

3/19/2018

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

I.6. Joint Meeting of the Business and Finance and Audit Committees

Thursday, April 5, 2018
8:15 a.m. – 9:00 a.m.
Gordon Dining and Event Center
Overture Room, 2nd floor
Madison, Wisconsin

Convene in open session and move into closed session to discuss information security audit findings and responses as required by s. 19.85(1)(d), Wis. Stats.

I.5. Audit Committee

Thursday, April 5, 2018
9:00 a.m. – 10:30 a.m.
Gordon Dining and Event Center
Overture Room, 2nd floor
Madison, Wisconsin

- a. Approval of the minutes of the February 8, 2018 meeting of the Audit Committee
- b. Fiscal Year 2018 Audit Plan Progress Report
- c. Discussion of Recently Issued Audit Reports

- Bank Account Creation, Management, and Oversight UW-Eau Claire
UW-River Falls
UW-Stout
- Clery Audit Follow-up UW Colleges
UW-Eau Claire
UW-Green Bay
UW-La Crosse
UW-Milwaukee
UW-Oshkosh
UW-Parkside
UW-Platteville
UW-River Falls
UW-Stevens Point
UW-Stout

3/19/2018

- Best Practices Letter – Clery Audit Follow-up
- Federal TRIO Programs
- P-card Continuous Auditing
- University of Wisconsin Trust Fund

UW-Superior
UW-Whitewater
UW System
UW-River Falls
UW System
UW System Administration

- d. Progress on Management Responses to Audit Reports
- e. Report of the Chief Audit Executive

April 5, 2018

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

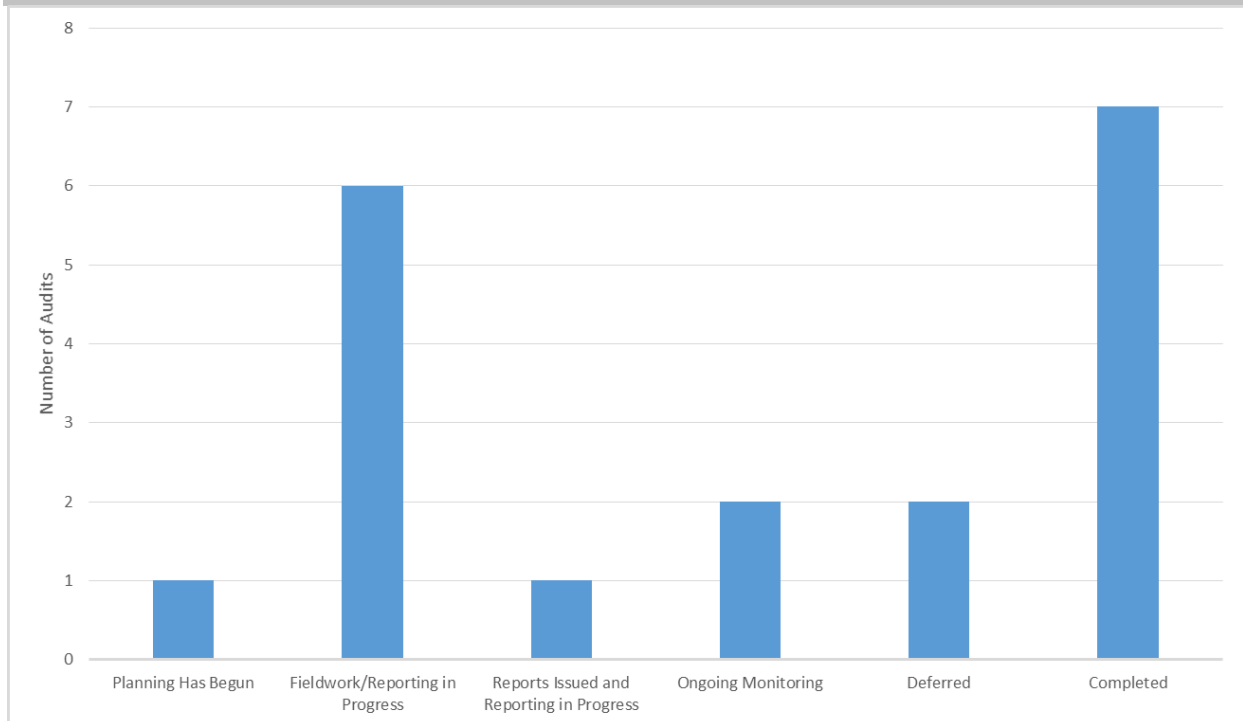
The attached chart provides a summary of audit progress for the Fiscal Year 2018 Audit Plan.

