board.

Section 303. **Agenda.** (A) At least seven (7) days prior to each regular meeting of the Board of Trustees, a copy of the agenda, including (insofar as is practicable) copies of all reports and other written materials to be presented to the meeting, shall be mailed to each member of the Board by the Secretary or Assistant Secretary. Insofar as is practicable, a copy of the agenda of each special meeting of the Board shall be mailed to each member of the Board at least four (4) days in advance of the special meeting; however, if such advance mailing is not practicable, the agenda for a special meeting may be presented to the members of the Board as the first order of business at the meeting.

(B) The agenda for every meeting of the Board shall be prepared by the Chancellor or his staff after consultation with the Chair. Every request for inclusion of an item on the agenda of a meeting shall be put in writing and filed, together with any supporting documents, with the Chancellor sufficiently far in advance of the meeting to permit a determination to be made by the Chancellor with respect to the propriety and practicability of including that item on the agenda for the meeting.

(C) Any member of the Board of Trustees may present to any meeting of the Board any item whether or not the same is on the agenda of the meeting.

Section 304. **Conduct of Business.** (A) A quorum of the Board of Trustees or of its several committees shall consist of a majority of the members of the Board or of its several committees.

(B) The Chair shall preside over all regular and special meetings of the Board of Trustees. In the absence of the Chair, the Vice Chair shall preside. In the absence of both the Chair and the Vice Chair, a presiding officer shall be elected by and from the membership of the Board of Trustees.

(C) All members of the Board of Trustees may vote on all matters coming before the Board for consideration. No member may vote by proxy.

(D) Except as modified by specific rules and regulations enacted by the Board of Trustees, **Robert’s Rules of Order Newly Revised** (latest edition) shall constitute the rules of the parliamentary procedure.
applicable to all meetings of the Board of Trustees and its several committees.

Section 305. Minutes. (A) The Secretary or Assistant Secretary shall keep minutes of all meetings of the Board of Trustee; shall file, index, and preserve all minutes, papers, and documents pertaining to the business and proceedings of the Board; shall be custodian of all records of the Board; and, when required, shall attest the execution of all legal documents and instruments of East Carolina University.

(B) Within thirty (30) days and after each meeting of the Board of Trustees, the Secretary or Assistant Secretary shall transcribe the minutes of the meeting and mail a copy to each member of the Board.

Section 306. Executive Session. By the vote of a majority of the members present during any regular or special meeting when a quorum is present, the Board may hold an executive session, consistent with State Law.

Section 307. Keeping Board of Governors Informed. The Secretary of the Board of Trustees shall keep the Board of Governors, through the Secretary of The University of North Carolina, fully and promptly informed concerning activities of the Board of Trustees, including notice of any changes in the membership of the Board or its committee structure or Bylaws, notices of meetings and a copy of the minutes of all meetings.

ARTICLE IV.

RELATIONSHIP OF THE CHANCELLOR TO THE BOARD OF TRUSTEES

Section 401. Relationship of the Chancellor to the Board of Trustees. (A) It shall be the duty of the Chancellor to attend all meetings of the Board of Trustees and to be responsible for keeping the Board of Trustees fully informed on the operation of the institution and its needs.

(B) As of June 30 of each year the Chancellor shall prepare for the Board of Trustees a detailed report on the operation of the institution for the preceding year. The Chancellor shall also submit such additional reports to the Board of Trustees as he/she may deem wise or as the Board may require. He/she shall seek the counsel of the Board of Trustees concerning the affairs of the institution.

(C) The Chancellor shall be responsible to the Board of Trustees for enforcing all policies, rules and regulations of the Board of Trustees.

(D) The Chancellor shall be the official medium of communication between the Board of Trustees and all individuals, officials, agencies and organizations, both within and without the institution.
ARTICLE V.
AMENDMENT OF BYLAWS

Section 501. Amendment of Bylaw. These Bylaws may be amended at any regular or special meeting of the Board of Trustees by an affirmative vote of a majority of the members of the Board if the substance of the amendment has been filed in writing with the Secretary or Assistant Secretary and a copy has been mailed to each member of the Board at least seven (7) days prior to the meeting at which the amendment is to be voted upon.

ARTICLE VI.
SUBORDINATION TO UNIVERSITY CODE

Section 601. Subordination to University Code. To the extent that any of these Bylaws may be inconsistent with The Code of The University of North Carolina, as the same may be amended from time to time, said Code shall control.

ARTICLE VII.
HONORARY DEGREES, AWARDS AND DISTINCTIONS

Section 701. Authority to Confer Honors. The Board of Trustees shall be responsible for approving the names of all individuals on whom it is proposed that an honorary degree or any other honorary or memorial distinction be conferred by East Carolina University. Examples of such degrees or honorary or memorial distinctions include, but shall not be limited to, (a) all honorary doctorates and other degrees of every kind, (b) the naming of buildings or rooms or other portions of buildings, streets and other campus property or facilities, or any unit or other organization within the University, and (c) honorary alumni (excluding those certain distinctions provided for in the existing Bylaws of the ECU Alumni Association and the ECU Educational Foundation). Trustee resolutions honoring members of the administration, faculty, alumni and friends of East Carolina University, and the awarding of emeritus status to faculty members is hereby delegated to the Chancellor.

Section 702. Nominations for Honorary Degrees. Nominations for the conferral of an honorary degree shall be made in accordance with the following policy and procedure:
(A) The Honorary Degrees, Awards, and Distinctions Committee shall be constituted as follows: Dean of the Graduate School, Chair, ex-officio voting; five (5) faculty members selected by the Faculty Senate; and five (5) trustees selected by the Chair of the Board of Trustees.

The Faculty Senate shall establish terms to be served by their representatives, and the Chair of the Board of Trustees shall establish the terms for representatives of the Board.

(B) The Honorary Degrees, Awards, and Distinctions Committee shall receive nominations each academic year and otherwise identify persons to be nominated for honorary degrees. Nominations for honorary degrees may be made to the Committee by any interested person or organization.

(C) The honorary degrees to be awarded by East Carolina University are:

   Doctor of Letters (Litt.D.)

   Doctor of Science (D.Sci.)

In exceptional circumstances, other designated degrees may be awarded or a different honorary or memorial distinction designated by the Board of Trustees.

(D) Eminent achievement in scholarship, public affairs, service to the University, service to the State or Nation, or in activities recognized as significant in the educational world, shall constitute the primary basis for an honorary degree from East Carolina University.

(E) Honorary degrees shall be limited to no more than three (3) per year, except as otherwise recommended by the Board of Trustees.

(F) No person shall be eligible to be awarded an honorary degree or other honorary or memorial distinction by East Carolina University while that person is serving as a member of the Board of Governors of The University of North Carolina or of the Board of Trustees of any one (1) of the constituent institutions or as a member of the faculty, staff or administration of The University of North Carolina or of any one (1) of its constituent institutions; and no such person shall be eligible for such an award until after the second academic year after the termination of any such relationship with The University of North Carolina or any of its constituent institutions.

(G) The Honorary Degrees, Awards, and Distinctions Committee shall submit names of nominees
approved by it, with supporting documentation, to the Chancellor for review. The Chancellor shall forward the names of the nominees approved by him/her to the Executive Committee of the Board of Trustees. The Executive Committee, in turn, shall review and evaluate each such recommendation, coordinate its action with the Chancellor, and then make its written recommendation to the full Board for action at a regular or special meeting. Each member of the Board shall be given notice of the recommendation of the Executive Committee either by telephone or by mail at least seven (7) days prior to the date of the meeting at which the recommendation is to be voted upon.

(H) The Board shall consider the recommendations and take action thereon in Executive Session. The Chancellor, after consulting with the Chair of the Board of Trustees, shall make appropriate public disclosure of all recommendations approved by the Board after acceptance of the invitation for conferral of an honorary degree by the person so nominated.

