

MINUTES OF THE MEETING OF THE AUDIT COMMITTEE OF THE  
UNIVERSITY OF LOUISVILLE BOARD OF TRUSTEES

In Open Session

Members of the University of Louisville Audit Committee met at 12:30 p.m., on February 4, 2010, in the Jefferson Room, Grawemeyer Hall, Belknap Campus, with members present and absent as follows:

Present: Mr. Steve Poe, Chair  
Mr. Brent Fryrear  
Dr. Salem George  
Judge Rebecca Jackson  
Mr. J. Chester Porter

Absent: Ms. Brucie Moore  
Ms. Debbie Scoppechio

Other Trustees

Present:  
Ms. Marie Abrams  
Dr. Robert Curtis Hughes  
Dr. Mark Lynn  
Dr. William Selvidge  
Ms. Phoebe Wood

From the  
University: Dr. James R. Ramsey, President  
Dr. Larry Cook, Executive Vice President for Health Affairs  
Dr. William Pierce, Interim Executive Vice President for Research  
Ms. Angela D. Koshewa, University Counsel  
Mr. Mike Curtin, Vice President for Finance  
Ms. Cheri Jones, Associate Director for Audit Services  
Ms. Susan Howarth, Director of Budgets  
Mr. Jason Tomlinson, Assistant VP for Finance  
Mr. Mark Hebert, Director, Media Relations  
Ms. Anne Rademaker, Manager of Accounts  
Ms. Debbie Dougherty, Board Liaison

I. Call to Order

Having determined a quorum present, Chair Poe called the meeting to order at 12:30 p.m.

Approval of Minutes, November 12, 2009

Judge Jackson made a motion, which Mr. Fryrear seconded to approve the minutes of November 12, 2009. The motion passed.

II. Action Item: Approval of Personal Services Contract with BKD, LLP, for Auditing and Consulting Services

Vice President Curtin explained the University completed a Request for Proposal (RFP) process for the audit and consulting services. The RFP committee consisted of representatives from the Controller's Office, Athletics, Vice President for Research, School of Accountancy, and the Health Science units. The committee received six proposals for the audit contract and seven proposals for the consulting work. BKD, LLP scored the highest for both contracts, meeting the criteria including cost, quality of proposal, qualifications of personnel, higher education experience and references. Judge Jackson made a motion, which Dr. George seconded, to approve the

**President's recommendation to approve a Personal Services Contract with BKD, LLP for the purpose of providing auditing and consulting services to the University of Louisville and its affiliated and related corporations for the fiscal year ended June 30, 2010, with the option for four renewals.**

The motion passed.

III. Action Item: Approval of Personal Services Contract with Crowe Horwath, LLP

Vice President Curtin reported the University completed a Request for Proposal (RFP) process related to the audit consulting services. The RFP committee consisted of representatives from the Controller's Office, Athletics, Vice President for Research, School of Accountancy, and the Health Science units. The committee received seven proposals for the consulting work. Crowe Horwath, LLP scored the second highest for the consulting contract. The University awards a separate consulting contract as certain consulting projects may not be completed by the external auditors due to independence issues. Judge Jackson made a motion, which Dr. George seconded, to approve the

**President's recommendation to approve a Personal Services Contract with Crowe Horwath, LLP for the purpose of providing consulting services to the University of Louisville and its affiliated and related corporations for the fiscal year ended June 30, 2010, with the option for four renewals.**

The motion passed.

IV. Report from the Director of Audit Services

Due to a prior commitment, Mr. Barker could not attend the meeting. Ms. Jones summarized Audit Services' activities for the period of November 2009 through January 2010. She reported the Department of Audit Services has received excellent cooperation and support from all levels of management. Audit Services performs a semi-annual (December and June) follow up on each recommendation to determine if action plans have been implemented. Chair Poe thanked Ms. Jones for her report and noted no action was required.

V. Other Business

At the request of Chair Poe, Ms. Jones described the process for handling anonymous complaints expressed through the University Helpline. Compliance issues are directed to the responsible university compliance official for review, investigation and resolution if necessary. The results of the investigation are then returned to Institutional Compliance and posted to the Helpline. This provides a mechanism for the anonymous individual to review the status/resolution of the investigation. Ms. Jones discussed recent anonymous complaints received about the Planetarium. Audit Services conducted confidential investigations. At no time did the investigations validate the anonymous statements. Ms. Jones noted the probability the anonymous letters were generated by terminated employee(s) who unfortunately was part of cost reduction strategies. Chair Poe thanked Ms. Jones for the update.

VI. Adjournment

Judge Jackson made a motion, which Mr. Fryrear seconded, to adjourn the meeting at 12:50 p.m. The motion passed.

**Committee Action:**

Passed  \_\_\_\_\_

Did not pass  \_\_\_\_\_

Other  \_\_\_\_\_

Asst. Secretary. *Katalin M. Smith*

**RECOMMENDATION TO THE AUDIT COMMITTEE OF THE  
BOARD OF TRUSTEES CONCERNING  
THE AUDIT AND CONSULTING PERSONAL  
SERVICES CONTRACT**

**Audit Committee – February 4, 2010  
Board of Trustees – February 4, 2010**

**Recommendation:**

The President recommends approving a Personal Services Contract with BKD, LLP for the purpose of providing auditing and consulting services to the University of Louisville and its affiliated and related corporations for the fiscal year ended June 30, 2010, with the option for four renewals.

COMMITTEE ACTION:

Passed \_\_\_\_\_X\_\_\_\_\_

Did not pass \_\_\_\_\_

Other \_\_\_\_\_

Asst. Secretary \_\_\_\_\_ *Kathleen M. Smith*

**RECOMMENDATION TO THE AUDIT COMMITTEE OF THE  
BOARD OF TRUSTEES CONCERNING  
CONSULTING PERSONAL SERVICES CONTRACT**

**Audit Committee - February 4, 2010  
Board of Trustees – February 4, 2010**

**Recommendation:**

The President recommends approving a Personal Services Contract with Crowe Horwath, LLP for the purpose of providing consulting services to the University of Louisville and its affiliated and related corporations for the fiscal year ended June 30, 2010, with the option for four renewals.

COMMITTEE ACTION:

Passed           X          

Did not pass                     

Other                     

Asst. Secretary           

*Kathleen M. Smith*