RELATED BOARD OF REGENTS POLICIES

NA

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

	Title and Audit Type	Status
1	Payroll (Continuous Monitoring)	Two reports issued and monitoring is ongoing
2	Purchasing Cards (Continuous Monitoring)	Two reports issued and monitoring is ongoing
3	Travel and Expense Reimbursement (Continuous Monitoring)	Planning has begun
4	System Security and Access (Information Technology)	Three reports issued and planning and fieldwork in progress
5	Federal TRIO Programs	Completed
6	Payment Card Industry Compliance	Deferred
7	Human Resource System Separation of Duties	Completed
8	Research	One report issued and planning and fieldwork in progress
9	Internal Control and Compliance Structure and Governance	Completed
10	Clery Audit Follow-up	Completed
11	Tuition and Enrollment Management	Completed
12	Data Integrity, Definition, Governance, and Ownership – Top Three Systems/Applications (Information Technology)	Deferred
13	Transactions with Foundations	Fieldwork in progress
14	University of Wisconsin Trust Fund	Completed
15	Bank Account Creation, Management and Oversight	Reports issued and reporting in progress
16	Contract Management	Fieldwork in progress
17	Purchasing	Fieldwork in progress
18	Business Operations in Auxiliaries or Student Services	Fieldwork in progress
19	NCAA Athletics Division I	Completed



**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

- Bank Account Creation, Management, and Oversight
 - UW-Eau Claire
 - UW-River Falls
 - UW-Stout
- Clery Audit Follow-up
 - UW Colleges
 - UW-Eau Claire
 - UW-Green Bay
 - UW-La Crosse
 - UW-Milwaukee
 - UW-Oshkosh
 - UW-Parkside
 - UW-Platteville
 - UW-River Falls
 - UW-Stevens Point
 - UW-Stout
 - UW-Superior
 - UW-Whitewater
- Best Practices Letter – Clery Audit Follow-up
- Federal TRIO Programs
- P-card Continuous Auditing

- UW System
- UW-River Falls
- UW System

- University of Wisconsin Trust Fund

UW System Administration

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.

