

**UNIVERSITY OF VIRGINIA
BOARD OF VISITORS
MEETING OF THE
AUDIT AND COMPLIANCE
COMMITTEE
MAY 8, 2007**

AUDIT AND COMPLIANCE COMMITTEE
(Open Session)

Tuesday, May 8, 2007
11:30 a.m. - 12:00 noon
Lower East Oval Room, The Rotunda

Committee Members:

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

AGENDA

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UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM

BOARD MEETING: May 8, 2007

COMMITTEE: Audit and Compliance

AGENDA ITEM: I. Audit Schedule

BACKGROUND: Ms. Deily will present the proposed Audit Schedule for the 2007-2008 Fiscal Year. This Schedule takes into account required work from state agencies, information risk assessment models, requests from management, and analyses of work performed in prior years.

ACTION REQUIRED: Approval by the Audit and Compliance Committee, and by the Board of Visitors.

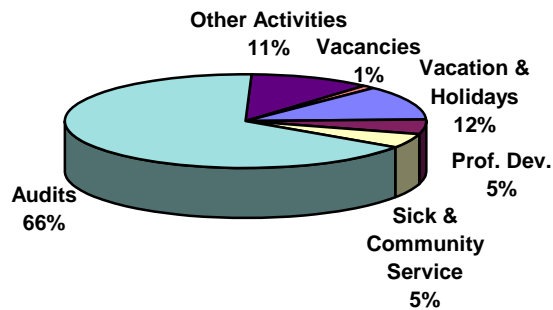
APPROVAL OF THE AUDIT SCHEDULE

RESOLVED that the Audit Schedule for Fiscal Year 2007-2008, is approved as recommended by the Audit and Compliance Committee.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM

Determination of Hours Available
for 2007-2008 Audit Projects

	Total
Total Hours Available	35,360
Less:	
Vacancies	522
Sub-Total	34,838
Professional Development	1,610
Vacations and Holidays	4,268
Sick Leave and Community Service	1,748
Travel	208
Other Activities	3,924
• Office and Personnel Administration	
• Recruiting	
• Committee & Council Meetings	
Hours Available for Audit Projects	23,080



UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM

Allocation of Hours Available for Audit Projects

Fiscal Year 2007-2008	Total
Hours Available for Audit Projects	23,080
Less:	
Wrap-up of FY 06 - 07 Audit Schedule	730
Unscheduled Audits/Special Requests/Hotline Projects	7,738
General Project Support/Supervision	2,377
Process Simplification/Operational Services	1,067
IT Support of Projects/Activities	1,052
General Systems Development & Consulting	735
Board Preparation & Mtgs	210
Hours Available for Scheduled Audit Projects	9,171

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM

2007-2008 Audit Schedule

UNIVERSITY

DEPARTMENT/DIVISION	BUDGETED HOURS
ADMINISTRATIVE & SUPPORT SERVICES	
ARMICS	600
Effort Reporting	300
UHR Classification & Compensation	500
Library	500
University Bookstore	400
ATHLETICS	
Game Settlements - Football	40
NCAA Compliance - Eligibility	400
OTHER ACTIVITIES	
Compliance Audits	1,500
Follow-up Audit	200
Self Assessment	200
University Bookstore/Cavalier Computers - Inventory	107
University Total	4,747

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM

2007-2008 Audit Schedule

HEALTH SYSTEM

DEPARTMENT/DIVISION	BUDGETED HOURS
PATIENT CARE ACTIVITIES	
Chronic Wound Care Center Charge Capture	300
Inpatient Chart Controls	400
Outpatient Surgery Center - Pharmaceuticals	100
ADMINISTRATIVE & SUPPORT SERVICES	
Outpatient Charge Capture	450
Quality Performance & Improvement	425
SCHOOL OF MEDICINE	
Graduate Programs Office - Phase II	300
Reimbursements to Employees	400
School of Medicine Grants	350
OTHER ACTIVITIES	
Follow-up Audit	200
Inventory - Pharmacy	25
Inventory - Surgical Supply	25
Inventory - Storeroom	25
Self Assessment	200
HEALTH SYSTEM TOTAL	3,200

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM

2007-2008 Audit Schedule

INFORMATION TECHNOLOGY

DEPARTMENT/DIVISION	BUDGETED HOURS
Employee Access Cycle - Hire to Exit	250
Family Educational Rights and Privacy Act	150
General Controls - Miscellaneous	250
Health System Networking Controls	104
Incident Handling and Reporting	350
Student Information System (RACF)	120
Information Technology Total	1,224
UNIVERSITY, HEALTH SYSTEM & INFORMATION TECHNOLOGY TOTALS	9,171

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM

BOARD MEETING: May 8, 2007

COMMITTEE: Audit and Compliance

AGENDA ITEM: II.A. Information Report

BACKGROUND: A representative of the Auditor of Public Accounts will present the 2007-08 Entrance Conference. Ms. Deily will introduce Mr. Joseph Stepp who will give a report. This does not require formal action, but it is information of which the Audit and Compliance Committee should be made aware.

When the Auditor of Public Accounts of the Commonwealth met with the Committee in January, he said he, or some member of his staff, henceforth would meet with the Committee twice a year - once in preparation for his annual audit and once to report on his findings.

Mr. Stepp thus will discuss the forthcoming audit with the Committee.

ACTION REQUIRED: None

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: May 8, 2007

COMMITTEE: Audit and Compliance

AGENDA ITEM: II.B. Audit and Compliance Committee
Goals

BACKGROUND: Ms. Deily will discuss the status of the Audit and Compliance Committee's goals as of March 31st. This does not require formal action, but it is information of which the Audit and Compliance Committee should be made aware.

ACTION REQUIRED: None

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: May 8, 2007

COMMITTEE: Audit and Compliance

AGENDA ITEM: II.C. ARMICS Compliance Training

BACKGROUND: Ms. Yoke San Reynolds will provide information on aspects of internal controls compliance at the University. This does not require formal action, but is information of which the Audit and Compliance Committee should be made aware.

ARMICS is an acronym for "Agency Risk Management Internal Control Standards." This translates out to an official response by the Commonwealth to the standards suggested by the Sarbanes-Oxley legislation.

Ms. Reynolds, Vice President and Chief Financial Officer, will discuss the University's internal controls required under ARMICS.

ACTION REQUIRED: None