(I) Persons nominated for honorary degrees by the Honorary Degrees, Awards, and Distinctions Committee to the Chancellor and who are not thereafter approved either by the Chancellor or the Executive Committee or the Board of Trustees shall not thereafter be eligible for nomination; provided, however, the Chancellor shall have the authority to extend invitations to nominees approved by the Board to accept the University’s honorary degree at such time or times and in such order as he/she may deem appropriate in his/her discretion.

Section 703. Nomination for Other Honors. The policy and procedure for nominations for the conferral of an honorary degree shall be as provided in Section 702. The policy and procedure for nominations for the conferral of all other honorary or memorial distinctions, as defined in Section 701 above, shall first be made by the Chancellor, individual trustees, or a subcommittee consisting of those members of the Board of Trustees designated by the Chair to serve on the Honorary Degrees, Awards, and Distinctions Committee to the Executive Committee in writing at least thirty (30) days prior to the next regularly scheduled meeting of the Board at which action on such recommendation is desired. The Executive Committee, in turn, shall review and evaluate each such recommendation, conferring and coordinating its action with the Chancellor and appropriate standing Committees, and then make its recommendation to the full Board for action at a regular or special meeting.
meeting. The recommendations of the Executive Committee shall be mailed to each member of the Board at least seven (7) days prior to the date of the meeting at which the recommendations is to be voted upon. The Board shall consider recommendations and take action thereon in executive session. The Chancellor, after consulting with the Chair of the Board of Trustees, shall make appropriate public disclosure of all recommendations approved by the Board.

______________________________
J. Craig Souza
Chairman of The Board of Trustees

______________________________
William P. Furr
Secretary to The Board of Trustees
GUIDELINES FOR COMMITTEES
EAST CAROLINA UNIVERSITY BOARD OF TRUSTEES

These guidelines spell out the duties, responsibilities and authorities of the standing committees of the East Carolina University Board of Trustees. The committees and their jurisdictions were approved by a vote of the Board on August 22, 2007. These guidelines are drawn from Appendix 1 of the UNC Code: “Delegation of Duty and Authority to Boards of Trustees” and from the Bylaws of the ECU Board of Trustees before the committees were reorganized by the Board in a bylaw change on August 22, 2007.

EXECUTIVE COMMITTEE

The Committee’s jurisdiction shall include budget and finance (including tuition and fees); strategic planning; liaison with the Board of Governors, the Board of Visitors, and the General Assembly; personnel and tenure; and economic development. The Committee shall meet upon the call of the Chair, and a majority of the members of the Committee shall constitute a quorum for the transaction of business.

The Chancellor shall consult with the Executive Committee on appointments of all Vice Chancellors and other senior administrators as defined by the Board of Governors and within the jurisdiction of the Board of Trustees. In addition, the Chancellor shall consult with the Committee on appointments of the Director of Athletics and the head coaches of football, basketball, and baseball. The Executive Committee shall make its recommendations to the Board of Trustees concerning the Chancellor’s proposed appointments for all such positions. The Committee may act for the Board between meetings of the Board with regard to recommendations from the Chancellor for such appointments.

The Committee may act for the Board to approve degree candidates recommended by the faculty and Chancellor.

The Chancellor shall consult with the Committee concerning budget policy and preparation. The Committee shall make recommendations to the Chancellor and the full Board concerning budget policy.

The Committee may act for the Board in urgent situations when it is impracticable for the Board to act. The Committee, however, cannot take any action that is inconsistent with the existing policies of the Board of Governors or the Board of Trustees.

The Committee shall report on all meetings and actions taken by it to the full Board at regular meetings.

AUDIT COMMITTEE

The Committee’s jurisdiction shall include audit, compliance, ethics, and conflicts of interest.

The Committee shall meet with representatives of the State Auditor’s office to review the institution’s annual audit report and discuss corrective actions if needed; review audit reports of University-associated entities; receive quarterly reports from the University’s internal auditor; develop and maintain a charter to define roles and responsibilities, including the assurance that the institution is performing self assessments of operating risks and evaluations of internal controls on a regular basis; assure that internal audit functions will be carried out in a way that meets professional standards; at the beginning of the audit cycle, review and approve a summary of the annual internal audit plan for the campus; at the end of the cycle, review a comparison of the
plan advanced to the internal audits performed; prepare and forward to the Board of Governors an annual summary of the work performed by the Audit Committee, including a report of the work of the campus internal auditor that indicates any identified material reportable conditions and how they were addressed.

The Committee shall meet upon the call of the Chair and a majority of the members of the Audit Committee shall constitute a quorum for the transaction of business. The Committee shall meet no fewer than four times a year.

The internal auditor shall report to the Chancellor but shall also have a reporting relationship to the chair of the Committee to enable the auditor to freely discuss professional issues with the Committee chair.

The Chancellor shall consult with the Committee regularly concerning all matters related to the Committee’s responsibilities and annually at the Board’s fall meeting concerning East Carolina University’s efforts to assure the adequacy of management staff and the existence of sufficient fiscal controls to administer additional authorities authorized under North Carolina General Statutes G.S. 116-30.1.

UNIVERSITY AFFAIRS COMMITTEE

The Committee’s jurisdiction includes academic and student affairs, financial aid, campus safety, research and graduate studies, and athletics.

The Chancellor shall consult regularly with the Committee on policies relating to academic programs, public service activities, and student affairs. The Committee shall make recommendations to the full Board regarding these policies. The Committee shall review all appeals from faculty members to the Board and make recommendations to the full Board. The Chancellor also may seek the advice of the Committee on matters relating to student self-government.

The Chancellor shall consult with and may seek the advice of the Committee on policies relating to research and graduate studies.

The Chancellor, who is specifically charged with the responsibility for the establishment and supervision of the institution’s program of intercollegiate athletics, shall consult with the Committee on matters relating to intercollegiate athletics, including the appointments of the Athletics Director and head coaches for football and basketball. The Committee shall make recommendations to the Board of Trustees regarding institutional policy on personnel, operating budgets, and long-range plans for intercollegiate competition.

FACILITIES AND RESOURCES COMMITTEE

The Committee’s jurisdiction shall include master planning, property acquisition and disposition, site selection, designer selection, building plans, parking, information technology, advancement, and naming.

The Committee shall maintain for the Board a master plan for the physical development of East Carolina University and advise and assist the Chancellor and submit recommendations to the Board with respect to real property transactions and other capital transactions within the jurisdiction of the Trustees.
The Committee may act for the Board in the selection of architects or engineers for buildings and improvements requiring such professional services and may act for the Board in approving all proposals involving the acquisition or disposition of any interest in real property, provided that said transactions involving interests in real property valued at $50,000 or more are recommended to the Board for its approval and forwarded to the Board of Governors.

Subject to the prior approval of the Chancellor, the Vice Chancellor for Administration and Finance is authorized to act on behalf of the Board to approve building plans and specifications and to certify final acceptance of completed buildings and projects.

The Chancellor shall consult with the Committee on policies related to advancement activities, including but not limited to fund raising, relationships with the University’s tax-exempt affiliates, and alumni affairs. The Committee shall make recommendations to the full Board regarding these policies. The Chancellor also may seek the advice of the Committee relating to issues involving advancement. The Committee also shall advise the Chancellor and the Board in confidence with respect to proposals to name or change the name of university facilities or activities consistent with the procedures and guidelines established in the Board of Trustees Policy on Naming University Facilities and Activities.

**HEALTH SCIENCES COMMITTEE**

The Committee’s jurisdiction shall include health sciences, ECU Physicians, and liaison with Pitt County Memorial Hospital.

The Chancellor shall consult with the Committee on policies relating to academic programs, admissions, clinical affiliations and agreements, community and public service activities, development and foundations. The Committee shall make recommendations to the full Board regarding these policies.

Approved by the Board of Trustees November 29, 2007.
Audit Committee Charter

Background
All constituent institutions of the University of North Carolina (UNC) are required by State law to have their financial audit conducted by the North Carolina Office of the State Auditor. Historically, the Office of the State Auditor has not performed non-audit services, including those prohibited by the Sarbanes-Oxley Act. The Office of the State Auditor determines staff assignments for individual audits, including rotation of Audit Managers for each audit client.