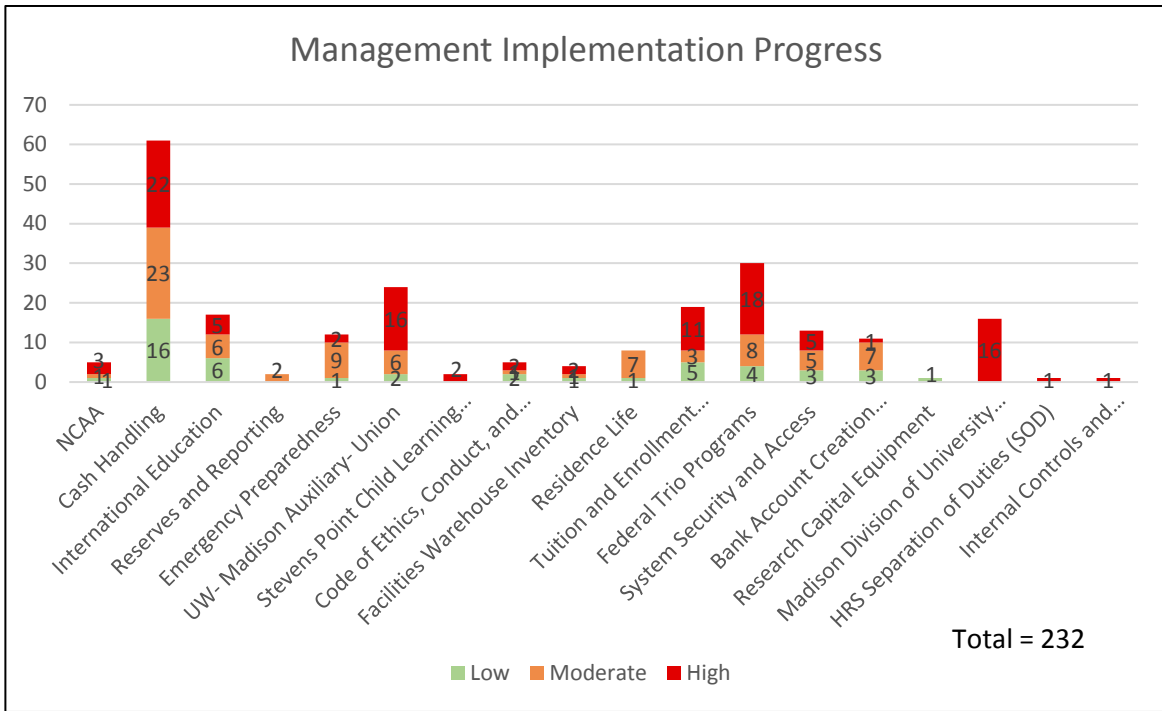
DISCUSSION

The following chart presents audits issued during fiscal 2016 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.

