

April 16, 2004

MEMORANDUM

TO: The Audit and Compliance Committee:

Georgia M. Willis, Chair
G. Slaughter Fitz-Hugh, Jr.
Don R. Pippin
Terence P. Ross
Warren M. Thompson
Gordon F. Rainey, Jr., Ex Officio

and

The Remaining Members of the Board:

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

FROM: Alexander G. Gilliam, Jr.

RE: Minutes of the Meeting of the Audit and Compliance
Committee on April 16, 2004

The Audit and Compliance Committee of the Board of Visitors of the University of Virginia met, in Open Session, at 10:40 a.m., Friday, April 16, 2004, in the East Oval Room of the Rotunda; Ms. Georgia M. Willis, Chair, presided. G. Slaughter Fitz-Hugh, Jr., Don R. Pippin, Warren M. Thompson, and Gordon F. Rainey, Jr., Rector, were present.

Also present were Thomas F. Farrell, II, Vice Rector, William G. Crutchfield, Jr., W. Heywood Fralin, Ms. Glynn D. Key, Mark J. Kington, and Lewis F. Payne.

James W. Head, the Student Member-elect, was present.

Present as well were John T. Casteen, III, Leonard W. Sandridge, Alexander G. Gilliam, Jr., Paul J. Forch, Ms. Barbara J. Deily, Gene D. Block, R. Edward Howell, Ms. Colette Sheehy,

Robert D. Sweeney, Ms. Patricia M. Lampkin, Ms. Yoke San L. Reynolds, Robert E. Reynolds, M.D., Steven H. Kaplan, and Ms. Jeanne Flipppo Bailes.

The Chair noted, for the benefit of the new Members of the Board, the importance of the work of the Auditor and of the Committee. She then asked Ms. Deily, the Director of Audits, to present the Agenda.

Ms. Deily reported on the status of audit projects being conducted by her department. She noted that special, which is to say unscheduled, audits continue to increase and to consume more time and resources than estimated - this has been the trend for three years. Even so, all unscheduled audits for the current fiscal year are completed or in progress. The total number so far, since last July 1st, is 27.

The same number of scheduled audits have been set for this year, but only 81% are in progress or have been completed.

On the following motion, the Committee went into Executive Session at 10:45 a.m.:

That the Audit and Compliance Committee of the Board of Visitors of the University of Virginia go into Executive Session to discuss and seek the advice of the University's General Counsel with respect to the auditor's evaluation of specific University departments. This will also involve discussion of the performance of specific University managers and personnel and, in the case of the Medical Center, consideration of both personnel performance and proprietary business-related information where disclosure at this time would adversely affect the competitive position of the Medical Center. This 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 11:00 a.m. and, after adopting the following resolution to certify that its business in Executive Session had been conducted in accordance with the provisions of the Virginia Freedom of Information Act, adjourned:

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.

AGG:lah

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

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