Purpose
To assist the East Carolina University Board of Trustees in fulfilling its oversight responsibilities for (1) the integrity of the University’s financial statements, (2) the University’s compliance with legal, regulatory, and ethical requirements, (3) the performance of the University’s internal audit function, and (4) the University’s compliance with the Best Financial Practices Guidelines adopted by the UNC Board of Governors in November of 2005.

Organization
The Audit Committee shall be a standing committee of the ECU Board of Trustees. Each Committee member must be independent of management and free of any relationship that would impair such independence.

If practicable, at least one member of the Committee should be a financial expert. A financial expert is someone who has an understanding of generally accepted accounting principles and financial statements; experience in applying such principles; experience in preparing, auditing, analyzing, or evaluating financial information; experience with internal controls and procedures for financial reporting; and an understanding of the audit committee function. If feasible, the role of financial expert will be rotated on an annual basis.

Meetings
The audit committee shall meet at least four times a year and hold additional meetings as circumstances require. The Committee will invite representatives of management, auditors, legal counsel, and others to attend meetings and provide pertinent information as necessary. It will also hold private meetings with the Director of Internal Audit if deemed necessary. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes of the meetings will be prepared.
Duties and Responsibilities
The following shall be the principal duties and responsibilities of this Committee:

Per UNC-BOG:
- Meet at least quarterly during the year.
- Review the results of the annual financial audit with the North Carolina State Auditor or his designated representative.
- Discuss the results of any other audit performed and report/management letter (i.e. information system audits, investigative audits, etc.) issued by the North Carolina State Auditor with either the State Auditor or his staff, the Director of Internal Audit, or appropriate campus official.
- For any audit finding contained within a report or management letter issued by the State Auditor, review the institution’s corrective action plan and receive a report once corrective action has taken place.
- Discuss the results of any audit performed by independent auditors and, if there were audit findings, review the institution's corrective action plan and receive a report once corrective action has taken place.
- Review all audits and management letters of University Associated Entities as defined in section 600.2.5.2[R] of the UNC Policy Manual.
- Receive quarterly reports from the Director of Internal Audit that, at a minimum, reports material (significant) reportable conditions, the corrective action plan for these conditions and a report once these conditions have been corrected.
- The Director of Internal Audit reports to the Chancellor with a clear, recognized reporting relationship to the chair of the BOT Audit Committee.
- Receive, review, and approve the annual audit plan for the internal audit department.
- Ensure that all internal audits were conducted in accordance with professional standards.
- Receive and review an annual summary of audits performed by the internal audit department.
- Ensure the Director of Internal Audit forwards copies of both the approved audit plan and summary of internal audit results to UNC General Administration in the prescribed format.

Other:
- Review and concur in the appointment, replacement, or dismissal of the Director of Internal Audit and the compensation package.
- Meet privately with the Director of Internal Audit as deemed necessary.
- Review and assure the internal audit function has appropriate budget and staff resources.
• Review and accept internal audit reports when issued.
• Periodically review and revise the internal audit charter as needed.
• Resolve disagreements between internal audit and management concerning audit findings and recommendations.

The Committee, with the assistance of the Director of Internal Audit should periodically review and assess the adequacy of the Audit Committee Charter.

Approved by ECU BOT Audit Committee September 09, 2008
**Dashboard/Metrics Update**  
**As of 02/02/10**

 Completion of 2009-10 Audit Plan:

<table>
<thead>
<tr>
<th>Status of Audit Plan</th>
<th>Number of Audits</th>
<th>% of Total Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Completed</td>
<td>17</td>
<td>35%</td>
</tr>
<tr>
<td>In Process</td>
<td>16</td>
<td>33%</td>
</tr>
<tr>
<td>Pending**</td>
<td>15</td>
<td>31%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>48</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

**For purposes of reporting, the total for pending audits does not match the approved audit plan as three audits are included in the 2009/2010 audit plan but will be deferred until later. These audits/projects include:**

- UNC FIT Purchase to Pay
- UNC FIT Payroll
- Quality Assurance Assessment

**Management’s Corrective Actions:**

<table>
<thead>
<tr>
<th>Observations by Division:</th>
<th>Completed</th>
<th>Outstanding</th>
<th>% Complete</th>
<th>% Outstanding</th>
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</thead>
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<tr>
<td>Academic Affairs</td>
<td>6</td>
<td>1</td>
<td>86%</td>
<td>14%</td>
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<tr>
<td>Administration and Finance</td>
<td>6</td>
<td>0</td>
<td>100%</td>
<td>0%</td>
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<tr>
<td>Research &amp; Graduate Studies</td>
<td>2</td>
<td>0</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>University Advancement</td>
<td>2</td>
<td>0</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total Observations</strong></td>
<td><strong>16</strong></td>
<td><strong>1</strong></td>
<td><strong>100%</strong></td>
<td><strong>0%</strong></td>
</tr>
<tr>
<td>Total Percentages</td>
<td><strong>94%</strong></td>
<td><strong>6%</strong></td>
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</tbody>
</table>


Independent Auditor's Report

The Board of Directors
The East Carolina University Alumni Association, Inc.
Greenville, North Carolina

We have audited the accompanying statements of financial position of the East Carolina University Alumni Association, Inc. (Alumni Association) as of June 30, 2009 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Alumni Association's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Alumni Association as of June 30, 2008 were audited by other auditors whose report dated September 26, 2008, expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the East Carolina University Alumni Association, Inc. as of June 30, 2009 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The "A Letter from Management" is presented for purposes of additional analysis and has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on it.

Raleigh, North Carolina
October 5, 2009
Audit Committee  
The East Carolina University Alumni Association, Inc.  
Greenville, North Carolina  

We have completed our audit of The East Carolina University Alumni Association, Inc. (the Association) financial statements as of and for the year ended June 30, 2009, and have issued our report dated October 5, 2009. In connection with our audit engagement, we noted the following matters which we would like to bring to your attention.

PERFORM AN OVERALL REVIEW AND ENHANCEMENT OF THE CASH AND INVESTMENT PROCEDURES

The Association keeps its cash and investments either in the University's State Insured Trust Fund or invested through the East Carolina University Foundation's (the Foundation) investment portfolio. We noted that these relationships need to be reviewed for the following matters:

1) The Association and Foundation do not have any formal agreement that determines how investment monies are tracked between the two organizations, how investment earnings are allocated from the Foundation to the Association or how a valuation will be performed should the Association decide that it needs to withdraw all or a portion of its invested funds that are held with the Foundation.

2) The Association's invested funds are held with the Foundation's portfolio. We recommend that the Association review the investment strategy and holdings of the Foundation to determine whether the Foundation's mix and exposure to certain alternative investments is a strategy the Alumni Association should be following.

This letter is intended solely for the information and use of the Audit Committee and is not intended to be and should not be used by anyone other than these specified parties.

Clifton Gunderson LLP

Raleigh, North Carolina  
October 5, 2009
Independent Auditor’s Report

The Board of Directors
East Carolina University Educational Foundation
Greenville, North Carolina

We have audited the accompanying statements of financial position of the East Carolina University Educational Foundation (Educational Foundation) as of June 30, 2009 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Educational Foundation’s management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Educational Foundation as of June 30, 2008 were audited by other auditors whose report dated November 20, 2008, expressed an unqualified opinion on those financial statements. As discussed in Note 13 to the financial statements, the Educational Foundation has adjusted its June 30, 2008 financial statements to correct errors in the classification of its net assets. The other auditors reported on the financial statements before this adjustment.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Educational Foundation as of June 30, 2009 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The “A Letter from Management” is presented for purposes of additional analysis and has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on it.

Clifton Gunderson LLP
Raleigh, North Carolina
November 30, 2009
Audit Committee  
East Carolina University Educational Foundation, Inc.  
Greenville, North Carolina

In planning and performing our audit of the financial statements of East Carolina University Education Foundation, Inc. (the Foundation) as of and for the year ended June 30, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered the Foundation’s internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies and another deficiency that we consider to be a material weaknesses.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis.

