

April 10, 2008

MEMORANDUM

TO: The Audit and Compliance Committee:

G. Slaughter Fitz-Hugh, Jr., Chair
Austin Ligon
Vincent J. Mastracco, Jr.
Don R. Pippin
Warren M. Thompson
W. Heywood Fralin, Ex Officio

and

The Remaining Members of the Board:

Daniel R. Abramson	Lewis F. Payne
A. Macdonald Caputo	Gordon F. Rainey, Jr.
Alan A. Diamonstein	E. Darracott Vaughan, Jr., M.D.
Susan Y. Dorsey	John O. Wynne
Thomas F. Farrell, II	Carey J. Mignerey
Glynn D. Key	

FROM: Alexander G. Gilliam, Jr.

SUBJECT: Minutes of the Meeting of the Audit and Compliance
Committee on April 10, 2008

The Audit and Compliance Committee of the Board of Visitors of the University of Virginia met, in Open Session, at 11:05 a.m., Thursday, April 10, 2008, in the Board Room of the Rotunda; G. Slaughter Fitz-Hugh, Jr., Chair, presided. Austin Ligon, Vincent J. Mastracco, Jr., Don R. Pippin, Warren M. Thompson, and W. Heywood Fralin, Rector, were present.

Also present were Daniel R. Abramson, A. Macdonald Caputo, The Hon. Alan A. Diamonstein, Ms. Glynn D. Key, The Hon. Lewis F. Payne, Gordon F. Rainey, Jr., John O. Wynne, and Carey J. Mignerey.

Ms. Adom Getachew, the Student Member-elect, was present.

Present as well were John T. Casteen, III, Leonard W. Sandridge, Alexander G. Gilliam, Jr., Paul J. Forch, Arthur Garson, Jr., M.D., Ms. Susan A. Carkeek, William B. Harvey, James L. Hilton, Sharon L. Hostler, M.D., R. Edward Howell, Ms. Patricia M. Lampkin, Ms. Yoke San L. Reynolds, Robert D. Sweeney, and Ms. Jeanne Flippo Bailes.

The Chair asked Ms. Deily, Chief Audit Executive, to present the Agenda.

Report of the Chief Audit Executive - Audit Schedule Development Process

Ms. Deily described for the Committee the process of developing the annual audit schedule. While most audits are scheduled in advance, she said, others are done as needed - to investigate a perceived problem, to respond to a "whistle blower," and so forth.

Report of the Chief Audit Executive - Enterprise Risk Management

Ms. Deily gave the Committee an update on the Enterprise Risk Management process.

Report of the Chief Audit Executive - Conflict of Interest and Code of Ethics

By conflict of interest, Ms. Deily explained, she was not referring to the conflict of interest training required, by law, of all Board Members (see the Minutes of the Board of Visitors meeting, April 10-12, 2008) but the procedures, rules and Code of Ethics the University has in place for its employees. She described these briefly.

Executive Session

After adopting the following resolution, permitting it to meet in Executive Session under the terms allowed by the Virginia Freedom of Information Act, the Committee went into Executive Session at 11:20 a.m.:

That the Audit and Compliance Committee of the Board of Visitors of the University of Virginia convene in Executive Session to discuss the audit of University operations and to consult with University legal counsel as it concerns the performance and discipline of specific University managers and personnel and threatened litigation, as provided for in Section 2.2-3711 (A) (1), and (7) of the Code of Virginia.

The Committee came out of Executive Session at 11:30 a.m., and approved the following resolution certifying that its discussions in Executive Session had been conducted in accord with 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.

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Approval of the Summary of Audit Findings

The Committee then adopted the following resolution approving the summary of audit findings, the summary having been discussed in Executive Session, and recommended it to the full Board for approval:

APPROVAL OF THE SUMMARY OF AUDIT FINDINGS

RESOLVED that the Summary of Audit Findings for the period January 1, 2008, through February 29, 2008, as presented by the Chief Audit Executive, is approved as recommended by the Audit and Compliance Committee.

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On further motion, the meeting was adjourned at 11:35 a.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>