

5/19/2020

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Audit Committee

Via WebEx Videoconference

Thursday, June 4, 2020

8:45 a.m. – 10:00 a.m.

- A. Calling of the Roll
- B. Declaration of Conflicts
- C. Approval of the Minutes of the February 6, 2020 Meeting of the Audit Committee
- D. Internal Audit
 - 1. Fiscal Year 2020 Audit Plan Progress Report
 - 2. Summarized Results of Audits Recently Issued
 - 3. Report of Chief Audit Executive
 - 4. Independence Statement
- E. Pandemic Disruption & Cyber Security
- F. Compliance
 - 1. Overview of UW System Response to the New Title IX Regulations from Department of Education
 - 2. Development of Tools to Support Campus Compliance Efforts During COVID-19

FISCAL YEAR 2020 AUDIT PLAN PROGRESS

REQUESTED ACTION

For information and discussion only.

SUMMARY

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.

The attached chart provides a summary of audit progress for the Fiscal Year 2020 Audit Plan.

Presenter(s)

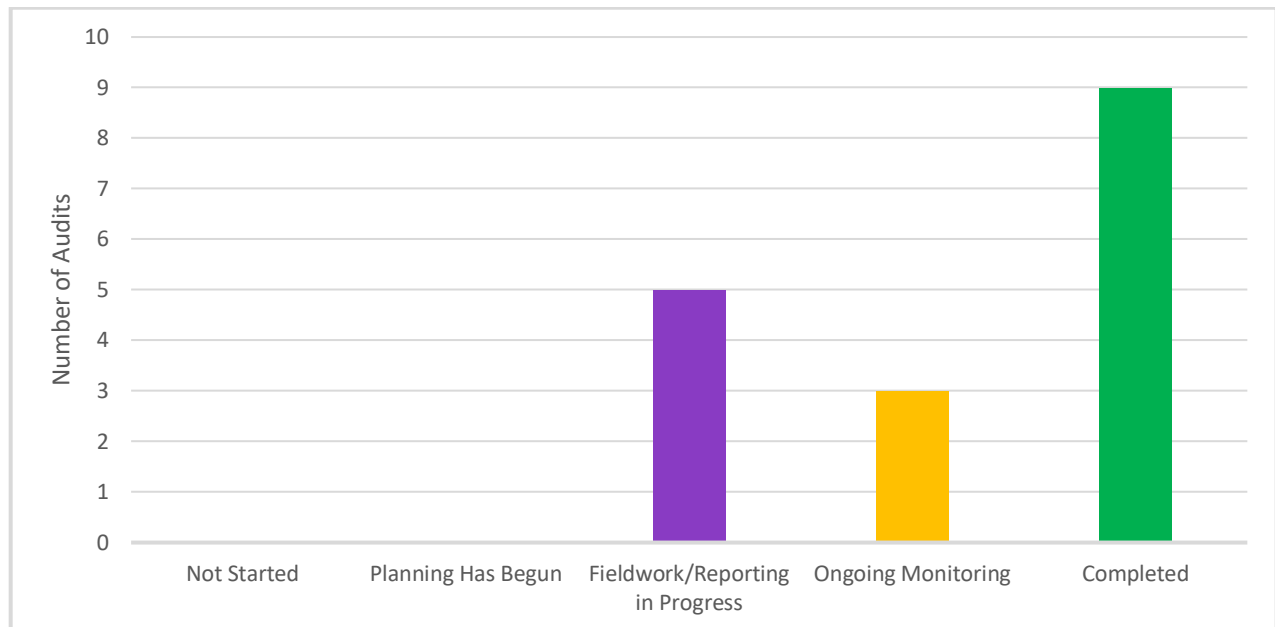
- Lori Stortz, Chief Audit Executive

ATTACHMENTS

- A) UW System Administration Office of Internal Audit Fiscal Year 2020 Audit Plan Progress Chart.

**UW SYSTEM ADMINISTRATION
OFFICE OF INTERNAL AUDIT
FISCAL YEAR 2020
AUDIT PLAN PROGRESS**

	Title	Risks
1	Payroll (Continuous Monitoring)	Fraud
2	Purchasing Cards (Continuous Monitoring)	Fraud, Embezzlement
3	Shop @ UW (Continuous Monitoring)	Fraud, Embezzlement
4	Payment Card Industry Compliance	Data Breach of Personally Identifiable Information (PII)
5	Information Technology Procurement	Fraud, Security, Waste, Recording, Safeguarding
6	DoIT Services Group	Billing, Monitoring, Proper Prioritization
7	Institutional Relationships with Foundations and Other Affiliated	Fraud, Embezzlement, Reputation
8	Oversight of Programs with Minors	Physical Safety and Security
9	Discrimination, Harassment and Retaliation	Physical Safety and Security, Legal Compliance
10	Offboarding of Employees	Physical Access to Buildings, Access to Systems
11	Human Resource System (HRS) Segregation of Duties and UW-Madison	Fraud, Breach of Protected Information, Data Accuracy
12	Student Information Systems and Databases Security	IT Security, Breach of PII
13	Laboratory Safety	Physical Security and Safety, Legal Compliance
14	NCAA Athletics Division I Consulting Engagements	Regulatory Compliance, Revenue Loss
15	Other Affiliated Organizations	Fraud, Embezzlement, Reputation
16	External Assessment (Self-Assessment with Independent Validation)	Conformance with Standards and Code of Ethics
17	Post-Tenure Review	Compliance with Board Policy



SUMMARIZED RESULTS OF AUDITS RECENTLY ISSUED

REQUESTED ACTION

For information and discussion only.