Significant Deficiencies

A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the following control deficiency to be a significant deficiency in internal control:

Material Weakness

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity’s internal control. We believe that the following deficiency constitutes a material weakness.
PRIOR PERIOD ADJUSTMENT

The Foundation recorded a prior period adjustment with which we concur. The adjustment is to correct an error that occurred in the year ended June 30, 2006. A scholarship that had been accrued in the fiscal year ended June 30, 2005 was reversed by a system-generated reversal. That entry was posted to an unrestricted fund but was, subsequently, corrected to post to a temporarily restricted fund. The subsequent entry did not reverse by the system-generated reversal process. The resulting effect was that the temporarily restricted fund was charged twice for the scholarship payment in the amount of $425,000 while the unrestricted fund recognized a reduction in scholarship payment by that amount. This occurred in the fiscal year that the financial record system was converted to BANNER. The adjustment will increase temporarily restricted net assets and decrease unrestricted net assets for $425,000.

We recommend that the Foundation carefully review all automatic reversing entries to determine that reversals that are system derived are occurring properly.

Management’s Response:
The Foundation will carefully review all automatic reversing entries to determine that they occur properly.

Other Matters

In addition to the significant deficiencies discussed above, we noted the following matters which we would like to bring to your attention:

COURTESY CARS

We noted that the Foundation is not obtaining sufficient documentation for the fair market value of the courtesy cars it receives from various automobile dealerships. The Foundation has obtained courtesy cars for certain coaches and Athletic Department personnel of East Carolina University. The Foundation has assigned a value of $5,000 per year for most of the vehicles and the individuals receive a lease inclusion amount on their annual form W-2. We noted that the $5,000 valuation for the vehicles is not based on any substantiation from the dealership.

We recommend that the Foundation obtain proper documentation from the automobile dealerships donating the courtesy cars.

Management’s Response:
The Foundation will obtain proper documentation from the automobile dealerships that donate courtesy cars.

This communication is intended solely for the information and use of the Audit Committee, management and others within the Foundation and is not intended to be and should not be used by anyone other than these specified parties.

Clifton Henderson LLP

Raleigh, North Carolina
November 30, 2009
Independent Auditor's Report

Board of Directors
East Carolina University Medical & Health Sciences Foundation, Inc.
Greenville, North Carolina

We have audited the accompanying statement of financial position of East Carolina University Medical & Health Sciences Foundation, Inc. (Foundation) as of June 30, 2009, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of East Carolina University Medical & Health Sciences Foundation, Inc. as of June 30, 2008, were audited by other auditors whose report dated November 17, 2008, expressed an unqualified opinion on those financial statements. As discussed in Note 17 to the financial statements, the Foundation has adjusted its June 30, 2008 financial statements to correct errors in the classification of its net assets. The other auditors reported on the financial statements before this adjustment.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the June 30, 2009 financial statements referred to above present fairly, in all material respects, the financial position of East Carolina University Medical & Health Sciences Foundation, Inc. as of June 30, 2009, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We also audited the adjustments to the June 30, 2008 financial statements to adjust net assets to the proper classification as described in Note 17. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to East Carolina University Medical & Health Sciences Foundation, Inc.'s June 30, 2008 financial statements other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the June 30, 2008 financial statements taken as a whole.
The "A Letter from Management" is presented for purposes of additional analysis and has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on it.

Clifton Henderson LLP

Raleigh, North Carolina
November 16, 2009
Audit Committee
East Carolina University Medical & Health Sciences Foundation, Inc.
Greenville, North Carolina

In planning and performing our audit of the financial statements of East Carolina University Medical & Health Sciences Foundation, Inc. (the Foundation) as of and for the year ended June 30, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered the Foundation's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies and another deficiency that we consider to be material weaknesses.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis.

**Significant Deficiencies**

A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Foundation's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Foundation's financial statements that is more than inconsequential will not be prevented or detected by the Foundation's internal control. We consider the following control deficiencies to be significant deficiencies in internal control:

**SEGREGATION OF DUTIES**

During our audit procedures, we noted that the Foundation lacks proper segregation of duties in the area of journal entry processing and approval and in the area of general disbursement approval. Our testing disclosed instances where journal entries were processed and approved by the same individual. Our testing also disclosed instances where the same individual was the processor and funding source approval for expenditures.

Improper segregation of duties raises the opportunity for errors or fraud to occur. We recommend that a procedure be implemented to address these situations of segregation of duties deficiency.
Management's Response:
The Foundation will expand divisional levels of internal control signatures on both journal entry processing and approval in the area of general disbursement for proper segregation of duties. The Financial Manager for Foundations will approve and sign journal entry processing for all adjustments prepared by the Controller for the Medical & Health Sciences Foundation. In addition, the Financial Manager for Foundations will approve funding source expenditures for items $2,500 and over.

ADJUSTING JOURNAL ENTRY

Our audit procedures required a significant audit adjustment for the year ended June 30, 2009. Similar to the third prior period adjustment discussed below under material weaknesses, this entry reverses the internal interest allocation made in the year ended June 30, 2009, to the Geriatric Center fund.

Management’s Response:
The internal interest allocation of $98,144 to the Geriatric Center Fund was under discussion by management and financial services at the time the auditors questioned the adjusting entry. We concur that the allocation of interest should not have been booked in this way.

Material Weakness

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. We believe that the following deficiencies constitute material weaknesses.

PRIOR PERIOD ADJUSTMENTS

The Foundation recorded two separate, unrelated prior period adjustments with which we concur. The first adjustment related to certain donations to endowed professorships. The original donation was recorded as a permanently restricted net asset when, based on the requirement to transfer these funds to the university, it should have been recorded as a temporarily restricted net asset. The amount of this adjustment was $1,474,478. The second adjustment related to a correction of a distribution from an estate. The adjustment reclassified $100,000 from permanently restricted net assets to temporarily restricted net assets. The Foundation recorded a third prior period adjustment related to the internal transfer from unrestricted net assets to temporarily restricted net asset of $205,960 to credit the Geriatric Center fund with an internal interest credit. The prior period adjustment was made to reverse this transfer. There does not exist any donor agreement that stipulates that this fund is to receive any sort of preferential earnings allocation.

We recommend that the Foundation carefully review all donor agreements upon their origination and determine that restricted net assets are properly recorded.

Management’s Response:
The Foundation will carefully review all donor agreements upon their origination to determine that restricted net assets are properly recorded.
Other Matters

In addition to the significant deficiencies discussed above, we noted the following matters which we would like to bring to your attention:

**ALLOCATION OF INVESTMENT ACTIVITY AND ENDOWMENT FEES TO TEMPORARILY RESTRICTED FUNDS**

We noted that in prior years, the Foundation allocated the investment earnings, realized gains and losses, unrealized gains and losses and the endowment fees to the individual temporarily restricted funds in the fiscal year after the financial transactions occurred. For example, the June 30, 2008 investment and endowment fee allocations were posted to the individual temporarily restricted funds in July 2008. As a result of this process, the financial statement note disclosure related to the remaining temporarily restricted funds balances, per program, was inaccurately presented.

The Foundation finance staff has the allocation information available, prior to the issuance of the audited financial statements, to disclose the proper balances of the temporarily restricted net asset programs. We concur that it is not feasible for the allocation to be physically posted until the subsequent fiscal year; however, given that the allocation information is available, the financial statement disclosure of the temporarily restricted net assets is able to be presented correctly. Consequently, the note disclosure related to the remaining balances of temporarily restricted funds at June 30, 2009 is accurately presented.

*Management's Response:*

*The financial statement disclosure note for the temporarily restricted fund balances, per program, was inaccurately presented by category in the prior year statements; however, the total was correct. The current year note disclosure was properly presently and will continue to be presented in this manner for future years.*

Management's written response to significant deficiencies and other matters identified in our audit has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

This communication is intended solely for the information and use of the Audit Committee, management and others within the Foundation, and the Board of Directors and is not intended to be and should not be used by anyone other than these specified parties.

