

11/27/2017

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

I.5. Audit Committee

Thursday, December 7, 2017  
10:15 – 11:30 a.m.  
Gordon Dining and Event Center  
770 W. Dayton Street, 2<sup>nd</sup> floor  
Sonata Room  
Madison, Wisconsin

- a. Approval of the minutes of the October 5, 2017 meeting of the Audit Committee
- b. Fiscal Year 2018 Audit Plan Progress Report
- c. Discussion of Recently Issued Audit Reports

- Tuition Policy

UW Colleges  
UW-Eau Claire  
UW-Milwaukee  
UW-Parkside  
UW-Stevens Point  
UW-Stout  
UW-Superior  
UW-Whitewater  
UW-Madison  
UW-La Crosse  
UW-Green Bay  
UW-La Crosse  
UW-Madison  
UW-Milwaukee  
UW-Oshkosh  
UW-Platteville  
UW-Stevens Point  
UW-Whitewater  
UW System Administration  
UW Colleges

- NCAA
- International Education
- Federal TRIO Programs

- Cash Handling

- d. Progress on Management Responses to Audit Reports

December 7, 2017

Agenda Item 1.5.b.

**UW SYSTEM ADMINISTRATION  
OFFICE OF INTERNAL AUDIT  
FISCAL YEAR 2018 AUDIT PLAN PROGRESS**

**BACKGROUND**

One of the responsibilities of the Audit Committee, as outlined in the committee charter, is to review and approve the annual internal audit plan and receive interim progress reports at least quarterly.

**REQUESTED ACTION**

No action requested. Item for information and discussion only.

**DISCUSSION**

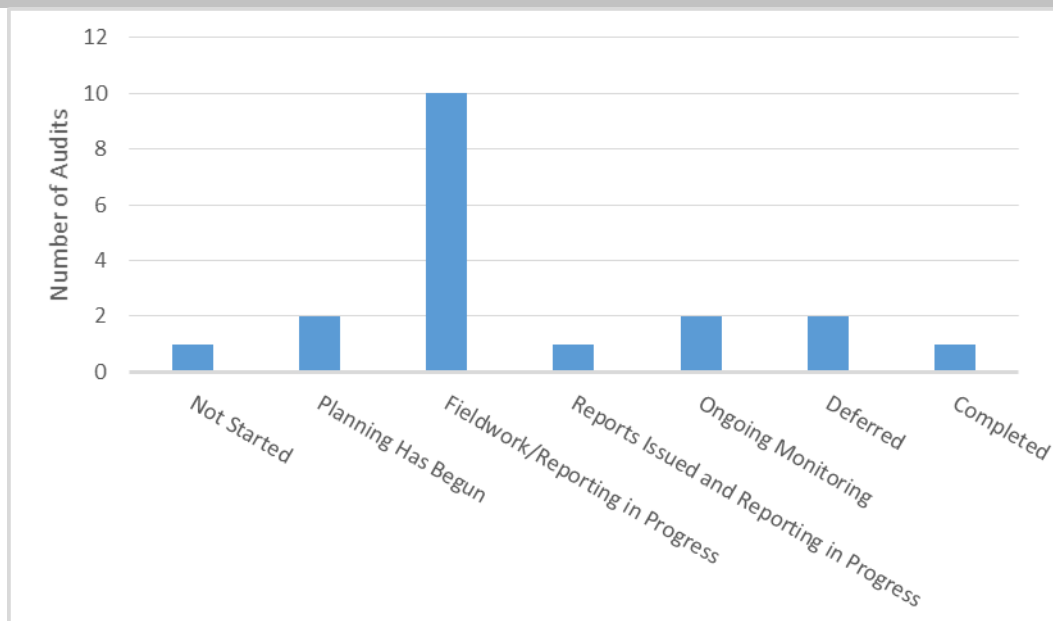
The attached chart provides a summary of audit progress for the Fiscal Year 2018 Audit Plan.

