



University of Colorado

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BOARD OF REGENTS

2. REGENTS OF THE UNIVERSITY

Policy 2.C: Regent Committees

2.C.5 Audit Committee

The Audit Committee of the Regents of the University of Colorado shall be a standing committee. The committee's primary purpose is assisting the Board of Regents in fulfilling its oversight responsibilities for (1) the integrity of the university's financial statements, (2) the adequacy of the university's internal control structure, (3) identifying significant risks or exposures facing the university and (4) the qualifications, independence, and performance of the university's internal and external auditors.

The Audit Committee has authority to investigate or conduct reviews of any matters within its scope of responsibility. It is specifically empowered to:

- (A) Oversee the work of the public accounting firm contracted by the Colorado Office of the State Auditor to conduct the university's annual financial and compliance audit. In addition to reporting directly to the Colorado Office of the State Auditor, this firm will report directly to the Regent Audit Committee.
- (B) In consultation with the president, resolve any disagreements between management and the auditor regarding financial reporting.
- (C) Retain accountants, other professionals and, with the approval of the attorney general, independent counsel, to advise the Regent Audit Committee or assist in the conduct of an investigation.
- (D) Seek any information it requires from external parties or from employees, all of whom are directed to cooperate with the Regent Audit Committee's requests.
- (E) In consultation with the Board of Regents, direct the university's associate vice president of Internal Audit to conduct any audit or investigation it deems appropriate.

The committee shall have the following duties and responsibilities.

- (A) Using implementing guidance provided by the American Institute of Certified Public Accountants and The Institute of Internal Auditors, the Regent Audit Committee will carry out the following responsibilities:
 - (1) Financial Statements

- (a) Inquire of the president and the chief financial officer regarding the fiscal health of the university, as well as the completeness and accuracy of financial reporting.
- (b) Review significant accounting and reporting issues and understand their impact on the financial statements.
- (c) Review legal and regulatory matters and matters of compliance that may have a material impact on the financial statements with federal, state, and local laws and regulations.
- (d) Review with management and the independent auditors the university's annual financial report, related audit reports, and other audit-related matters.
- (2) Internal Control and Compliance
- (a) Inquire of management, the associate vice president of Internal Audit, and the independent auditor about significant risks or exposures facing the university and advise the Board of Regents of such risks or exposures.
- (b) Review with management the university's internal controls, including those related to risk assessment, risk management, compliance, and financial reporting.
- (3) Internal Audit
- (a) Review and notify the Board of Regents of the plans, activities, results, staffing, and organizational structure of the Internal Audit function, and evaluate its effectiveness.
- (b) Ensure there are no unjustified restrictions or limitations on the Internal Audit function, and review and make recommendations to the Board of Regents on the appointment, replacement, reassignment, or dismissal of the university's associate vice president of Internal Audit and the approval of the Internal Audit charter.
- (1) External Audit
- (a) Review and notify the Board of Regents of the external auditor's proposed audit scope, approach, and findings.
- (b) Review the qualifications, independence, and performance of the external auditors, and provide feedback to the Colorado Office of the State Auditor on their performance, including recommendations on the hiring or termination of the external auditors.

History:

- Adopted as Regent Committee Roles and Authority, September 18, 1980.

- Adopted as Regent Policy 2-C Regent Committees, October 30, 2003.
- Revised: June 1, 2006; December 5, 2006; January 16, 2007; November 19, 2010; January 9, 2011; September 12, 2011; June 20, 2012; February 20, 2015; September 7, 2017; September 8, 2023 (updates were made to section 2.C.1).
- Last Reviewed: September 8, 2023.

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