



University of Alaska Audit Results June 30, 2012

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1.0

Audit Status

Audit Status

Significant Changes to our Audit Plan

There have been no significant changes to our audit plan

Pending Matters

- None

2.0

Significant Findings From the Audit

Areas of Interest

Opinion on financial statements	Unqualified opinion on financial statements.
Federal A-133 audit results	Approximately \$329 million in federal awards. Five major programs audited. Two of the five were major programs because of ARRA monies. Unqualified opinion on compliance for each major program. No findings or questioned costs. No material weaknesses in controls over compliance. No significant deficiencies reported over compliance.



Significant Deficiencies and Material Weaknesses in Internal Control

Material Weaknesses

Description	Identified By	Status
None noted		

Significant Deficiencies



Accounting Policies and Practices

Significant Judgments and Estimates	Comments
Self insurance liabilities of \$14.3 million	Actuarial report review by KPMG actuary, methods and assumptions reasonable
Alternative investments of \$26.0 million	Obtained annual audited financial statements and interim financial statements for majority to test valuation
Depreciation expense of \$58.4 million Capital additions of \$203 million	Reviewed useful lives assigned to additions and found them to be reasonable



3.0

Independence

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Non-audit services or other relationships that may reasonably be brought to bear on independence include:

- Routine tax advice related to unrelated business income tax issues

In our professional judgment, we are independent with respect to the University, as that term is defined by the professional standards.





Responsibilities (continued)

The Auditor's Commitment to the Client



Appendix B

KPMG's Audit Committee Institute

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