

BOARD POLICY

100.4

RULES AND REGULATIONS OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF  
ARKANSAS FOR THE GOVERNOR BDCV103(O)-6(F)157SD



3.1 Chairman

The Chairman shall report and be responsible to the Board. The duties and



3. Recommend to the Board of Trustees the independent accountants to be nominated, approve the compensation of the independent accountants, and review and approve the discharge of the independent accountants. Independent accountants are ultimately accountable to the Board of Trustees and to the Committee.
4. Review and concur in the appointment, replacement, reassignment, or dismissal of the chief audit executive.
5. Confirm and take or recommend any appropriate actions to assure the independence of the chief audit executive and the independent

as required by generally accepted government auditing standards and

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(d) Significant findings and management responses thereto.







Board members may submit agenda items to the Chairman prior to a scheduled meeting.

- (4) A quorum for all meetings shall consist of six members.
- (5) Meetings of the Board and its committees are subject to the Arkansas Freedom of Information Act, requiring open meetings except for executive sessions "for the purpose of discussing or considering employment, appointment, promotion, demotion, disciplining, or resignation of any public officer or employee."
- (6) Meetings of committees of the Board shall normally be held in advance of scheduled meetings of the full Board.
- (7) Agenda for meetings of committees of the Board normally shall be circulated to all members of the Board one week in advance of committee meetings. In order to provide members with sufficient time to review agenda items for all regular or special meetings, all documents and background information to be considered, including supplemental information, shall be provided to the Trustees at least 48 hours in advance of the actual meeting.

### CHAPTER III

As chief executive, the President shall be the official administrative spokesperson for the University of Arkansas and the officer responsible for liaison with the General Assembly, the Governor, state offices and governmental bodies, and the federal government. The President shall be responsible to the Board of Trustees for the prompt and effective enforcement of all laws relating to the University and of all resolutions, policies and procedures, budgets, and rules and regulations adopted by the Board for the operation of the University and all of its campuses, divisions and units of administration. It shall be the President's duty to bring to the attention of the Board all matters which, in his or her opinion, affect the University and require consideration by the Board. There shall be appropriate materials provided to the Board members and sufficient time for thoughtful discussion before decisions are required. The President shall make recommendations to the Board for securing the necessary personnel and the fiscal resources required for the operation of the University and shall make recommendations with respect to the adoption, modification or rescission of policies, budgets, and regulations applicable to the University and all of its campuses, divisions, and units of administration.

The President shall prepare and submit to the Board of Trustees an annual report to correspond with the fiscal year of the University and, in addition, any other reports he or she may deem wise or as the Board may require.

The President shall coordinate the activities of the University and all of its constituent campuses and units in accordance with the principles prescribed by the Board of Trustees. The President shall adjudicate all issues of jurisdiction and all issues in dispute between or among the constituent campuses and administrative units of the University. The President shall be a member of all faculties on all campuses of the University and shall have the responsibilities of facilitating the promotion of goals, programs, and needs of each campus after consultation with the Chancellor. The President shall establish administrative organizations to assist in the execution of the policies of the University of Arkansas. The President shall be assisted by Vice Presidents and other staff officers and by Chancellors of the several campuses of the University. The President shall prescribe the duties and assignments of the Vice Presidents and other staff officers. Furthermore, the President shall, in consultation with the Chancellors, establish and define the duties of universitywide councils, committees, or other bodies organized to advise and assist him or her. All official communications from faculty, staff, and students on a particular campus or unit shall emanate through the appropriate Chancellor or Director to the President.

The President's duties and responsibilities as defined herein expressly exclude any duties on behalf of or in connection with The University of Arkansas Foundation, Inc. ("Foundation"). It is expressly contemplated by the Board that the President may, if he or she so desires, and with the advice and consent of the Board of Trustees, enter into a consulting contract or other arrangement with the Foundation in regard to fund raising and other activities for the Foundation. Such consulting agreement shall not include any of the duties defined above.

### 3. Internal Audit Department Charter

The Internal Audit Department is a vital part of the University of Arkansas System and functions in accordance with the policies established by the Board of Trustees. The chief audit executive reports to the Board of Trustees through the Chairman of the Audit and Fiscal Responsibility Committee. The chief audit executive is responsible for directing all internal audit activities and coordinating all external audit activities for each of the UA System campuses, division, and units.

