

May 15, 1999

MEMORANDUM

TO: The Audit Committee:

Elizabeth A. Twohy, Chair
Timothy B. Robertson
Benjamin P.A. Warthen
James C. Wheat, III
John P. Ackerly, III, Ex Officio

and

The Remaining Members of the Board:

Charles M. Caravati, Jr., M.D.	Terence P. Ross
Champ Clark	Robert G. Schoenvogel
William G. Crutchfield, Jr.	Albert H. Small
William H. Goodwin, Jr.	Henry L. Valentine, II
T. Keister Greer	Walter F. Walker
Elsie Goodwyn Holland	Joseph E. Wolfe

FROM: Alexander G. Gilliam, Jr.

SUBJECT: Minutes of the Meeting of the Audit Committee

The Audit Committee of the Board of Visitors of the University of Virginia met, in Open Session, at 11:20 a.m., Saturday, May 15, 1999, in the East Oval Room of the Rotunda; Ms. Elizabeth A. Twohy, Chair, presided. Timothy B. Robertson, Benjamin P.A. Warthen, James C. Wheat, III, and John P. Ackerly, III, Rector, were present. Charles M. Caravati, Jr., M.D., Champ Clark, William G. Crutchfield, Jr., William H. Goodwin, Jr., T. Keister Greer, Mrs. Elsie Goodwyn Holland, Terence P. Ross, Albert H. Small, Henry L. Valentine, II, Walter F. Walker, Joseph E. Wolfe, and Robert G. Schoenvogel were present; as were John T. Casteen, III, Leonard W. Sandridge, Jr., Alexander G. Gilliam, Jr., Paul J. Forch, Ms. Barbara Deily, Robert W. Cantrell, M.D., Peter W. Low, Ms. Colette Sheehy Capone, Robert D. Sweeney, William W. Harmon, Gene D. Block, and Ms. Jeanne Flipppo Bailes.

Recalling the discussion at the March meeting of the Committee (see Minutes of the meeting of the Audit Committee, March 26, 1999), the Chair outlined changes proposed for the Audit Charter, changes which reflect concerns raised by Members of the Board. She reminded the Committee that a report in 1997 had recommended that the Charter be revised to reflect current practices and procedures.

In studying the concerns raised by Members in March, the Chair said the author of the 1997 report had been consulted and audit charters at other schools examined.

There was discussion over the wording of the first line of "Organizational Responsibilities" on page 2 of the Charter, and the phrase "The Director of Audits shall be ultimately responsible to the Board of Visitors" was changed to read "The Director of Audits shall be responsible to the Board of Visitors." There were no other changes to the proposed draft.

On motion, a resolution approving the proposed changes to the Audit Charter was adopted and recommended to the full Board for approval. (See Minutes of the meeting of the Board of Visitors, May 15, 1999. Those Minutes also contain the full text of the revised Charter as approved by the Board.)

The Chair then asked Ms. Deilly, Director of Audits, to present the Audit Schedule for 1999-2000. Several Members suggested that in the scheduled audit of the Alderman Library, an inventory be made of materials in Special Collections and that procedures for the security of these materials be examined.

On motion, the Committee adopted a resolution approving the Audit Schedule for 1999-2000 and recommended it to the full Board for approval. (See Minutes of the meeting of the Board of Visitors, May 15, 1999.)

The Committee approved the following motion to go into Executive Session:

That the Audit Committee of the Board of Visitors of the University of Virginia go into Executive Session for the purpose of discussing and considering reports and recommendations of the University Auditor related to the recently completed fiscal audits and performance evaluations of certain University departments, programs, and personnel, as

provided for in Section 2.1-344 (A)(1) of the Code of Virginia.

The Committee went into Executive Session at 11:35 a.m., resumed in Open Session at 11:45 a.m., and, on motion, adjourned.

AGG:jfb

Copies to: Mr. John T. Casteen, III
Mr. Paul J. Forch
Mr. Gene D. Block
Dr. Robert W. Cantrell
Mr. Peter W. Low
Mr. Leonard W. Sandridge
Mr. Robert D. Sweeney
Mr. Ernest H. Ern
Mr. William W. Harmon
Ms. Colette Capone
Ms. Polley Ann McClure
Mr. Terry Holland
Mr. L. Jay Lemons
Ms. Barbara Deily
Ms. Louise Dudley

At a meeting of the Audit Committee of the Board of Visitors of the University of Virginia held on May 15, 1999, a roll call vote was taken immediately following an executive session. Members voting "yes" certify that to the best of the Member's knowledge (1) only public business matters lawfully exempted were discussed in closed session; and (2) only public business matters identified in the public motion by which the executive or closed meeting were discussed. In accordance with the law, any member of the public body who believes that there was a departure from the foregoing shall so state prior to the vote indicating "the substance of the departure". Any such statements are recorded below under "comments".

<u>NAME</u>	<u>VOTE</u>	<u>COMMENTS</u>
	<u>yes or no</u>	
<u>John P. Ackerly, III</u>	<u>yes</u>	
<u>Charles M. Caravati, Jr.</u>	<u>yes</u>	
<u>Champ Clark</u>	<u>yes</u>	
<u>William G. Crutchfield, Jr.</u>	<u>yes</u>	
<u>William H. Goodwin, Jr.</u>	<u>yes</u>	
<u>T. Keister Greer</u>	<u>yes</u>	
<u>Mrs. Elsie Goodwyn Holland</u>	<u>yes</u>	
<u>Timothy B. Robertson</u>	<u>yes</u>	
<u>Terence P. Ross</u>	<u>yes</u>	
<u>Albert H. Small</u>	<u>yes</u>	
<u>Elizabeth A. Twohy</u>	<u>yes</u>	
<u>Henry L. Valentine, II</u>	<u>yes</u>	
<u>Walter F. Walker</u>	<u>yes</u>	
<u>Benjamin P.A. Warthen</u>	<u>yes</u>	
<u>James C. Wheat, III</u>	<u>yes</u>	
<u>Joseph E. Wolfe</u>	<u>yes</u>	
<u>Robert G. Schoenvogel</u>	<u>yes</u>	

ADDENDUM TO THE OFFICIAL MINUTES OF THE MEETING
OF THE BOARD OF VISITORS OF THE UNIVERSITY OF
VIRGINIA

Meeting Date: May 15, 1999

CERTIFICATION OF EXECUTIVE MEETING

WHEREAS the Audit Committee of the Board of Visitors of the University of Virginia has convened an executive meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS Section 2.1-344.1 of the Code of Virginia requires a certification by this Audit Committee that such executive meeting was conducted in conformity with Virginia law;

NOW THEREFORE BE IT RESOLVED that the Audit Committee hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the executive meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the executive meeting were heard, discussed or considered by the Audit Committee.

VOTE

AYES: 17

NAYS: 0

[For each nay vote, the substance of the departure from the requirements of the Act should be described].

ABSENT DURING VOTE: 0

ABSENT DURING MEETING: 0

Alexander G. Gilliam, Jr.
Secretary, Board of Visitors,
University of Virginia