

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Report of the Audit and Compliance Committee
Date: May 10, 2004

Recommended Action:

Receive the report and consider recommendations of the Audit and Compliance Committee.

Executive Summary:

Committee Responsibilities and Work Plan At its first meeting on May 18, 2004, the Board of Regents' Audit and Compliance Committee is expected to review its responsibilities, drafted for Board action (AUD 1). The Committee's responsibilities include providing oversight and advice on audit and compliance activities involving the Regent institutions or Regent enterprise.

It is anticipated that the Audit and Compliance Committee also will discuss and take action on its draft work plan (AUD 2).

AUD 3 Sarbanes-Oxley Related Policies The Audit and Compliance Committee is expected to consider proposed new policies that strengthen governance and accountability, improve disclosure, increase oversight, heighten auditor independence, and clearly define an auditor's ultimate reporting responsibilities.


The proposed policies for the Regent Policy Manual are for the Committee's discussion and consideration. Final action is expected to be in June.

AUD 4 UIHC External Audit The Audit and Compliance Committee is expected to receive the external audit of the University of Iowa Hospitals and Clinics. For reporting purposes, the UIHC includes the following health care units of the University of Iowa: University Hospital; Psychiatric Hospital; and the Center for Disabilities and Development (formerly the Hospital School).

The audit indicated that the financial statements present fairly, in all material respects, the financial position of UIHC as of June 30, 2003 and 2002 and the changes in its net assets and its cash flows for the years then ended. No significant audit adjustments or findings were reported.

AUD 5 Internal Audit Reports The Audit and Compliance Committee is expected to receive the internal audit reports.

Seven new and seven follow-up reports are presented this month. The Status of Internal Audit Follow-Up Table identifies 21 internal audit reports, 14 of which require follow-up.


 Andrea L. Anania

Approved: 
 Gregory S. Nichols