*Clifton T. Henderson LLP*

Raleigh, North Carolina
November 16, 2009
UNC FIT – Internal Audit Advisory Team

Goals:

1. Be informed and pro-active about UNC FIT initiatives as they are developed

2. Set clear expectations on the role of internal auditors and UNC FIT

3. Participate in the development of an Audit Findings Dashboard and an accompanying education plan

4. Participate in the development of guidance to campuses on internal control certification (while UNC FIT processes are under development)
Road Map to Drive the ERM Process (Page 40, Road to Implementation Document):

Phase 1: Building the Case for ERM

1. Understand the institution’s plans, environment, and culture
2. Determine the status of your existing risk management processes
3. State your goals and objectives
4. Present the case
5. Obtain top-level commitment, support, and participation

Phase 2: Building an ERM Foundation

6. Name a project leader
7. Plan your project and incorporate a timeline
8. Select or design an ERM Framework that best fits the institution’s goals and campus culture
9. Create a cross-functional Risk Council
10. Create a mission and goals statement for the Risk Council
11. Develop a risk vocabulary and definitions

Phase 3: Implementation

12. Develop a risk portfolio
13. Assess your risks: validate and prioritize
14. Assign ownership and take action

Phase 4: Sustaining Your ERM Program

15. Assess results
16. Review and realign risk treatments with available resources
17. Meet and Report
18. Do not neglect traditional risk management functions
19. Review any ERM framework you have followed
20. Develop institution-wide systems for communicating (ongoing)

← ECU is approximately “here” in the process.
## Enterprise Risk Management Committee Meeting Themes

<table>
<thead>
<tr>
<th>ERMC</th>
<th>Date</th>
<th>Guest</th>
<th>Theme</th>
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<td>1&lt;sup&gt;st&lt;/sup&gt; Qtr</td>
<td>Feb 10</td>
<td>Chancellor</td>
<td>Strategic</td>
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<td>Apr 14</td>
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<td>July</td>
<td>TBD</td>
<td>Financial / Operational</td>
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<tr>
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<td>Oct/Nov</td>
<td>TBD</td>
<td>Reputational / Compliance</td>
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<td>Feb</td>
<td>Summit / Workshop</td>
<td>Strategic (Training)</td>
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<td>2&lt;sup&gt;d&lt;/sup&gt; Qtr</td>
<td>Apr</td>
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<td>Oct/Nov</td>
<td>TBD</td>
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</table>

Risk Categories: Strategic, Operational, Financial, Compliance, Reputational
Introduction

Effective July 1, 1995, all EPA faculty members and other professional staff of East Carolina University are subject to revised regulations concerning Conflicts of Interest (COI) and conflicts of commitment affecting University employment and external professional activities. This regulation covers all EPA faculty and non-faculty employees regardless of their percent of employment insofar as their University responsibilities are concerned, and EPA faculty and EPA non-faculty employees who are on leave if the leave is funded at least partially from University sources. The revised ECU regulations are based on policies and guidelines adopted by the UNC system Board of Governors and federal agency requirements. Any questions regarding these procedures or the Board of Governors' policies upon which they are based should be directed to the University Compliance Officer. Phone: 252-328-9473 or email: jehinn@ecu.edu

The Division of Research and Graduate Studies is responsible for reporting to the Chancellor, ECU’s compliance with applicable COI policies mandated by UNC General Administration. The Office of Research and Compliance Administration (ORCA) have been assigned the duty to collect COI reporting information from each ECU unit. In addition, ORCA annually reports ECU’s EPA employees’ compliance with UNC’s COI Policy to the ECU Board of Trustees.

Unit Administrators are required to annually summarize the COI disclosures completed by their EPA employees to ORCA. This document is meant to help you better understand your review of COI disclosures and facilitate your unit’s annual reporting. It contains some key definitions; categories of COI and examples; and instructions for unit’s summary reporting of COI disclosures. The full text of the regulation on COI for ECU is available in the ECU Policy Manual or from ORCA.

Key definitions

**Conflict of Interest:** A conflict of interest is situation where from the perspective of an independent observer, there is the possibility that an individual’s private, financial interests, or his or her family’s interests, may influence the individual’s professional actions, decisions, or their judgment. A COI may take various forms, but arises when a faculty or staff member is or may be in a position to influence the university business, research, or other decisions in ways that could lead to any form of personal gain for the faculty or staff member or the faculty or staff member’s family, or give improper advantage to others to the university’s detriment.

**Enterprise:** Any corporation, partnership, sole proprietorship, firm, franchise, association, organization, holding company, joint stock company, receivership, business or real estate trust, or any legal entity organized for profit or charitable purposes. University and university related entities are excluded. (see 'Significant Financial Interest' below for further exclusions.) The text of the ECU regulation of Conflict of Interest and Commitment uses the term 'business' rather than enterprise.

**Significant Financial Interest:** Significant Financial Interest has the same meaning as in 42 C.F.R. 50.603 as it currently exists and as it may later be amended. This provision of the Code of Federal Regulations defines a Significant Financial Interest to mean: anything of monetary value, including, but not limited to, salary or other payments for services (e.g., consulting fees or honoraria); equity interests (e.g., stocks, stock options or other ownership interests); and intellectual property rights (e.g., patents, copyrights and royalties from such rights). The term does not include:

1. Salary, royalties, or other remuneration from the applicant institution;
2. Any ownership interests in the institution, if the institution is an applicant under the Small Business Innovation Research Program (SBIR);
3. Income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities;
4. Income from service on advisory committees or review panels for public or nonprofit entities;
5. An equity interest that when aggregated for the Investigator and the Investigator’s spouse and dependent children, meets both of the following tests: Does not exceed $10,000 in value as determined through reference to public prices or other reasonable measures of fair market value, and does not represent more than a five percent ownership interest in any single entity; or
6. Salary, royalties or other payments that when aggregated for the Investigator and the Investigator’s spouse and dependent children over the next twelve months, are not expected to exceed $10,000.

Categories of COI

Activities that may involve conflicts of interest can be categorized under four general headings:

- **Category I**: consists of activities that appear to involve a conflict of interest but in fact, do not.
- **Category II**: consist of activities that present potential conflict of interest and must be reported, but that may be allowable with administrative approval.
- **Category III**: consists of relationships that are generally not allowable because they involve potential conflicts of interest or they present obvious opportunities or inducements to favor personal interests over institutional interests. Before proceeding with such an endeavor, the EPA Employee must demonstrate that in fact his or her objectivity would not be affected and University interests otherwise would not be damaged. An approved conflict of interest management plan must be in place before any activities involving this category are initiated.
- **Category IV**: consists of activities that have the potential for creating conflicts of interest that are prohibited by North Carolina and/or federal law and, therefore, may not be undertaken.

Examples of Potential Conflicts by Categories

Provided below are representative, but not all-inclusive, examples of activities in each of these four categories.

**Category I** (activities allowable with no reporting required): The examples cited below involve activities external to University employment, and thus may present the appearance of a technical conflict, but they in fact do not have the potential for affecting the objectivity of the EPA employee’s performance of University responsibilities; at most, some such situations could prompt questions about conflicts of commitment.

1. An EPA Employee receiving royalties from the publication of scholarly works and other writings or for the licensure of patented inventions pursuant to the University's Patent and Copyright Policies (Faculty Manual, Part VII, Research Information).
2. An EPA employee receiving nominal compensation, in the form of honoraria or expense reimbursement, in connection with service to professional associations, service on review panels, presentation of scholarly works, and participation in accreditation reviews. Senior Academic and Administrative Officers may also be subject to special regulations regarding honoraria which require leave to be taken when external activities for pay will take place during the regular work week (UNC Policy Manual, 300.2.2.2[R]).
3. An EPA Employee having an equity interest in a corporation used solely for the individual's consulting activities provided such consulting activities are appropriately reported and approved in accordance with the policy on, External Professional Activities of Faculty and Other Professional Staff and the corporation is not directly or indirectly conducting any business or sponsoring any projects with the University.