**RELATED BOARD OF REGENTS POLICIES**

NA

**UW SYSTEM ADMINISTRATION  
OFFICE OF INTERNAL AUDIT  
FISCAL YEAR 2018  
AUDIT PLAN PROGRESS**

	<b>Title and Audit Type</b>	<b>Status</b>
1	Payroll (Continuous Monitoring)	One report issued and monitoring is ongoing
2	Purchasing Cards (Continuous Monitoring)	One report issued and monitoring is ongoing
3	Travel and Expense Reimbursement (Continuous Monitoring)	Planning has begun
4	System Security and Access (Information Technology)	Reporting and fieldwork in progress
5	Federal TRIO Programs	Reports issued and reporting in progress
6	Payment Card Industry Compliance	Deferred
7	Human Resource System Segregation of Duties	Reporting in progress
8	Research	Reporting in progress
9	Internal Control and Compliance Structure and Governance	Reporting in progress
10	Clery Audit Follow-up	Fieldwork in progress
11	Tuition and Enrollment Management	Completed
12	Data Integrity, Definition, Governance, and Ownership – Top Three Systems/Applications (Information Technology)	Deferred
13	Transactions with Foundations	Not started
14	University of Wisconsin Trust Fund	Fieldwork in progress
15	Bank Account Creation, Management and Oversight	Fieldwork in progress
16	Contract Management	Fieldwork in progress
17	Purchasing	Fieldwork in progress
18	Business Operations in Auxiliaries or Student Services	Planning has begun
19	NCAA Athletics Division I	Reporting and fieldwork in progress



**UW SYSTEM ADMINISTRATION  
OFFICE OF INTERNAL AUDIT  
ISSUED REPORTS**

**BACKGROUND**

One of the responsibilities of the Audit Committee, as outlined in the committee charter, is to take appropriate actions to strengthen the University of Wisconsin System's compliance, internal controls, and ethics.

**REQUESTED ACTION**

No action requested. Item for information and discussion only.

**DISCUSSION**

The reports listed below have been issued since the last meeting and will be discussed by the Audit Committee:

Approved Audit Plan

- Tuition Policy
  - UW Colleges
  - UW-Eau Claire
  - UW-Milwaukee
  - UW-Parkside
  - UW-Stevens Point
  - UW-Stout
  - UW-Superior
  - UW-Whitewater
- NCAA
  - UW-Madison
- International Education
  - UW-La Crosse
- Federal TRIO Programs
  - UW-Green Bay
  - UW-La Crosse
  - UW-Madison
  - UW-Milwaukee
  - UW-Oshkosh

UW-Platteville  
UW-Stevens Point  
UW-Whitewater  
UW System Administration

- Cash Handling

UW Colleges

**RELATED BOARD OF REGENTS POLICIES**

NA

**UW SYSTEM ADMINISTRATION  
OFFICE OF INTERNAL AUDIT  
MANAGEMENT RESPONSE PROGRESS**

**BACKGROUND**

One of the responsibilities of the Office of Internal Audit as outlined in the charter is to establish a follow-up process to monitor and identify whether corrective actions have been effectively implemented, or whether senior management has accepted the risk of not taking action. The Audit Committee has requested regular progress reports on this monitoring.

**REQUESTED ACTION**

No action requested. Item for information and discussion only.

