

October 3, 2003

MEMORANDUM

TO: The Audit and Compliance Committee:

Charles L. Glazer, Chair  
Thomas J. Bliley, Jr.  
Don R. Pippin  
Terence P. Ross  
Warren M. Thompson  
Georgia M. Willis  
Gordon F. Rainey, Jr., Ex Officio

and

The Remaining Members of the Board:

William G. Crutchfield, Jr.	Lewis F. Payne
Susan Y. Dorsey	Thomas A. Saunders, III
Thomas F. Farrell, II	E. Darracott Vaughan, Jr., M.D.
William H. Goodwin, Jr.	John O. Wynne
Mark J. Kington	John R.M. Rodney

FROM: Alexander G. Gilliam, Jr.

RE: Minutes of the Meeting of the Audit Committee on  
Thursday, October 2, 2003

The Audit and Compliance Committee of the Board of Visitors of the University of Virginia met, in Open Session, at 11:00 a.m., Thursday, October 2, 2003, in the East Oval Room of the Rotunda; Charles L. Glazer, Chair, presided. Thomas J. Bliley, Jr., Don R. Pippin, Warren M. Thompson, Ms. Georgia M. Willis, and Gordon F. Rainey, Jr., Rector, were present.

William H. Goodwin, Jr., also was present.

Present as well were John T. Casteen, III, Leonard W. Sandridge, Alexander G. Gilliam, Jr., Paul J. Forch, Ms. Barbara J. Deily, Ralph W. Traylor, and Ms. Jeanne Flippo Bailes.

The Chair asked Ms. Deily, Director of Audits, to present the Agenda.

Ms. Deily reported that during the Fiscal Year which ended June 30<sup>th</sup>, 24 audits were scheduled and 22 were completed; the remaining 2 are in progress. She noted that an extra 1800 hours, that is unbudgeted hours, were spent on special projects.

She also told the Committee that the Audit Department had identified opportunities, during the Fiscal Year just ended, for savings of \$377,270.

Ms. Deily introduced Mr. Ralph Traylor, Corporate Compliance Officer, who gave a status report on the Corporate Compliance Agreement.

On motion, the Committee went into Executive Session at 11:15 a.m.

That the Audit Committee of the Board of Visitors of the University of Virginia go into Executive Session to discuss and seek the advice of our General Counsel with respect to the Auditor's evaluation of specific University departments, which will also involve discussion of the performance of University managers and personnel; and, in the case of the Medical Center, will involve consideration of personnel performance and regulatory compliance involving the Medical Center's proprietary business-related information at the Medical Center where disclosure at this time would adversely affect the competitive position of the Medical Center. This action is provided for in Section 2.2-3711 (A) (1), (7) and (23) of the Code of Virginia.

The Committee resumed in Open Session at 11:40 a.m., and approved the following resolution certifying that its meeting in Executive Session had been conducted according to the exemptions permitted by the Virginia Freedom of Information Act.

that we vote on and record our certification that, to the best of each Board member's knowledge, only public business matters lawfully exempted from open meeting requirements and which were identified in the motion(s) authorizing the closed session, were heard, discussed or considered in closed session.

On further motion, the Committee adjourned.

AGG:jb

These minutes have been posted to the University of Virginia's Board of Visitors website.

<http://www.virginia.edu/bov/auditminutes.html>