**Category II** (activities requiring disclosure for administrative review): The examples cited below suggest a possibility of conflicting loyalties that can impair objectivity, but disclosure and resulting analysis of relationships may render the activity permissible, perhaps with certain types of limitation or monitoring.

1. **Research Activities**
   a) An EPA employee accepting support for University research under conditions that require research results to be held confidential, unpublished, or inordinately delayed in publication. Research conducted by faculty or students under any form of sponsorship must maintain the
University’s open teaching and research philosophy and must adhere to a policy that prohibits secrecy in research. Such conditions on publication must be in compliance with UNC Policy Manual, 500.1 and 500.2.

b) Related persons working on the same funded or unfunded project.

2. External Activities
   a) An EPA Employee serving on the board of directors or scientific advisory board of an enterprise or business that provides financial support for University research, and the employee or a member of his or her immediate family may receive such financial support.
   b) An EPA Employee serving in an executive position in a for-profit or not-for-profit business, which conducts research, or other activities in an area related to the University duties of the employee.

3. Ownership
   a) An EPA Employee having a financial interest or a significant financial interest in a business that competes with the services provided by the University.
   b) An EPA Employee having significant equity or a Significant Financial Interest in a for-profit business that conducts research or other activities in an area related to the employee’s University duties.
   c) An EPA Employee requiring students to purchase the textbook or related instructional materials of the employee or members of his or her immediate family, which produces compensation for the employee or family member.

4. Other
   a) An EPA employee receiving compensation or gratuities (other than occasional meals, gifts or desk copies of textbooks, and the like) from any individual or entity doing business with the University. See also Category IV activities.
   b) Engaging in any other activity that has the potential for creating a conflict of interest or commitment as defined herein.

Category III (activities or relationships that are generally not allowable): The examples cited below involve situations that are not generally permissible, because they involve potential conflicts of interest or they present obvious opportunities or inducements to favor personal interests over institutional interests. Before proceeding with such an endeavor, the EPA employee would have to demonstrate that in fact his or her objectivity would not be affected and University interests otherwise would not be damaged. An approved conflict of interest management plan must be in place before any activities involving this category are initiated.

1. Research Activities
   a) An EPA Employee participating in University research involving a technology owned by or contractually obligated (by license, option, or otherwise) to a business in which the individual or an immediate family member has a consulting relationship, has an ownership interest, or holds an executive position.
   b) An EPA Employee participating in University research which is funded by a grant or contract from a business in which the individual or member of his or her immediate family has an ownership interest and/or significant financial interest;
   c) An EPA Employee assigning students, postdoctoral fellows or other trainees to University research projects sponsored by a business in which the individual or a member of his or her immediate family has an ownership interest and/or significant financial interest.

2. External Activities
   a) Assuming an executive position in a not-for-profit business with which the University has a contractual relationship known to the individual and which is engaged in commercial or research activities in a field related to the individual's University responsibilities.
   b) An EPA Employee making referrals of University business to an external business or company in which the individual or a member of his or her immediate family has a financial interest, including a consulting relationship.
   c) An EPA Employee associating his or her own name with the University in such way as to profit financially by trading on the reputation or goodwill of the University. Mere identification of the University as the employer of the individual and of the individual's position at the University’s open teaching and research philosophy and must adhere to a policy that prohibits secrecy in research. Such conditions on publication must be in compliance with UNC Policy Manual, 500.1 and 500.2.
University is permitted by this section, provided that such identification is not used in a manner that implies sponsorship or endorsement by the University. An example of a context in which such an association might occur is external professional activity for pay.

d) An EPA Employee serving as an expert witness for pay in litigation which requires the disclosure of research data in a manner that will compromise the University’s or a student’s ability to publish.

3. Public Disclosure

a) An EPA Employee publishing or formally presenting University sponsored research results, or providing expert commentary on a subject, with out simultaneously disclosing any significant financial interest relating to such results or such subject.

b) An EPA Employee making unauthorized use of privileged information acquired in connection with one's University responsibilities. See also Category IV activities.

4. Administrative Responsibilities

a) An EPA Employee taking administrative action in the course and scope of University responsibilities that is beneficial to a business in which the individual or an immediate family member has a significant financial interest, including a significant consulting relationship. See also Category IV activities.

b) An EPA Employee influencing the negotiation of contracts between the University and an outside organization with which the individual or an immediate family member has a significant financial interest, including a significant consulting relationship. See also Category IV activities.

5. Committee Participation

a) An EPA Employee serving on a committee of a governmental agency or private entity during the consideration by such a committee of the regulation or application of a technology that is owned by or contractually obligated to a business in which that individual or immediate family has a significant financial interest, including a significant consulting relationship.

Category IV activities are those that have the potential for creating conflicts of interest that are prohibited by North Carolina Statutes (including N.C. Gen. Statute 14-234 and 14-234.1 as they currently exist and as may later be amended [Contracts made in violation of N.C.G.S. 14-234 are void as a matter of law and anyone violating this statute may be prosecuted criminally]) and federal law and, therefore, may not be undertaken.

The examples cited below involve situations that are not permissible, because they are prohibited by North Carolina or federal laws as they involve potential conflicts of interest (Note that the North Carolina Ethics Act [Ethics Act] also regulates Conflicts of Interest for “Covered Persons”. Questions regarding the Ethics Act should be directed to the University Attorney.) or they present obvious opportunities or inducements to favor personal interests over institutional interests.

1. An EPA employee who is involved in making or administering a contract on behalf of a state agency and deriving a direct benefit from the contract. “Direct benefit from a contract” means where an EPA employee or his or her spouse:
   a. Has more than a ten percent (10%) ownership or other interest in an entity that is a party to contract with a state agency;
   b. Derives any income or commission directly from the contract with a state agency;
   c. Acquires any property under the contract with a state agency.

2. An EPA employee receives a direct benefit from a contract with the state agency he or she serves, but who is not involved in making or administering the contract, from attempting to influence any other person who is involved in making or administering the contract. A person is involved in administering a contract if he or she oversees the performance of the contract or has authority to make decisions regarding the contract or to interpret the contract. A person is involved in making a contract if he or she participates in the development of specifications or terms or in the preparation or award of the contract.

3. An EPA employee solicits or receives gift, reward, or promise of reward in exchange for recommending, influencing, or attempting to influence the award of a contract by the state agency he or she serves.
4. An EPA employee benefiting financially, or helping someone else benefit, from non-public information gained by the employee in his or her official capacity.

5. An EPA employee receives compensation from research sponsors that provide or supply healthcare services or products to researcher-physicians or hospitals for their participation in clinical research if such compensation is intended to induce physicians or hospitals to purchase drugs or services of the research sponsor that will be paid by Medicare or Medicaid. This is the Medicare Anti-Kickback law (42 U.S.C. 1320a-7(b)).

6. An EPA employee falsely certifying in their grant applications that they are in compliance with statutory and regulatory requirements, including applicable statutes and regulations prohibiting conflicts of interest. Falsely certifying compliance could result in criminal prosecution and civil penalties under the False Claims Act (31 U.S.C. 3729, et seq.).

