

February 8, 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	
A. Macdonald Caputo	Lewis F. Payne
Alan A. Diamonstein	Gordon F. Rainey, Jr.
Susan Y. Dorsey	E. Darracott Vaughan, Jr., M.D.
Thomas F. Farrell, II	John O. Wynne
Glynn D. Key	Carey J. Mignerey

FROM: Alexander G. Gilliam, Jr.

SUBJECT: Minutes of the Meeting of the Audit and Compliance
Committee on February 8, 2008

The Audit and Compliance Committee of the Board of Visitors of the University of Virginia met, in Open Session, at 8:30 a.m., Friday, February 8, 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 A. Macdonald Caputo, The Hon. Alan A. Diamonstein, Ms. Glynn D. Key, Gordon F. Rainey, Jr., and Carey J. Mignerey.

Present, too, were John T. Casteen, III, Leonard W. Sandridge, Alexander G. Gilliam, Jr., Paul J. Forch, Ms. Barbara Deily, Arthur Garson, Jr., M.D., Ms. Susan A. Carkeek, James L.

Hilton, Ms. Patricia M. Lampkin, Ms. Yoke San L. Reynolds, Ms. Colette Sheehy, Robert D. Sweeney, David J. Prior, and Ms. Jeanne Flippo Bailes.

Walter J. Kucharski, Auditor of Public Accounts of the Commonwealth, was present as well.

The Chair reminded the Committee that at this meeting, the Auditor of Public Accounts of the Commonwealth customarily meets with the Board of Visitors to report on his annual audit of the University.

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

Audit Department Status Report

Ms. Deily gave a brief status report on the Audit Department's audit projects for the current fiscal year; her report was based on the *status quo* of December 31, 2007.

She then introduced Mr. Kucharski, the Auditor of Public Accounts of the Commonwealth, who gave his report.

Report of the Auditor of Public Accounts of the Commonwealth

Mr. Kucharski introduced members of his staff before making his report. He mentioned some possible changes in Federal audit procedures which could affect the University

Executive Session

On motion, the Committee adopted the following resolution permitting it, under the terms of the law, to go into Executive Session.

That the Audit and Compliance Committee of the Board of Visitors convene in Closed Session to discuss the audit of University operations as it concerns the performance of specific University managers and personnel, threatened litigation, access security to University facilities, and in the case of the University Medical Center, evaluation of its proprietary business practices where disclosure would adversely affect its competitive position. And to confer with the Auditor of Public Accounts on the performance of the University's internal auditors and University officers, as permitted by Section 2.2-3711 (A) (1), (7), (19) and (22) of the Code of Virginia.

The Committee went into "super" Executive Session at 8:45 a.m., "super" Executive Session being a meeting at which only Members of the Board were present.

At 9:00 a.m., the Committee went into a normal Executive Session, and members of the Administration were invited back into the meeting room.

At 9:05 a.m., the Committee resumed its meeting in Open Session and adopted a resolution certifying that its discussions in Executive Session had been conducted in accordance 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.

Approval of the Summary of Audit Findings

On motion, the Committee adopted the following resolution approving the Summary of Audit Findings for the period August 1, 2007, through December 31, 2007. The resolution was recommended to the full Board for approval.

APPROVAL OF THE SUMMARY OF AUDIT FINDINGS

RESOLVED that the Summary of Audit Findings for the period August 1, 2007, through December 31, 2007, 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 9:08 a.m.

AGG:jb

These minutes have been posted to the University of Virginia's Board of Visitors website.
<http://www.virginia.edu/bov/auditminutes.html>