

Board Meeting
November 18, 2010

AUDIT FUNCTION CHARTER FOR BOARD OF TRUSTEES AUDIT, BUDGET,
FINANCE, AND FACILITIES COMMITTEE

Action: Approve Audit Function Charter for Board of Trustees Audit, Budget, Finance, and Facilities Committee

Funding: No New Funding Required

In January 2006, the Board of Trustees approved an Audit Function Charter which defined the then-named Budget and Audit Committee's oversight of the University's financial operations and compliance with State and federal laws and regulations. The Board of Trustees had requested such a charter delineating appropriate responsibilities related to the Sarbanes-Oxley Act of 2002 (SOX). Although governmental entities are not required to comply with all sections of SOX, certain elements provide a best practices standard for the University.

This Board action revises the Audit Function Charter that was approved by the Board of Trustees in January 2006, to reflect the current structure and practices of the Audit, Budget, Finance, and Facilities Committee. This Committee was consulted regarding the drafting of this revised Charter.

The Board action recommended in this item complies in all material respects with applicable State and Federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The Executive Director of University Audits now recommends approval of the Audit Function Charter for the Board of Trustees Audit, Budget, Finance, and Facilities Committee.

The President of the University concurs.