**Instructions for unit COI reporting**

The procedures for reporting COI within a unit are as follows:

1. Each unit administrator will distribute the COI disclosure forms annually to all faculty and professional staff (EPA non faculty) under his or her supervision and assure that completed forms are returned. The forms will be available from:
   a. Academic Affairs website as a download; and from
   b. The Office of Research Compliance Administration as an email attachment upon request via email (chinnj@ecu.edu).
2. Each Unit Administrator will annually collect (in the first quarter) from each EPA employee within the unit, completed COI disclosures (Form A, and as needed Forms B, C, and/or D).
3. The Unit Administrator reviews the completed forms and forwards a copy of all disclosure forms where a COI was disclosed (usually when a “Yes” box has been checked) to the Office of Research Compliance Administration; Mailstop 157, Greenville Centre.
4. The completed COI disclosures are confidential information and should be file appropriately. It is recommended that these completed COI forms be kept with each employee’s personnel file.
5. Once all COI disclosures are collected from each EPA employees within the unit, the Unit Administrator submits a summary report of COI disclosures to the Office of Research Compliance Administration (ORCA). This report should be submitted no later than April of each year (If submitting the completed report electronically, scan the completed and signed form and send it electronically to chinnj@ecu.edu. No paper copy would then be needed). The summary report (a sample report can be found below) will contain the following:
   a. Identification of unit submitting report and name of individual making the report;
   b. Statement that all EPA employees have completed a disclosure with exceptions listed;
   c. Listing of all EPA employees who disclosed a COI;
   d. Listing of any exceptions or non-compliant EPA employees who have not completed their COI disclosure at the time of unit’s reporting; and
   e. Signature of unit head certifying accuracy of report.
6. If a Unit Administrator should receive a COI disclosure or an updated COI disclosure outside the annual reporting period, steps 2 to 5 are repeated only for the additional disclosures being reported.
7. Questions regarding COI should be directed to the University Compliance Officer. Phone – 252-328-9473 or email – chinnj@ecu.edu
# Unit Summary of COI Reporting

**Reporting Unit:**

**Reporting Year:**

**Reporting Unit Administrator:**

## Table of Exceptions and Disclosed COI

(If none, indicate “none” in the table)

<table>
<thead>
<tr>
<th>Names of EPA Faculty and EPA Staff who have NOT completed their annual disclosures (Use additional copies of form if needed)</th>
<th>Email address of non-compliant EPA employee</th>
<th>Do you want ORCA to follow up with the EPA employee?</th>
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<tr>
<th>Names of EPA Faculty and EPA Staff who disclosed a COI (a “Yes” box has been checked in a disclosure form) Use additional copies of form if needed</th>
<th>Email address of EPA employee disclosing a COI</th>
<th>Do you know if a COI management plan is in place?</th>
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I certify that all EPA employees within this unit have completed their annual COI disclosures. Exceptions and those who disclosed a COI are noted in the table above. The completed COI disclosures are appropriately filed within the unit.

______________________________________________  _______________
Signature of Chair/Unit Supervisor or Director or Dean     Date

Printed name of certifying official:

If submitting electronically (no paper copy is needed), scan a completed and signed form and send it electronically to chinnj@ecu.edu.
Form A

EAST CAROLINA UNIVERSITY

ANNUAL FACULTY/STAFF DISCLOSURE FORM OF POTTENTIAL CONFLICTS OF COMMITMENT OR INTEREST ACTIVITIES OR RELATIONSHIPS

Completion of the following questions and associated report forms are required of all EPA employees for compliance with the University Conflict of Interest (COI) & Commitment Regulation.

This COI evaluation form seeks information that may have a direct bearing on your employment. Accurately completing and filing this form is a condition of your employment. The form, therefore, will be included in your personnel file. As a part of the personnel file, the form will be considered strictly confidential. The information disclosed in the form is available only to ECU individuals with responsibility for COI management. The information may be publicly released only in accordance with and as required by North Carolina law or lawful court order.

Name __________________________ Title and/or Rank __________________________

Department/Unit __________________________ Building & Room# __________________________

College/School __________________________ Campus Phone __________________________

REPORT OF ACTIVITIES AND RELATIONSHIPS WITH COMPANIES OR ORGANIZATIONS SPONSORING UNIVERSITY ACTIVITIES OR DOING BUSINESS WITH THE UNIVERSITY

1. At any time during the reporting year, were you or a member of your immediate family a director, officer, governing or advisory board member, or employee of, or doing business with a company or not-for-profit organization that:
   a. Sponsors research, outreach, extension, testing, service projects, or clinical care at the University in which you are a participant; or
   b. The University has a license agreement relating to an invention or software where you are an inventor or author; or
   c. Is engaged in activities related to your University responsibilities?

   |   | Yes ☐ | No ☐ |

2. Do you or a member of your immediate family have ownership or own interests (generally stock) in a company or not-for-profit organization that:
   a. Sponsors research, outreach, extension, testing, service projects, or clinical care at the University; in which you are a participant; or
   b. The University has a license agreement relating to an invention or software where you are an inventor or author; or
   c. Is engaged in activities related to your University responsibilities?

   |   | Yes ☐ | No ☐ |

3. Are you or a member of your immediate family engaged in external professional activities or an employee of, or otherwise receiving compensation or gratuities from, a company or not-for-profit organization that:
   a. Sponsors research, outreach, extension, testing, service projects, or clinical care at the University in which you are a participant; or
   b. The University has a license agreement relating to an invention or software where you are an inventor or author? 
   c. Is engaged in activities related to your University responsibilities?

   |   | Yes ☐ | No ☐ |

4. Do you:
   a. Refer University business to a company or not-for-profit organization in which you or a member of your immediate family has an ownership or other financial interest; or
   b. Supervise, select, or evaluate services provided to the University by a company or not-for-profit organization in which you or a member of your immediate family has an ownership or other financial interest?

   |   | Yes ☐ | No ☐ |

   **If the answer to any of Questions 1 to 4 above is “Yes”, then complete Form B**

5. Does a spouse or related person participate with you in research funded by the same single sponsor?

   |   | Yes ☐ | No ☐ |
### REPORT OF POTENTIAL CONFLICTS OF INTEREST RELATED TO STUDENTS’ ACTIVITIES WITH EXTERNAL COMPANIES

6. Do you or a member of your immediate family, employ or supervise any students or University personnel who work for a company or not-for-profit organization in which you are on the board of directors, advisory board, an officer, have ownership interest, or receive compensation for external professional activities? Yes [ ] No [ ]

7. Do you or a member of your immediate family, employ or supervise any students or University personnel in your external professional activities for pay or in a company in which you hold ownership equity or interest/expectancy? Yes [ ] No [ ]

*If the answer to Questions 6 or 7 above is “Yes”, then complete Form C*

### REPORT OF CONFLICTS OF INTEREST RELATED TO TEACHING AND OWNERSHIP OF INTELLECTUAL PROPERTY

8. Do you participate in University research on a patent owned or technology developed by you or a member of your immediate family? Yes [ ] No [ ]

9. Are you or a member of your immediate family the author of a textbook, course pack, lab manual or other material for which you or your family member receives royalties or other compensation from sources other than the University, that is required or recommended for any class that you teach? Yes [ ] No [ ]

10. Are there any intellectual property (i.e., patent, trademark, copyright, or trade secret) owned by you or a member of your immediate family (and not by the University) that is used or licensed for use by the University? Yes [ ] No [ ]

11. Are there intellectual property developed by you as a University employee that the University has formally declined interest and has contractually released the invention to you through an Invention Release Agreement? Yes [ ] No [ ]

*If the answer to any of Questions 8 to 11 above is “Yes”, then complete Form D*

12. Are there any other matters referred to as Categories II and III in the Regulation on Conflicts of Interest and Commitment in which you are involved that have not already been disclosed on this form? Yes [ ] No [ ]

### ACKNOWLEDGEMENT

I hereby acknowledge that I have read and understand the Regulation on Conflicts of Interest and Commitment and that the aforementioned facts and situations indicate all potential conflicts of interest and commitment with regard to my position at East Carolina University according to the standards and guidelines of the Regulation. If I have none, I have so indicated in the spaces provided. I have a continuing obligation to file an updated form prior to filing the next annual report if changes arise that (a) give rise to a potential conflict of interest, or (b) eliminate a conflict previously described or (c) changes this disclosure.