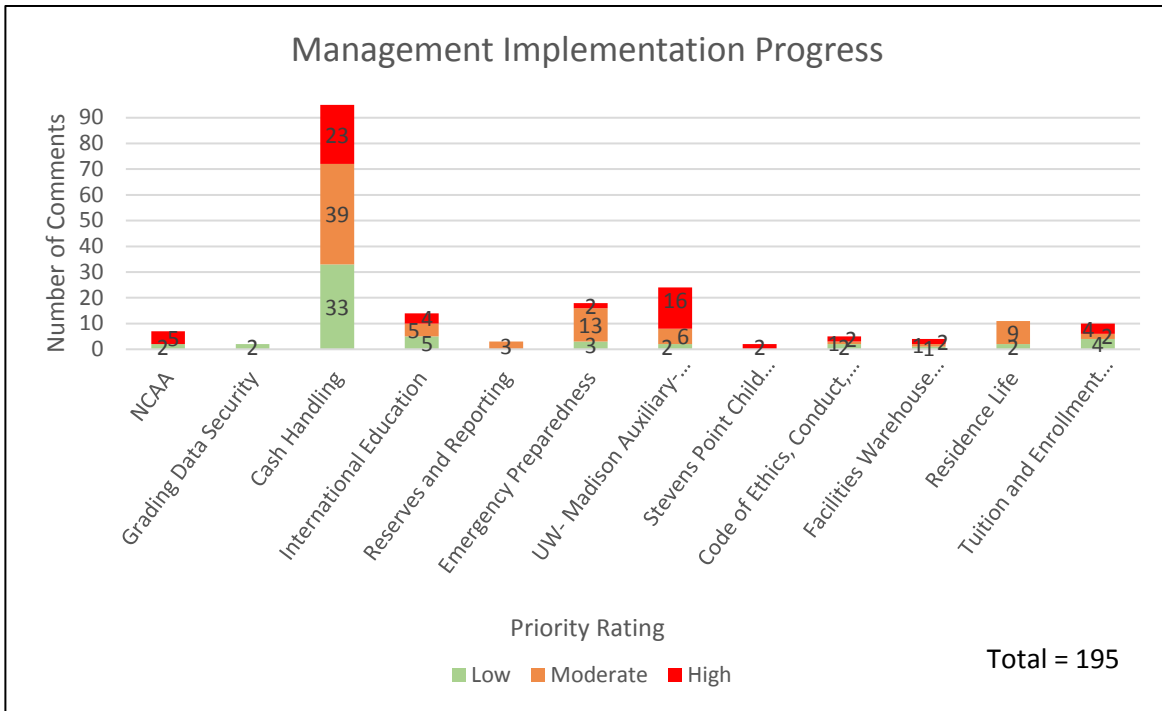
**DISCUSSION**

The following chart presents audits issued during fiscal 2014 through fiscal 2018 and the progress management has made toward resolving the comments and recommendations included in the audit reports. Management's corrective action plans were audited by the Office of Internal Audit to determine if they were implemented.

