	_	213				
Subject: Audit and Finance Committee						
Date Adop	ted: _	05/09	Rev	ised:	02/10, 08/11,12/11,09/12, 05/14	

- 1. <u>Creation of Audit and Finance Committee.</u> There is hereby created a committee of the University of Central Arkansas Board of Trustees ("board") to be known as the Audit and FinanceCommittee ("committee").
- 2. <u>Members of the Audit and Finance Committee</u>. The Audit and Finance Committee shall be composed of three members of the bold members of the committee shall be elected and shall serve terms as follows:
 - (a) For calendar year 2012, two members of the Board of Trustees shall be elected by the board and shall serve a term of -gear. The third member of the member of the shall serve a two ear term and shall be that person appointed by the governor of the State of Arkansas to a full seven

- regarding the accountants' independence as required by generallyted government auditing standards and discuss with the accountants all significant relationships to determine the accountants' independence;
- f. inquire of management, the director of internal audit, and the independent accountants about significant risks or exposures and assess the steps menagemataken to minimize such risk to the University of Central Arkansas;
- g. consider, in consultation with the independent accountants and the director of internal audit, and approve the audit scope and plan of the internal auditors and the independent accountants;
- h. review with the director of internal audit and the independent accountants the coordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of audit resources;
- consider and review whith the independent accountants and the director of internal audit the adequacy of internal controls including computerized information system controls and security;
- j. review with management, the internal auditors, and if necessary, any independent accountants, any of the following matters following an examination:
 - i. the financial statements and related footnotes and consider whether they are consistent with information known to committee members:
 - ii. the independent accountants' audit of the financial stattsnamed their report thereon;
 - iii. significant accounting and reporting issues, recent pronouncements, and complex or unusual transactions during the audit period under review;
 - iv. significant findings and management responses thereto;
 - v. any significant changes required in the internal auditors' or independent accountants' audit plan;
 - vi. any serious difficulties or disputes with management encountered during the course of the audit; and/or
 - vii. such other matters related to the conduct of the audit, which are to be communicated to the Audit and Financemmittee under generally accepted auditing standards.
- k. review with the vice president of finance and administration the planning, design and implementation of the financial and business service operations of thesitogiver

including the preparation of operating budgets, the monitoring of revenues and expenditures, the analysis of the university's debt service and capacity, both educational and general as well as auxiliary, and such other financial matters as the terminally, from time-to-time, direct.

8. Review with Director of Internal Audit. -