



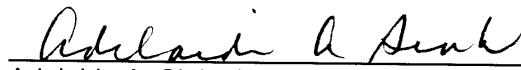
**Wake Forest University and Wake Forest University Health Sciences
Statement of Autonomy and Scope
For the Office of Compliance and Internal Audit**

Policy: It is the policy of Wake Forest University and Wake Forest University Health Sciences that the Office of Compliance and Internal Audit shall have complete independence in determining the decision to conduct inquiries, to develop and implement an annual audit plan, and the scope of inquiries and internal audits. This includes the frequency and timing of examinations, and the content of audit reports. In accomplishing these activities, the Compliance and Internal Audit staffs are authorized full, free and unrestricted access to all institutional functions, activities, operations, records, property, and personnel.

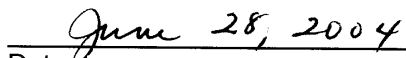
Reporting: Compliance and Internal Audit Activities will be reported no less than annually to the Audit and Compliance Committee of the WFU Board of Trustees. Additional reports will be made to the respective Presidents, Vice Presidents, the General Counsel, Compliance Committees, and other senior administration of WFU and WFUHS as needed. The University Compliance Officer will make routine reports through the institutional Compliance Committees.

Access to Board Members: The University Compliance Officer and Director of Internal Audit have unrestricted access to the Chair of the Audit and Compliance Committee of the WFU and WFUHS Compliance and Audit Committees.

The Audit Plan-A Risk Based Focus: The annual audit plan is developed by the Director of Internal Audit through a process of coordination with various persons within the administration. The Director of Internal Audit will work closely with the University Compliance Officer in evaluating risks. The University Compliance Officer may coordinate with the Director of Internal to modify the Audit plan if needed to evaluate unforeseen risk areas or issues, or as needed, to revisit areas that persist as problematic. Changes to the Audit Plan will be reported to the respective Presidents, the General Counsel, and other senior administration as appropriate.



Adelaide A. Sink, Chair, Audit and Compliance Committee
Wake Forest University
Board of Trustees



Date