

**UW System Board of Regents
Audit Committee
UW-Green Bay
1965 Room, University Union,
2430 Campus Court
Green Bay, Wisconsin
Via Webex Videoconference
August 18, 2022**

MEETING OF THE AUDIT COMMITTEE

The meeting of the Audit Committee was called to order at 10:49 a.m. by Committee Vice Chair Regent Mike Jones.

A. Calling of the Roll

Roll call was taken. Regents Jones, Atwell, Colón, Manydeeds, Staton, and Weatherly were present. Regent Miller was absent.

B. Declaration of Conflicts

Regent Jones asked if anyone had a conflict of interest regarding the items on the agenda: none were stated.

C. Approval of the minutes of the June 9, 2022, meeting of the Audit Committee

Regent Jones made a motion to approve the minutes of the June 9, 2022, Audit Committee meeting, which were approved unanimously without discussion.

D. Internal Audit

1. Fiscal Year 2023 Audit Plan Progress Report

Lori Stortz, Chief Audit Executive, reviewed the progress to date on the *Fiscal Year 2023 Audit Plan*. She confirmed that her office is making solid progress on the plan and expects to bring more reports to the committee in September.

2. Summarized Results of Audits Recently Issued

Ms. Stortz then provided a high-level summary of the results of audits recently issued by the Office of Internal Audit since the committee last met in June. This included executive summaries for the *Information Technology Remote Access* audit, the *Purchasing Cards* continuous audit, and the *Office of Internal Audit Annual Report 2022*. Overall, she stated the results were excellent and she was pleased with the responses from management.

Ms. Stortz indicated that her office recommended management implement further guidance for institutions to follow for the Information Technology Remote Access, through a formal policy process, and they have agreed to do so. This will remain an ongoing process, but she was very pleased with the results of this audit, and Ms. Stortz felt the audit clients were pleased as well.

The *Office of Internal Audit Annual Report 2022* evidenced that the office had a productive year. Ms. Stortz said they completed the audit plan and confirmed that the office continues to comply with the *International Standards for the Professional Practice of Internal Auditing*.

Ms. Stortz touched briefly on the Purchasing card (p-card) continuous audit report and stated that their focus has shifted over time from testing individual transactions to assessing and testing internal controls. The overall number of p-cards has decreased, as well as the number of idle cards in circulation, which Ms. Stortz characterized as showing that significant progress has been made. Ms. Stortz and her team recommended standardizing workflow processes, compliance rules, and consistent training for all.

3. Summary Report of Integrity Hotline Activity

Afterward, Ms. Stortz presented a summary report of the Integrity Hotline Activity that covered an 18-month period. The communication plan and rebranding of the hotline has been effective. The process of issuing new hotline cases to the respective campus case managers has been going well.

4. Progress on Closing Audit Comments

Next, Ms. Stortz discussed the progress on closing audit comments. She explained that her office has developed a tool to help institutions monitor what items are still to be done and then Internal Audit follows up on a timely basis. Overall, she felt very good about management's commitment to following through on the audit team's recommendations.

5. Approval of Fiscal Year 2023 Budget and Resource Plan

Lastly, Ms. Stortz presented the *Fiscal Year 2023 Budget and Resource Plan*, for approval. Regent Jones inquired whether Ms. Stortz felt her office was adequately staffed, to which she replied in the affirmative, and noted they are currently in the process of hiring a couple auditors to fill vacancies recently opened by retiring staff members.

Regent Manydeeds moved to approve Resolution D.5. the *Fiscal Year 2023 Budget and Resource Plan*, seconded by Regent Colón. The resolution passed unanimously.

E. Compliance

1. Overview of Proposed Changes to Title IX Regulations

Then, Chief Compliance Officer Paige Smith presented an Overview of Proposed Changes to Title IX Regulations. She outlined the changes to the definition of sexual harassment, the modification of what constitutes a hostile environment, and ensuring institutions make students aware that

pregnancy and parenting discrimination rights of protection fall under Title IX. Ms. Smith told the committee her office has received good communication from the institutions.

2. Update on Implementation of Youth Protection Compliance Policy

Ms. Smith then gave the committee an update on the implementation of a Youth Protection Compliance Policy. She stated that the policy is not in effect until March of 2023 and they are taking steps to ensure the UW System is compliant by then. The policy requires a more centralized approach and they have been working closely with campus representatives to implement the updated policy. The Regents discussed this policy update and placed high importance on compliance with this important policy.

F. Enterprise Risk Management

The committee then heard from the Director of Risk Management Angela Ryan and Chief Compliance Officer Paige Smith, who presented an update on Enterprise Risk Management. They outlined a proposed concept called, “RCA” which stands for “Risk, Compliance, and Audit” which establishes a risk assessment process for the institutions. The goal is to obtain standard data that can be used Systemwide. This three-pronged approach will aid the institutions in making more data-informed risk decisions.

G. Legislative Audit Bureau Fiscal Year 2022 Audit

Legislative Audit Bureau (LAB) Financial Audit Director, Sherry Haakenson, presented an update on the LAB Fiscal Year 2022 Audit. Ms. Haakenson indicated that the committee will receive communications from the LAB in September 2022, with information about the scope and timeline of the audit. She encouraged the Regents to contact her with any questions.

H. UW-Green Bay Annual Division I Athletics Report

UW-Green Bay Director of Athletics, Joshua Moon presented the *UW-Green Bay Annual Division I Athletics Report*. Mr. Moon outlined the financial highlights, the academic overview, and the community engagement /external support of the UW-Green Bay athletics program. The Regents were particularly pleased with the academic performance of their student athletes.

Regent Jones closed the meeting by thanking the presenters, and his colleagues on the committee.

The meeting was adjourned at 11:42 a.m.

Respectfully submitted,

Erika Laabs
Recording Secretary