

**COMMITTEE MEMORANDUM**

**TO:** Audit and Compliance Committee Members  
Board of Regents, State of Iowa

**FROM:** Jean Friedrich

**DATE:** April 20, 2005 *ASN*

**SUBJ:** Audit Planning with State Auditor

**Recommended Action:**

Discuss audit planning with State Auditor Vaudt.

**Executive Summary:**

State Auditor David A. Vaudt will discuss audit plans for the Regent institutions for the coming fiscal year and the anticipated interactions between the Auditor of State and the Regent Audit and Compliance Committee.

**Background:**

The Audit and Compliance Committee was established in May 2004 to deal with a variety of Regent oversight issues. Part of the Committee's responsibilities included:

- Receiving and reviewing information about audit functions related to the operation of all Regent institutions
- Facilitating an open avenue of communication among the independent auditors, financial and senior management, internal auditors, the Committee, and the Board of Regents

At its November Committee meeting, State Auditor Vaudt offered to:

- Discuss with the Committee the planned audit approaches for the Regent institutions and the Board Office;
- Talk about the scope of audit procedures; and
- Obtain the Committee's input to make sure the members feel comfortable with the Auditor's plan.

State Audit  
Planning

At the May Committee meeting, State Auditor Vaudt plans to identify, in advance of fiscal year-end (June 30, 2005):

- New professional standards, if any, that will impact the current year's audits
- Anticipated scope of the audits
- Planned audit approaches
- Anticipated timing of the audits and deliverables
- Anticipated Auditor of State staffing of audits
- Anticipated hours and fees

Audit Summary      At the completion of the institutional and Board Office audits, the Auditor of State plans to discuss the following with the Audit and Compliance Committee:

- Significant changes in the planned audit scopes and approaches, if any
- Significant internal control reportable conditions or material weaknesses, if any
- Significant audit adjustments made and significant passed adjustments, if any
- Significant noncompliance with laws, regulations, contracts, and grants, if any
- Independent auditor's reports issued
- Actual hours and fees

---

jaf\H:\BF\2005\05maydoc\0505\_AUD02.doc