

**BOARD OF REGENTS, STATE OF IOWA**

Iowa State University  
Ames, Iowa

**Audit and Compliance Committee**

Memorial Union  
Sun Room

March 14, 2005 – 2:25 p.m. – 2:30 p.m.

**Committee members:** Owen Newlin (Chair), Mary Ellen Becker, Robert Downer, Rose Vasquez, President Pro Tem Robert Downer (ex officio)

**Call to Order**

Regent Newlin called the meeting to order at 2:25 p.m.

**AUD 1. Minutes from Committee Meeting**

<b>MOTION</b>	Regent Vasquez moved to approve the minutes of November 3, 2004 and February 2, 2005 minutes. Regent Downer seconded.
	<b>MOTION CARRIED UNANIMOUSLY.</b>

**AUD 2. Temporary Waiver of Timing for External Auditor Selection**

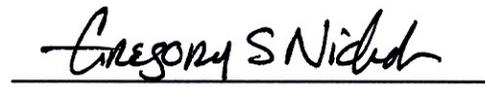
Regent Vasquez has questions on some of the language involved. Ms. Elliott Cain, Chief Business Officer, summarized that all three universities are at the end of the five year period for auditors. By Board policy, the universities need to go out with an RFP to get audit services. Because of Board discussion at its February meeting, to consolidate the RFP process for audit services, it would not be efficient to bid audit services for one year. Audit firms may also not provide proposals for a one year contract. It was felt this would be the most efficient, effective way to get the audit services done for one year and then go forward with a consolidated audit approach.

Executive Director Nichols said that if they were able to go to an RFP process, because the legislature would allow the Board to go beyond the state auditor for services in the future, that would be a different kind of bid that would be put out and/or if the Committee wanted an enterprise-wide bid, that would be a different scope of work than each institution having a separate bid. There are at least two variables that haven't been decided yet. In the near future they will be decided, but not quickly enough to start a new bidding process immediately. He said in summary that this was a temporary solution to allow the Committee to move forward until a decision could be made on the other two issues.

<b>MOTION</b>	Regent Downer moved to adopt the recommendation that the Board authorize a temporary waiver of the policy requirement that mandates the universities use a solicitation process at least every five years. This temporary waiver would allow the universities to extent current audit services contracts with external auditors for one year until audit matters are resolved. Regent Vasquez seconded.  <b>MOTION CARRIED UNANIMOUSLY.</b>
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Regent Newlin adjourned the meeting at 2:30 p.m.

  
Pamela Elliott Cain  
Chief Business Officer

  
Gregory S. Nichols  
Executive Director

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