1. Approval of April 7, 2011 minutes
   **ACTION ITEM**

2. Update Fiscal Year 2011 Year End Audit with Deloitte & Touche

3. Discuss Observation from the IT Review conducted by LaPorte Sehrt Romig Hand

4. Audit Update Fiscal Year 2011 – 2012, including the discussion of significant Audit or Accounting issues, if any

5. Audit Plan Fiscal Year 2011 - 2012

6. Hours spent on projects from April 13 through July 31, 2011

7. Other Business

8. Executive Session with the Internal Auditor
MINUTES OF THE AUDIT COMMITTEE
OF THE BOARD OF TRUSTEES
April 7, 2011

PRESENT:    Barry D. LeBlanc, Chair
            John J. Finan, Jr., Vice Chair, via teleconference
            Lawrence W. Moore, S.J.
            Robert A. “Bobby” Savoie, via teleconference
            N. John Simmons, Jr., via teleconference
            Suzanne Mestayer, Chair (ex officio)

ABSENT:     Kevin Wm. Wildes, S.J.
            James A. “Jim” Caillier
            Shawn M. Donnelley

INVITED:    Lynn Hoffman, Internal Auditor, Executive Secretary (ex officio)
            Jay Calamia
            Leon Mathes
            Gita Bolt
            Anne Favrot, Recording Secretary

The meeting was called to order at 9:07 a.m.

ACTION ITEM # 1: Approval of the February 10, 2011 Minutes.
Mr. LeBlanc asked the trustees for their additions or amendments to the draft minutes.
Two revisions were discussed and accepted. A motion was made to approve the minutes of February 10, 2011 as amended. The motion was seconded and approved, as amended.

ACTION ITEM #2: Annual Approval of Internal Audit Charter.
Mr. LeBlanc noted the Internal Audit Charter was being presented with no changes.
Mr. LeBlanc made a Motion to approve the Internal Audit Charter, moved by Fr. Moore, and seconded by Ms. Mestayer. The Motion to approve Loyola’s Internal Audit Charter passed unanimously.

AGENDA ITEM #3: Audit Update Fiscal Year 2010-2011, including the discussion of significant Audit or Accounting issues, if any.
Ms. Hoffman reported to the committee on the status of the Internal Audit for Fiscal Year 2010-2011. Completed audits included University Financial Statements, A-133 Filing, EZ Audit, 990 and 990T, and the Gillis Long Poverty Law Center. No issues were found in the completed audits. Ongoing audits included Risk Assessment, Residency Hall Occupancy, and ID Card Operations. Trustees asked for an accounting of internal audit hours per project. Internal audit projects which arose during the year included testing for the LPFA 2010 Bond Disbursement, initially requested by a trustee in Loyola’s Finance Committee meeting. In addition, audits of a Recreational Complex issue (missing cash from a safe), and the Office of Mission & Ministry (credit card purchase) were required. Travel expenses will be audited in May & June; to include an examination of issues surrounding credit card purchases, and the need to comply with state sales tax requirements. An audit of Major Gifts will be rolled into July. Trustees suggested that
having the internal audit confirm that correct procedures were in place related to Major Gifts in advance of the upcoming capital campaign was important. Ms. Hoffman will send out the new scores for her Risk Assessment in May. The trustees directed the internal auditor to place the audit of Major Gifts at the top of her priority list so the area would be well organized in anticipation of the fall kick-off of the Capital Campaign.

**AGENDA ITEM #4: Audit Plan Fiscal Year 2011-2012.**
When trustees receive the new risk assessment scores the committee and Ms. Hoffman will identify where and if any priorities should be changed. Currently, Ms. Hoffman noted that her additional risk assessment training advocates auditing the credit cards of the top people at an institution annually. She has developed a list of the top 20 people at Loyola to include in this process. Furthermore, Ms. Hoffman’s training in an Entity Risk Management course suggested that the university would benefit from an entity wide audit, rather than audits of individual departments. An Internal Audit Projects Plan 2011-2012 was given to the committee. Members of the committee and the auditor agreed that Major Gifts should be moved first place on the list.

**AGENDA ITEM #5: Other Business.**
Ms. Hoffman updated the committee that a status report on the findings and recommendations of the external IT auditors would be mailed to the trustees. Trustees requested that Bret Jacobs, Loyola’s Vice Provost for IT and CIO, response to the results be included. Ms. Hoffman announced there will be a reduction in Loyola’s audit fee.

**AGENDA ITEM #6: Executive Session with the Internal Auditor.**
There being no other business to discuss the committee moved into executive session at 9:30 a.m.