

April 2, 2007

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:

Daniel R. Abramson	Glynn D. Key
A. Macdonald Caputo	Lewis F. Payne
Alan A. Diamonstein	Gordon F. Rainey, Jr.
Susan Y. Dorsey	E. Darracott Vaughan, Jr., M.D.
W. Heywood Fralin	John O. Wynne
Anne Elizabeth Mullen	

FROM: Alexander G. Gilliam, Jr.

SUBJECT: Correction to the Minutes of the Meeting of the Audit and Compliance Committee, held on March 13, 2007

The Minutes of the meeting of the Audit and Compliance Committee held on Tuesday, March 13, 2007, should be corrected as follows:

On page 2 under Audit Department Accomplishments, the last sentence of the first paragraph should be corrected to read, "Most scheduled projects will be done by the end of the fiscal year on June 30th."

AGG:lah

March 13, 2007

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FROM: Alexander G. Gilliam, Jr.

SUBJECT: Minutes of the Meeting of the Audit and Compliance
Committee on March 13, 2007

The Audit and Compliance Committee of the Board of Visitors of the University of Virginia met, in Open Session, at 11:00 a.m., Tuesday, March 13, 2007, in the Lower East Oval Room of the Rotunda; Ms. Georgia Willis Fauber, Chair, presided. Don R. Pippin, Warren M. Thompson, and Thomas F. Farrell, II, Rector, were present.

Also present were A. Macdonald Caputo, Ms. Susan Y. Dorsey, and Ms. Anne Elizabeth Mullen.

Present as well were Leonard W. Sandridge, Alexander G. Gilliam, Jr., Paul J. Forch, Ms. Barbara J. Deily, R. Ariel Gomez, M.D., James L. Hilton, R. Edward Howell, Ms. Patricia M. Lampkin, David J. Prior, Ralph O. Allen, and Ms. Jeanne Flippo Bailes.

Carey J. Mignerey, the Student Member-elect, was present as an observer.

The Chair opened the meeting and gave a brief overview of the Agenda. She then asked Ms. Deily, Director of Audits, to present the Agenda.

AUDIT DEPARTMENT ACCOMPLISHMENTS

Ms. Deily told the Committee of various accomplishments of members of her staff. As for audit projects during the current fiscal year, she said 80% of the audits scheduled for the year have been completed or are in progress. All scheduled projects will be done by the end of the fiscal year on June 30th.

As for non-scheduled audit projects, all have been completed or are in progress.

COMMITTEE GOALS AND WORK PLAN

Ms. Deily gave a brief progress report on the accomplishment of the Committee's goals and work plan for 2006-2007; the goals and work plan were agreed to at the Board Retreat in July.

REPORT ON RESEARCH COMPLIANCE TRAINING

Ms. Deily asked Dr. Gomez, Vice President for Research and Graduate Studies, to introduce Mr. Ralph Allen, Professor of Chemistry, Director of the Office of Environmental Health and Safety, and Associate Vice Provost for Research.

Dr. Gomez, in introducing Mr. Allen, talked about the University's efforts in complying with the regulations on the disposal of hazardous material, as well as other aspects of the University's bio-safety program.

Mr. Allen's presentation was focused on the disposal of hazardous wastes, particularly radioactive material. It is important that this be done properly, he said, and he cited examples of hefty fines levied on universities who have not done a good job in this regard. The University of Virginia has been in compliance with the regulations governing waste disposal.

The Chair thanked Mr. Allen for his report and commended him for his good work.

EXECUTIVE SESSION

On motion, the Committee adopted the following resolution to go into Executive Session:

That the Audit and Compliance Committee of the Board of Visitors of the University of Virginia convene in Executive Session to review and discuss the audit of specific University and Medical Center departments, to include 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 went into Executive Session at 11:20 a.m.

At 11:25 a.m., the Committee resumed in Open Session and adopted the following resolution certifying that its meeting in Executive Session had been conducted in accordance 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.

APPROVAL OF SUMMARY OF AUDIT FINDINGS

On motion, the Committee adopted the following resolution approving the Summary of Audit Findings for the period August 1, 2006 - January 31, 2007, and recommended it to the full Board for approval:

RESOLVED that the Summary of Audit Findings for the period August 1, 2006, through January 31, 2007, as presented by the Director of Audits, is approved as recommended by the Audit and Compliance Committee.

On further motion, the Committee adjourned.

AGG:lah

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

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