INFORMATION ITEM: Trustee Audit Review

INFORMATION:

At the November 2, 2006 meeting, the Board approved an Audit Committee Charter which expanded the duties and responsibilities of the Audit Committee and refined the purpose, organization, and meetings. The Audit Committee now meets 4 times a year to carry out its oversight responsibilities, which primarily include the following:

1. Meet with University officials and/or auditors to review the results of audits, management letter comments, and other matters of interest to the committee, and to review any related corrective action plans and/or resolution reports; and
2. Review and approve a summary of the annual internal audit plan and the results of any internal audits performed; and
3. Prepare and forward to the Board of Governors an annual summary of work performed by the Audit Committee.

One of the principal duties and responsibilities of the Audit Committee is to assure that the University has a plan for performing self-assessments of operating risks and evaluations of internal controls on a regular basis. Included in the annual audit plan of the Office of the Internal Auditor is the completion of the Self Assessment of Internal Controls Questionnaire. The questionnaire and informal discussions with the Chancellor and Vice Chancellor for Business Affairs provide input for preparing an annual internal audit plan. While each department is expected to examine its risks and develop a plan for addressing those risks, there have been limited attempts for an Enterprise-wide Risk Management review. The University has issued a Request for Information (RFI) for Enterprise Risk Management (ERM) as the first step in moving to a formal Enterprise Risk Management. After receipt and review of responses to the RFI, the University plans to issue a Request for Proposals (RFP) for the implementation of a formal ERM this spring. The Office of the Internal Auditor will incorporate ERM as a formal risk assessment tool in guiding the development of an internal audit plan.

Attached is a summary of internal audits for discussion by the Committee.

Donald C. Skeen
Director of Internal Audit

Attachment