TO: The Audit and Compliance Committee:

George Keith Martin, Chair
Frank B. Atkinson
A. Macdonald Caputo
The Hon. Alan A. Diamonstein
Victoria D. Harker
Randal J. Kirk
Edward D. Miller, M.D.
Helen E. Dragas, Ex Officio

and

The Remaining Members of the Board:

Hunter E. Craig          John L. Nau III
Allison Cryor DiNardo    Timothy B. Robertson
Marvin W. Gilliam Jr.    Linwood H. Rose
Bobbie G. Kilberg       Hillary A. Hurd
Stephen P. Long, M.D.   William H. Goodwin Jr.

FROM: Susan G. Harris

SUBJECT: Minutes of the Meeting of the Audit and Compliance Committee on September 14, 2012

The Audit and Compliance Committee of the Board of Visitors of the University of Virginia met, in Open Session, at 5:20 p.m., on Friday, September 14, 2012, in the Small Auditorium of The Harrison Institute; George Keith Martin, Chair, presided.

Present were Frank B. Atkinson, A. Macdonald Caputo, Ms. Victoria D. Harker, and Ms. Helen E. Dragas, Rector.

Also present were Hunter E. Craig, Ms. Allison Cryor DiNardo, Marvin W. Gilliam Jr., Ms. Bobbie G. Kilberg, Stephen P. Long, M.D., Vincent J. Mastracco Jr., John L. Nau III, Timothy B. Robertson,

Present, too, were Ms. Teresa A. Sullivan, John D. Simon, Ms. Susan G. Harris, Paul J. Forch, Ms. Susan A. Carkeek, Ms. Colette Sheehy, and Ms. Debra D. Rinker.

The Chair introduced Ms. Barbara J. Deily, Chief Audit Executive. For the enlightenment of the new members, Mr. Martin provided some background information on Ms. Deily: she has been with the Audit Department for 30 years and in her current role for 21 years. Mr. Martin encouraged members to visit Carruthers Hall and meet the staff there. He introduced Ms. Lori J. Strauss, the Chief Corporate Compliance and Privacy Officer, to give her report.

Compliance Office Accomplishments, 2011-2012

Ms. Strauss gave an overview of the Corporate Compliance program. The program was established in 1997 by the Board of Visitors to ensure that the Medical Center operates in full compliance with applicable laws primarily related to Medicare and Medicaid hospital billing. The Compliance Office also oversees compliance with federal patient privacy rules.

The Corporate Compliance and Privacy Office has completed 100% of the scheduled projects for the year.

Audit Department Accomplishments, 2011-2012

The Audit Department set a goal to complete at least 90% of their audits and proudly reported they had achieved 100% completion. They also assisted with some major institutional issues such as Agency Risk Management and Internal Control Standards, as well as other activities such as participating in the Policy Review Committee.

Ms. Deily said the President’s travel and entertainment expenses, which are reviewed every year at the request of the President, were found to be reasonable and were transacted in accordance with applicable policies.

A written report on the current status of risk management efforts was included in the Audit and Compliance Committee book.

Executive Session

The committee adopted the following motion and went into Executive Session at 5:30 p.m.:

That the Audit and Compliance Committee of the Board of Visitors convene in Executive Session to discuss audits of University operations as they concern the performance of specific University managers and personnel who are responsible for information security, financial processes such as reconciliations and procurement, and compliance functions, as permitted by Section 2.2-3711(A) (1) of the Code of Virginia.
The committee resumed its meeting in Open Session at 5:45 p.m. and adopted the following resolution certifying that its discussions in Executive Session had been held 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.

Open Session

The Chair asked for a motion to approve the Summary of Audit Findings discussed in Executive Session. The following resolution was adopted and recommended to the full Board for approval:

APPROVAL OF THE SUMMARY OF AUDIT AND COMPLIANCE FINDINGS

RESOLVED, the Summary of Audit Findings for the period May 1, 2012 through August 15, 2012, as presented by the Chief Audit Executive, and Compliance Projects for the period of January 1, 2012 through June 30, 2012, as presented by the Corporate Compliance Officer, is approved as recommended by the Audit and Compliance Committee.

Mr. Martin concluded the meeting by thanking Ms. Deily, Ms. Strauss, and their staff for their work.

On further motion, the committee adjourned at 5:50 p.m.

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