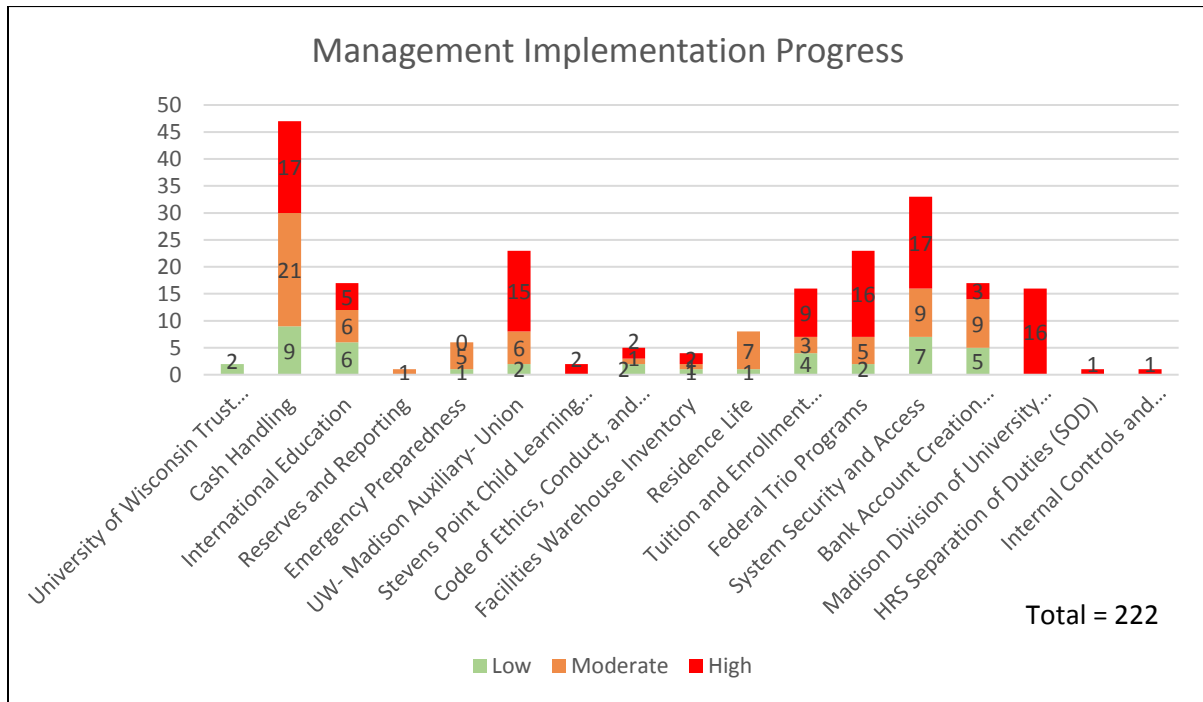
RELATED BOARD OF REGENTS POLICIES

NA

Prior Reporting Period



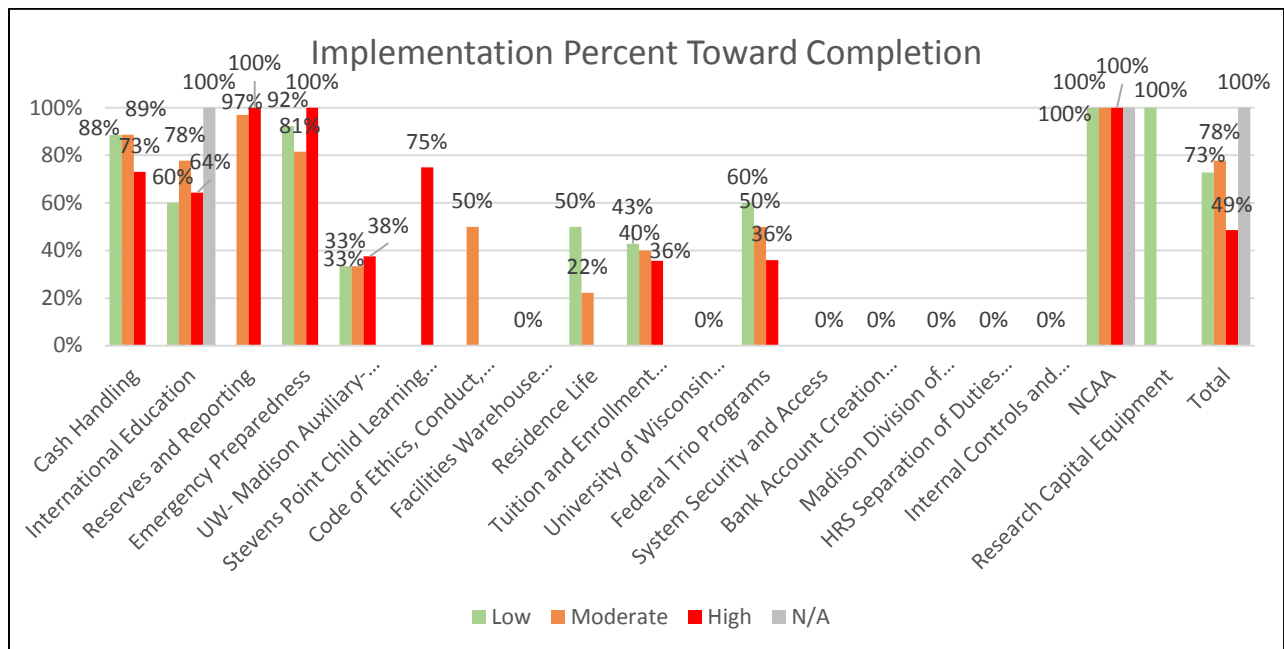
Current Reporting Period



Roll-forward from Prior Reporting Period to Current Reporting Period

Audit	Previously Reported Open Comments	Comments Issued	Comments Closed	Current Open Comments
NCAA	5	0	5	0
Cash Handling	61	0	14	47
International Education	17	0	0	17
Reserves and Reporting	2	0	1	1
Emergency Preparedness	12	0	6	6
UW- Madison Auxiliary- Union	24	0	1	23
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	8	0	0	8
Tuition and Enrollment Management	19	0	3	16
Federal TRIO Programs	30	5	12	23
System Security and Access	13	20	0	33
Bank Account Creation Management and Oversight	11	6	0	17
Research Capital Equipment	1	0	1	0
Madison Division of University Housing	16	0	0	16
HRS Separation of Duties (SOD)	1	0	0	1
Internal Controls and Compliance Structure	1	0	0	1
University of Wisconsin Trust Fund	0	2	0	2
Total	232	33	43	222

Current Reporting Period



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