

**UW System Board of Regents
Audit Committee
UW-Milwaukee
UWM Union, Fireside Lounge, 1st Floor
Milwaukee, Wisconsin**

June 8, 2017

MEETING OF THE AUDIT COMMITTEE

The meeting of the Audit Committee was called to order at 10:45 a.m. by Chair Regent Michael Grebe. Roll call was taken and Regents Grebe, Petersen, Mueller, Steil, and Whitburn were in attendance.

I.5.a. Approval of the minutes of the April 6, 2017 meeting of the Audit Committee

Upon the motion of Regent Whitburn and the second of Regent Petersen, the Committee unanimously approved the minutes of the April 6, 2017 Audit Committee meeting.

I.5.b. Fiscal Year 2017 Audit Plan Progress

Lori Stortz, Chief Audit Executive, reviewed the status of audits that were approved as part of the fiscal 2017 audit plan. Ms. Stortz noted that there was satisfactory progress on the audit plan. Regent Grebe asked if the Office is still on target to complete the plan. Ms. Stortz stated that the audit plan would be completed timely.

I.5.c. Fiscal Year 2018 Audit Plan Review and Approval

Ms. Stortz reviewed a draft of the 2018 Audit Plan. She discussed the approach the office took in receiving feedback for the plan. In the past, the plan was created through surveys sent to stakeholders. This year the office took a different approach, interviewing different management groups, requesting feedback and asking them for their suggestions for audit topics. Ms. Stortz briefly discussed each audit and its objectives. Regent Petersen noted that the Audit Plan was fairly ambitious and inquired as to the Office's staffing levels. Regent Steil asked what we might not be auditing due to resources. Ms. Stortz responded that two other projects were considered for the plan and could be included in 2019. Upon the motion of Regent Steil and the second of Regent Mueller, the committee unanimously approved Resolution 1.5.c., adopting the Fiscal Year 2018 Audit Plan.

I.5.d. Discussion of Recently Issued Reports

Mr. Mentel reviewed the Purchasing Card Continuous Audit for the UW System Administration. The report contained six comments around purchasing transactions. He also discussed the Purchasing Card best practices letter. The Committee expressed its continuing interest in addressing potential opportunities for fraud and abuse related to the use of purchasing cards.

Mr. Rediske reviewed the Emergency Preparedness report for UW-Oshkosh (overall rating: satisfactory). Mr. Rediske also discussed the Facilities audits for UW System (overall rating: unsatisfactory) and UW-Madison (overall rating: satisfactory).

Responding to a question from Regent Grebe, Mr. Mentel stated that all audit projects, including emergency preparedness, as it is now complete, would be assessed to determine if a best practices letter would be issued.

Ms. Nehmer reviewed the UW-Platteville Residence Life audit (overall rating: satisfactory). Ms. Nehmer also reviewed the Code of Ethics audit for UW System Administration (overall rating: satisfactory).

Responding to a question from Regent Whitburn, Ms. Stortz noted that the cooperation from the campuses in responding to both audit inquiries and audit recommendations had been excellent.

I.5.e. Report of the Chief Audit Executive

Finally, Ms. Stortz provided her report on the Office of Internal Audit. She noted two items: First, the Office will send out surveys to audit clients once projects are completed to solicit feedback on the audit process and continuous improvements going forward. Ms. Stortz then discussed the Waste, Fraud, and Abuse Hotline and the planned marketing of the hotline for the fall semester that, it was noted, was not intended to address any deficiencies with the Hotline, but rather to ensure that it continues to be well utilized.

Regent Grebe and the other committee members applauded Ms. Stortz and her team for their approach to the development of the Audit Plan for next year, as well as their good working relationships with the business people around the System's campuses.

I.5.f. Move into closed session, as permitted by s. 19.85(1)(f), Wis. Stats., to consider personal histories or disciplinary data of specific persons and the investigations of charges against specific persons, which, if discussed in public, would be likely to have a substantial effect upon the reputation of such persons

Upon the motion of Regent Petersen and the second of Regent Steil, the motion to move into closed session was adopted on a roll call vote, with Regents Grebe, Petersen, Mueller, Steil, and Whitburn voting in the affirmative. There were no dissenting votes and no abstentions by the regents in attendance.

The meeting adjourned at 12:00 p.m.

Respectfully Submitted,

Steve Mentel
Recording Secretary