Signature ___________________________ Date ________________

Send the completed and signed disclosure to your unit administrator for processing

To the best of my knowledge and judgment and according to the standards and guidelines of the Regulation:

- [ ] No actual or potential conflict of interest or commitment exists.
- [ ] An actual or potential conflict of interest or commitment may exist, but does not appear to be significant. (Attach explanation).*
- [ ] An actual or potential conflict of interest or commitment may exist that warrants further review.*

* If “Yes” is answered on any question, send a copy of the disclosure forms to the Office of Research Compliance Administration (Mailstop 157)

Dept. Chair/Supervisor ___________________________ Signature / Date ________________

Dean / Senior Supervisor ___________________________ Signature / Date ________________

(If approval is required according to the Regulation)

Vice Chancellor (if applicable) ___________________________ Signature / Date ________________

Updated 1/10
If assistance is needed in completing this form, contact Office of Research Compliance Administration – 252-328-9473
Form B
Report Of Activities And Relationships With Companies Sponsoring University Activities Or Doing Business With The University

Faculty responding affirmatively to one or more of Questions 1-4 on the Annual Faculty/Staff Disclosure Form of Potential Conflicts of Commitment or Interest Activities or Relationships (FORM A) must complete the reporting process by providing the information requested below. If additional space is needed attach separate sheets labeled "Report Of Activities And Relationships With Companies Sponsoring University Activities Or Doing Business With The University Continued" and note the answer number for which additional information is provided. A separate form should be used to report relationships with each company or corporation.

Name of reporting individual
(If reporting for an immediate family member, give his or her name and relationship to you)

Company/Corporation Information
Name
Address
Primary Business

1. Are there any plans or mechanisms that would change or affect your equity interest or ownership in this company?
   Yes  No

2. Do any of your University activities sponsored by this company involve technology developed at the University and which is now owned by or contractually obligated to this company?
   Yes  No

3. Title of your board position, board committee membership, executive position, or other employed relationship held by you or your immediate family member.

4. Describe the responsibilities of this relationship.

5a. Describe the University activities funded by this company/corporation in which you are a participant.

5b. Describe the invention and/or software which is licensed or the company and how it relates to your work for the company and for the University.

5c. Specify the type of funding, gifts, gratuities, consulting fees, royalties or other compensation (direct or deferred) received by you or your immediate family member (other than occasional meals, complimentary copies of textbooks, etc.) from the company or corporation during the last 12 months.
6a. Describe the nature of your financial interest in the company or corporation.

6b. If you have an ownership interest, is it less than $10,000 per annum of equity, salary, fees or other continuing payments or which represents 5% or less ownership interest for any one company or entity when aggregated for the investigator and his/her family?

   Yes ☐   No ☐

6c. What is the duration of the sponsored research, outreach extension, testing or service?

7. Provide a discussion of the activities and actions or safeguards you will take to prevent your activities from affecting your objectivity as a University employee or will otherwise protect the University's interest.

8. If you answered YES to question 4 on Form A, complete the following.
   a. Describe the University Position you hold in which you supervise, select or evaluate services provided to the University by the company or corporation or refer University business to a company.

   b. List the services involved.

   c. Does the company or corporation compete with services provided by the University?

   Yes ☐ (If Yes, describe these services in box below.)   No ☐

CERTIFICATIONS

I certify that all of the above information is correct and that I will update this information promptly as changes occur.

__________________________________________  _____________________
Employee Signature       Date

Send the completed and signed disclosure to your unit administrator for processing

Reviewed by:

__________________________________________ ______________________________________
Department Head     Date  Dean      Date

Send a copy of the reviewed disclosure to Office of Research Compliance Administration (Mailstop 157)
Form C

Report Of Potential Conflicts Of Interest Related To Students' Activities
With External Enterprises (Companies)

Faculty responding affirmatively to one or more of Questions 6 and 7 on the Annual Faculty/Staff Form of Potential Conflict of Interest Activities or Relationships (Form A) must complete the disclosure process by providing the information requested below. If additional space is needed attach separate sheets labeled "Report Of Potential Conflicts Of Interest Related To Students' Activities With External Enterprises Continued" and note the answer number for which additional information is provided. A separate form should be used to report relationships with each company or corporation.

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<th>Name of reporting individual (If reporting for an immediate family member, give his or her name and relationship to you)</th>
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Company/Corporation Information

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<td>Primary Business</td>
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Complete ITEMS 1-3 if you answered YES to Question 6 on the Annual Faculty/Staff Disclosure Form (Form A).

1. Describe the number and levels of the students involved, your relationship with the company, and how this relationship involved the students.

2. Describe the nature of the relationship of this company with the University.

3. Discuss the actions or safeguards you will take to prevent your relationship with this company from affecting your responsibilities as a University employee for supervising these students.
Complete ITEMS 4-5 if you answered YES to Question 7 on the Annual Faculty/Staff Disclosure Form (Form A).

4. Describe the numbers of students, their status and the nature and scope of the duties for which they are employed.

5. Discuss the actions or safeguards you will take to prevent your relationship with this company from affecting your responsibilities as a University employee for supervising these students.

CERTIFICATIONS

I certify that all of the above information is correct and that I will update this information promptly as changes occur.

__________________________________________  _____________________
Employee Signature       Date

Send the completed and signed disclosure to your unit administrator for processing

Reviewed by:

__________________________________________ ______________________________________
Department Head     Date  Dean      Date

Send a copy of the reviewed disclosure to Office of Research Compliance Administration (Mailstop 157)
Form D

Report Of Potential Conflicts Of Interest Related To Teaching And Ownership Of Intellectual Property

Provide the following information and discussion pertaining to Questions 8 through 11 answered with a “YES” on the Annual Faculty/Staff Disclosure Form (Form A). If additional space is needed for listing multiple entities or information, attach separate pages labeled "Report Of Potential Conflicts Of Interest Related To Teaching And Ownership Of Intellectual Property Continued" and noting the answer number for which additional information is provided. A separate form should be used for each company or corporation. Send a copy of this form to the Office of Research Compliance Administration, Greenville Centre (Mailstop 157).

Name of reporting individual
(If reporting for an immediate family member, give his or her name and relationship to you)

Company/Corporation Information

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<td>Primary Business</td>
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If you answer YES to Question 9 on the Annual Faculty/Staff Disclosure Form (Form A), provide the information requested by items 1-3. Here textbook refers to any textbook, course pack, lab manual, or other course material required for a class that you teach and is authored by you or a member of your immediate family (spouse and children).

1. Textbook title or nature of specific course material:

2. List the course (number and title) for which this textbook is required:

3. Describe the process used and the basis by which this textbook was chosen for this course instead of other comparable textbooks or materials.
If you answered YES to Question 11 on the Annual Faculty/Staff Disclosure Form (Form A), provide the information requested in items 4-9 and send a copy of this form to the Office of Technology Transfer, Greenville Center.

4. Describe the intellectual property owned by you that is used by the University or that has been released to you in a fully executed Invention Release Agreement.

5. How was this intellectual property selected for use by the University?

6. Do you receive any compensation of any type whatsoever as a result of the use of such intellectual property by University?
   Yes ☐  No ☐

7. Does the University’s use of this intellectual property affect or potentially affect your objectivity as a University employee?
   Yes ☐  No ☐

7a. Describe why or why not to question 7.

7b. If your answer is YES to question 7, then explain below what safeguards exist.

8. Did you receive financial compensation for any intellectual property you invented that is used or licensed for use by University?
   Yes ☐  No ☐

9. Is there IP developed by you as a University employee that has been contractually released to you? Yes ☐  No ☐

9a. If “Yes” then describe the intellectual property that has been released to you in a fully executed Invention Release Agreement.

9b. If “Yes” then describe any University resources that have been are used by you since the invention was released to you (i.e. laboratory facilities, staff time, supplies, etc) or are currently being used to develop the released IP.

9c. If you have received compensation for use of development of the released invention, then does such compensation comply with University policies and/or the terms of the Release Agreement? Yes ☐  No ☐ (If you answered “No”, then explain below why the compensation does not comply with University policies or the terms of the Release Agreement.)

CERTIFICATIONS

I certify that all of the above information is correct and that I will update this information promptly as changes occur.

__________________________________________  _____________________
Employee Signature       Date

Reviewed by:

__________________________________________  _____________________
Department Head     Date  Dean      Date

Send the completed and signed disclosure to your unit administrator for processing

Send a copy of the reviewed disclosure to Office of Research Compliance Administration (Mailstop 157)