

M E M O

To: Faculty Senate

10/6/92

From: Robert Dietle, History Department

RE: Resolution on internal auditor

It seems that President Meredith continues to question the advisability of having periodic meetings between WKU's internal auditor and the Board of Regents without the presence of the President or any other members of the administration. President Meredith bases his opposition upon a survey published in the June 1991 issue of Ledger, a journal published by the Association of College and University Auditors. The survey appears on page 4 and shows "Reporting Relationships for Audit Directors at Higher Education Institutions". Its figures seem to suggest that very few universities (about 6%) have their internal auditor report to their Board of Regents.

This is, however, a misreading of the survey.

On October 5, I contacted Max Whistler at the University of Washington (206-543-4028). Dr. Whistler is the chairman of ACUA's Research Committee. It was his impression that the survey in question did not address the question of which schools arranged private sessions between the Board and the internal auditor. It only identified those schools where the internal auditor only reported to the Board of Regents. Since Dr. Whistler had not conducted the research himself, he put me in touch with Dick Traver at the University of Illinois (217-333-0903). Dr. Traver had compiled the statistics reported in the survey.

Dr. Traver confirmed that the 5.91% figure refers only to those schools where the internal auditor reports only to the Board of Regents. These figures have no bearing on the question of periodic, private meetings between the internal auditor and the Board. From his own doctoral research Dr. Traver had the impression that the majority of schools allowed for such private meetings. He also expressed some surprise that such an arrangement would meet with resistance.

Walter Spruill, president of ACUA, Dr. Whistler and Dr. Traver have all three confirmed that occasional private meetings between internal auditors and Boards of Regents is a wide-spread and growing practice. They suggest that having a yearly or twice yearly meeting would avoid the dangers of "micro-management" by a Board. They also suggest that merely knowing that such a channel of communication is available would do much to remove suspicions and insure greater attention to proper procedure.