

UW System Board of Regents
Joint Meeting of the Business & Finance and Audit Committee
UW-Milwaukee, Student Union, Fireside Lounge, 1st Floor
2200 East Kenwood Boulevard, Milwaukee, Wisconsin
June 6, 2019

The Joint Meeting of the Business and Finance and Audit Committees was called to order at 7:50 AM by the Audit Committee Chair, Regent Grebe. Roll was taken. Regent Hall was absent, and Regents Grebe, Atwell, Delgado, Mueller, and Whitburn were present. The Committee had a quorum.

I.6.a. Briefing on FY2019 External Audit Engagement by Plante Moran

The Chair invited Plante Moran partner Vicki VanDenBerg and audit senior Michael Baker to provide an overview of their audit process and approach along with a current status update on the audit. Using a risk-based appraisal, Plante Moran looked at account processes, account controls, and focused audits on identified high-risk transactions – those involving very high dollar amounts and very high volume. The audit is expected to be completed by November. Plante Moran will return to discuss their findings at the December Board of Regents meeting. In addition to Ms. VanDenBerg, and Mr. Baker, Sean Nelson, Vice President for Finance was available to answer questions from the Joint Committee and provide detail. The Chair reminded the Joint Committee of the intention to meet in closed session with Plante Moran at a future date.

I.6.b. Foundations and Other Affiliated Organizations within the UW System

Vice President Nelson was joined by Alex Roe, Associate Vice President for Capital Planning and Budget, to provide an update on Foundations and Other Affiliated Organizations in response to Legislative Audit Bureau (LAB) Reports 18-4 and 18-5. They focused on : (1) communications and trainings by the University of Wisconsin System (UW System) and Board of Regents to improve the management and transparency of relationships with primary fundraising foundations, real estate foundations, and other affiliated organizations, (2) the UW governing policies for these organizations, and (3) the designated oversight responsibilities of UW System, Board of Regents, and institutions. Vice President Nelson highlighted the role these organizations have in advancing UW System and its institutions, promoting them to various audiences, and providing aid through scholarships, research funding, capital investments, and other general support. Rob Cramer, Vice President for Administration, Lori Stortz, Chief Audit Executive, Julie Gordon, Senior Associate Vice President for Finance, and David Specht-Boardman, Government Relations Specialist, Quinn Williams, General Counsel, and UW-Madison's Vice Chancellor Laurent Heller, and Controller Dan Langer were available to answer any questions or provide details.

I.6.c UW System Response to LAB' Report 19-5 on FY17-18 Financial Audit

Due to time constraints, this item was not covered in-depth.

I.6.d. Approval of Changes to Appendix A of Regent Policy (RPD) 21-9 Institutional Relationships with Foundations

Vice President Nelson, Associate Vice President Roe, and General Counsel Williams reviewed proposed changes to the appendix of the Regent Policy (RPD) 21-9 which clarifies UW System responsibilities for review of various financial submittals by foundations to institutions and clarifies Board and UW System oversight and responsibilities for foundation real estate projects. In response to questions from Joint Committee members, it was moved by Regent Mueller and seconded by Regent Whitburn that the item be tabled for consideration at the July Board of Regents Joint Committee or Audit Committee. The Joint Committee members approved tabling the item for consideration at a future meeting of either the Joint Committee or Audit Committee.

I.6.e. Approval of the Minutes of the December 6, 2018 Meeting of the Joint Business and Finance Committee

Upon the motion of Regent Whitburn and the second of Regent Atwell, the Joint Committee approved the minutes of the December 6, 2018 meeting of the Joint Business and Finance and Audit Committee.

The Joint Meeting adjourned at 8:59 AM.

Respectfully submitted,

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke extending to the right.

Joyce E. Jackson
Recording Secretary