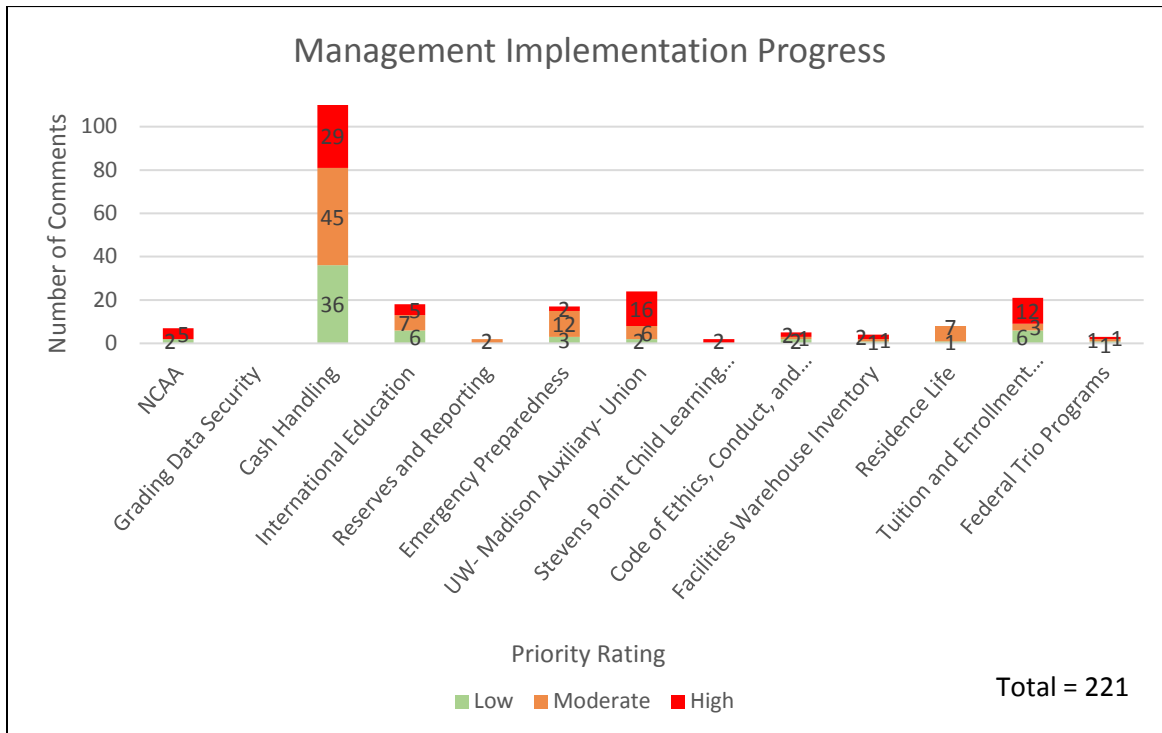
**RELATED BOARD OF REGENTS POLICIES**

NA

### Prior Reporting Period



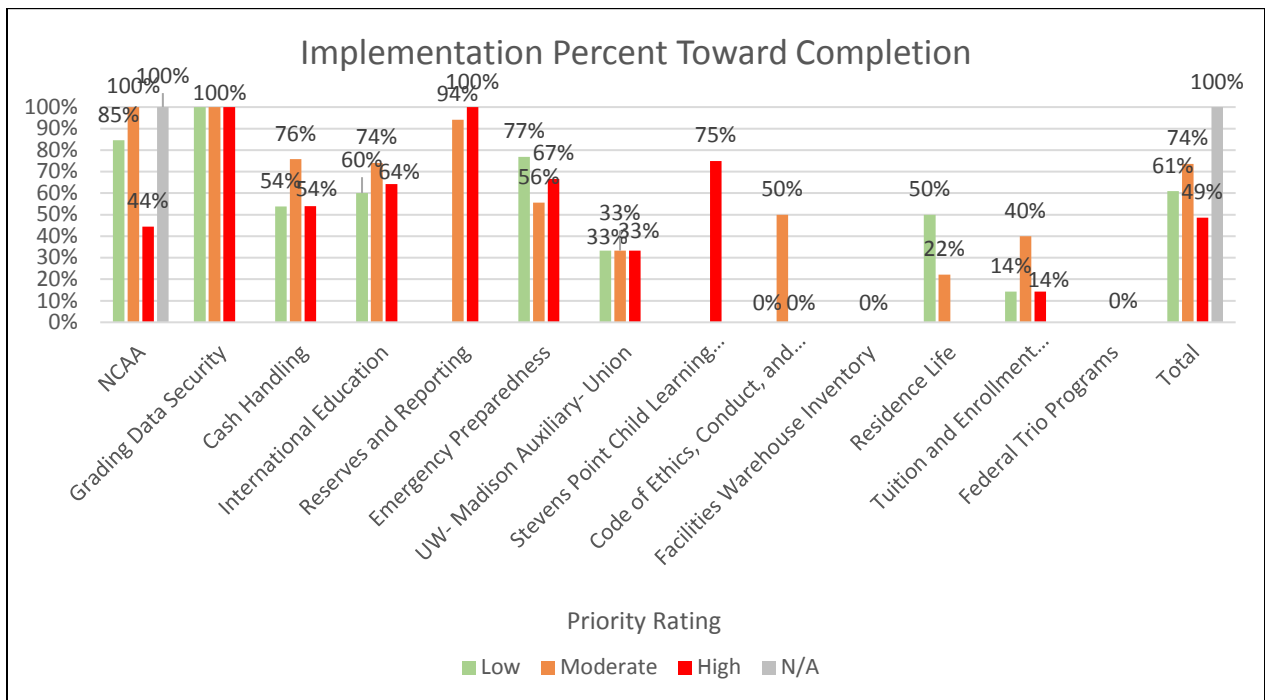
### Current Reporting Period



### Roll-forward from Prior Reporting Period to Current Reporting Period

Audit	Previously Reported Open Comments	Comments Issued	Comments Closed	Current Open Comments
NCAA	7	0	0	7
Grading Data Security	2	0	2	0
Cash Handling	95	21 <sup>1</sup>	6	110
International Education	14	5	1	18
Reserves and Reporting	3	0	1	2
Emergency Preparedness	18	0	1	17
UW- Madison Auxiliary- Union	24	0	0	24
Stevens Point Child Learning Center	2	0	0	2
Code of Ethics, Conduct, and Governance	5	0	0	5
Facilities Warehouse Inventory	4	0	0	4
Residence Life	11	0	3	8
Tuition and Enrollment Management	10	14	3	21
Federal Trio Programs	0	3	0	3
Total	195	43	17	221

### Current Reporting Period



<sup>1</sup> Includes Madison Cash Handling Audit presented on July 6, 2017

The above charts and graphs do not necessarily represent all audit comments outstanding due to timing issues