

September 3, 2005

MEMORANDUM

TO: The Audit and Compliance Committee:

Georgia Willis Fauber, Chair
G. Slaughter Fitz-Hugh, Jr.
Vincent J. Mastracco, Jr.
Don R. Pippin
Warren M. Thompson
Thomas F. Farrell, II, Ex Officio

and

The Remaining Members of the Board:

A. Macdonald Caputo	Mark J. Kington
Alan A. Diamonstein	Lewis F. Payne
Susan Y. Dorsey	Gordon F. Rainey, Jr.
W. Heywood Fralin	E. Darracott Vaughan, Jr., M.D.
Glynn D. Key	John O. Wynne
Catherine S. Neale	

FROM: Alexander G. Gilliam, Jr.

SUBJECT: Minutes of the Meeting of the Audit and Compliance
Committee on September 3, 2005

The Audit and Compliance Committee of the Board of Visitors of the University of Virginia met, in Open Session, at 3:05 p.m., Saturday, September 3, 2005, in the Conference Room at Madison Hall; Ms. Georgia Willis Fauber, Chair, presided. Vincent J. Mastracco was present and Don R. Pippin participated by telephone.

Present as well were Leonard W. Sandridge, Alexander G. Gilliam, Jr., Ms. Barbara J. Deily, Ms. Yoke San L. Reynolds, Ms. Carol Wood, and Ms. Jeanne Flipppo Bailes.

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

Ms. Deily reported on audit projects during the Fiscal Year which ended June 30th. For the first time in twenty two years, she said, 100% of the projects, both scheduled and non-scheduled last year, undertaken in a given year were completed. All staff positions in the Audit Department have been filled. Most important, perhaps, is that the Department received the highest possibly rating in a Quality Assessment Review, which compared the Department's performance to standards promulgated by the Institute of Internal Auditors. The Review is, basically, an audit of the Audit Department.

Another major achievement of the Audit Department in the past year was the installation, at the Department's urging, of a Code of Ethics for University employees.

After adopting the following motion, the Committee went into Executive Session at 3:15 p.m.:

That the Audit and Compliance Committee of the Board of Visitors of the University of Virginia convene in Executive Session to review and discuss audit of specific University and Medical Center departments including consulting with General Counsel on compliance with federal CMS regulations. Our oversight review will involve evaluating the performance of specific University managers and personnel and, in the case of the Medical Center, evaluation of its proprietary business-related information relating to adequacy of billing documentation and fiscal management practices 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 3:25 p.m. after adopting the following resolution certifying that its discussions in Executive Session had been conducted in compliance with the provisions of 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.

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APPROVAL OF SUMMARY OF AUDIT FINDINGS

The Committee adopted the following resolution, approving the Summary of Audit Findings presented to it by Ms. Deily:

RESOLVED that the Summary of Audit Findings for the period of May 1, 2005, through August 15, 2005, as presented by the Director of Audits, is approved as recommended by the Audit & Compliance Committee.

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On further motion, the Committee adjourned at 3:30 p.m.

AGG:lah

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

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