SUMMARY

Since the February 6, 2020 meeting of the Audit Committee, the Office of Internal Audit has issued the following reports:

- Human Resource System (HRS) Segregation of Duties at UW-Madison
- Purchasing Cards (Continuous Monitoring)
- Payroll (Continuous Monitoring)
- Offboarding Audit for UWSA¹
- Student Information Systems and Databases Security

Presenter(s)

- Lori Stortz, Chief Audit Executive

BACKGROUND

One of the responsibilities of the Audit Committee, as outlined in the committee charter, is to summarize results of audits recently issued.

¹ The UWSA Audit Report excludes UW-Madison as UW-Madison has its own HR system. The UW-Madison Audit Report will be issued at a later date.

INDEPENDENCE STATEMENT

REQUESTED ACTION

For information and discussion only.

SUMMARY

The Institute of Internal Auditors *International Standards for the Professional Practice of Internal Auditing (Standards)* require that the internal audit activity must be independent and that internal auditors must be objective in performing their work.

The Audit Committee Charter of the Board of Regents requires the Chief Audit Executive to report to the Board of Regents through the Audit Committee directly and to the System President. The Audit Committee also performs the following functions:

- Approving the internal audit charter.
- Approving the risk-based internal audit plan.
- Receiving communications from the chief audit executive on the internal audit activity's performance relative to its plan and other matters.
- Approving decisions regarding the appointment and removal of the chief audit executive.
- Approving the remuneration of the chief audit executive.
- Making appropriate inquiries of management and the chief audit executive to determine whether there are inappropriate scope or resource limitations.

The Office of Internal Audit is compliant with the organizational independence requirements of the *Standards*.

Presenter(s)

- Lori Stortz, Chief Audit Executive

PANDEMIC DISRUPTION & CYBER SECURITY

REQUESTED ACTION

For information and discussion only.

SUMMARY

Board of Regents Audit Committee Chair requested a brief that considers cyber security issues that have been highlighted by the disruption resulting from the COVID-19 pandemic. Issues to be discussed will include a summary of cyber security impacts as a result of a predominantly remote workforce and online learning environment; response efforts by UW System IT and Security employees; remaining challenges and the need for standardization.

- **Cyber Security Impacts:** Many UW System cyber security programs and processes are based on workforce and devices being on campus; the pandemic requires a re-examination of process. Additionally, there has been an increase in COVID-19 themed malicious activity prompting increased user awareness and monitoring.
- **IT and Cyber Security Response:** Efforts by our campuses cover a broad spectrum of response, including increased security awareness for employees; acceleration of multi-factor authentication deployments; secure file transfer and storage capabilities and increased deployment of security tools to campus laptop environments.
- **Cyber Security Challenges/Need for Standardization:** Uptick in phishing and other types of incidents; loss of perimeter protection and monitoring capabilities; managing IT assets off the campus network; and the ability to execute cyber security incident response in a significantly remote work environment are challenges we face in this new normal. A focus on standardization is needed in the above areas in addition to video conferencing, to include a focus on security/data privacy and sharing concerns.

Presenter(s)

- Katherine Mayer, Associate Vice President of Information Security

Related Policies

- Regent Policy Document 25-5, Information Technology: Information Security

**OVERVIEW OF UW SYSTEM RESPONSE TO THE NEW TITLE IX
REGULATIONS FROM DEPARTMENT OF EDUCATION**

REQUESTED ACTION

No action requested. Item for information and discussion only.

SUMMARY

A brief overview on the UW System response to the new Title IX regulations released from the Department of Education on May 6, 2020 and potential impacts on Title IX policies will be presented. The UW System response plan and action steps also will be introduced.

Presenter(s)

- Sarah E. Harebo, UW System Title IX and Clery Administrator, Office of Compliance and Integrity

BACKGROUND

On May 6, 2020, the Department of Education released new Title IX regulations that impact the handling of sexual misconduct cases by UW System institutions.

**DEVELOPMENT OF TOOLS TO SUPPORT CAMPUS COMPLIANCE
EFFORTS DURING COVID-19**

REQUESTED ACTION

No action requested. Item for information and discussion only.

SUMMARY

A brief overview of the tools and initiatives developed by the UW System Office of Compliance and Integrity in order to support campus compliance efforts during the COVID-19 environment will be presented . These initiatives include providing guidance in the areas of Title IX investigations, public records, records management, ethics, Clery Act and precollege programs, as well as developing a tracking system to track waivers, extensions to deadlines, and other orders and guidance issued by the federal and state governments in addition to interim COVID-related Board of Regents and System policies.

Presenter(s)

- Katie Ignatowski, Director of Compliance, Office of Compliance and Integrity

BACKGROUND

In February 2020, the newly developed Compliance Matrix database was presented to the Audit Committee. In late March, the database provided significant value as system personnel worked to quickly transition to a remote environment and meet the challenges that arose due to COVID-19. The Office of Compliance and Integrity led an effort to utilize the matrix in order to identify compliance obligations that would require some level of flexibility during the COVID-19 environment, and to determine how to best support campuses in fulfilling compliance obligations during this challenging time.