#### 3.1 Purpose

The purpose of the Internal Audit Department is to strengthen the UA ability to create, protect, and sustain value by providing the board and management with independent, risk-based, and objective assurance, advice, insight, and foresight.

The Internal Audit Department enhances the UA

- 1) Successful achievement of its objectives.
- 2) Governance, risk management, and control processes.
- 3) Decision-making and oversight.
- 4) Reputation and credibility with its stakeholders.
- 5) Ability to serve the public interest.

The Internal Audit Department is most effective when:

- 1)

### 3.3 Authority

The Internal Audit Department is authorized to have full, free and unrestricted access to all University property, personnel and records (including medical).

### 3.4 Responsibility and Scope of Activities

The Internal Audit Department is responsible for providing the Board and the President with information about the adequacy and effectiveness of the internal administrative and accounting controls and the quality of operating performance when compared with established standards. The Internal Audit Department will carry out this responsibility by:

- (1) Developing annual audit risk assessments and risk based audit plans, and obtaining approval from the Audit and Fiscal Responsibility Committee of such audit plans. The nature of the assessments and audit plans are to determine that the

applicable laws and regulations, and University resources are acquired economically, used efficiently and adequately protected.

- (2) Including in the annual audit plan time to follow-up on significant findings from previous audits.
- (3) Investigating reported occurrences of fraud, embezzlement, theft, waste, etc., and recommending controls to prevent or detect such occurrences.
- (4) Conducting special audits at the request of management and with subsequent Board approval.
- (5) Preparing written audit reports on the results of all audit engagements, including any recommendations for improvement.
- (6) Providing consulting services upon request by the Audit and Fiscal Responsibility

conflicts of interest and/or impairments to independence and objectivity must be made to the Audit and Fiscal Responsibility Committee prior to commencing consulting engagements.

- (7) Reporting of Findings and Escalation of Certain Audit Issues

Normally audit management in the following order:

- a. Auditee and Direct Supervisor

- b. Director or Head of the Audited Function
- c. CFO
- d. Chancellor
- e. President
- f. Audit and Fiscal Responsibility Committee

and Fiscal  
Responsibility Committee Charter, Section 17, will be reported directly to the  
President and Audit and Fiscal Responsibility Committee Chair.

### 3.5 Independence and Objectivity

The chief audit executive reports to the Board of Trustees through the Chairman of the Audit and Fiscal Responsibility Committee. The chief audit executive is responsible for directing all internal audit activities and coordinating all external



Chancellor shall be expected to attend all meetings of the Board of Trustees when an agenda item for the campus is to be presented unless excused by the President.

Nothing in this policy shall be deemed to restrict the ability of the Chancellor to implement policies necessary to the operation of the campus that are consistent with Board and UA System policies and with executive authority vested in the Chancellor by the Board.

### 5.3 Organization and Operation

The following features shall be included in the campus governance structure:

- (1) Members of the administration, faculty, staff, and students under the administrative jurisdiction of each of the principal campuses shall have representation in the governance of that campus. The campus may have a single governance entity or multiple governance entities with defined scopes of responsibility and defined constituencies so long as administrators, faculty, staff, and students are represented.
- (2) Meeting notices and the tentative agenda shall be publicized at least five (5) days in advance of the meeting.
- (3) Meetings shall be open to all represented persons, although floor privileges may be limited.
- (4) Minutes of the meetings shall be made available to all members of the governance structure and the Chancellor promptly following the meeting. The minutes shall also be archived and made accessible to the public upon request.

### 5.4 Recommendations Not Adopted by the Chancellor

Recommendations adopted through the campus governance structure shall be transmitted to the Chancellor. If the Chancellor declines to act favorably upon such a recommendation within the time set out in the campus governance document or within two weeks of receiving it, the campus governance structure may request that the President consider the matter upon a three-fifths vote of the campus-wide governing body referenced in Section 5.1 or by a three-fifths vote of all governing entities representing students, faculty, and staff if no campus-wide body exists. If a resolution is not achieved within 30 days, the President may submit the recommendation to the Board of Trustees for consideration.

### 5.5 Implementation of Local Governance



instruments of governance pertaining to that campus. Subsequent amendments shall follow the same procedure. Any proposed new or revised campus governance structure shall take effect upon approval of the Board, which reserves the discretion to amend or remand any proposed campus governance structure for further consideration.

6. Universitywide Governance

No provision of these regulations shall be interpreted to prohibit establishment of a universitywide government to consider matters of universitywide impact and concern.