

**UW System Board of Regents  
Audit Committee  
Overture Room, 2<sup>nd</sup> Floor  
Gordon Dining & Event Center  
770 W. Dayton Street  
Madison, Wisconsin  
and Via Zoom Videoconference  
December 8, 2022**

**MEETING OF THE AUDIT COMMITTEE**

The meeting of the Audit Committee was called to order at 10:45 a.m. by Committee Chair Regent John Miller.

**A. Calling of the Roll**

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

**B. Declaration of Conflicts**

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

**C. Approval of the minutes of the September 29, 2022, meeting of the Audit Committee**

Regent Jones made a motion to approve the minutes of the September 29, 2022, Audit Committee meeting, seconded by Regent Manydeeds, 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 with a number of audits currently in progress. She expects to bring a number of reports to the committee again in February.

**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 September. This included the *NCAA Compliance audit for UW-Madison*, and executive summaries for the *Payroll Continuous* audit and the *Purchasing Card Continuous* audit. The *NCAA Compliance audit for UW-Madison* was successful and there were no findings. The Payroll Continuous audit results were very good in general and it is hoped that the ATP automation will help in this area when it is implemented. The *Purchasing*

*Card Continuous* audit revealed the number of active purchasing cards and the amount of outstanding credit rose very slightly from the previous year, which is attributed to operations returning to normal post-pandemic. Purchases of gift cards remains an area for improvement but considering the volume of purchasing cards we have in use Ms. Stortz felt the results were solid.

Regent Miller questioned the controls in place to prevent hoarding of gift cards and not using them, to which Ms. Stortz agreed that is an inherent risk to gift cards.

## **E. Internal Controls and Risk Management**

### **1. UW System Emergency Planning and Management**

Next, UW-Madison Police Department Chief of Police, Kristen Roman, and Director of Emergency Management, Suzanne Brandt, presented an update on UW System Emergency Planning and Management. They outlined upcoming steps to the program, such as updating the *UW System Emergency Management Standard* and conducting an audit. The Emergency Management staff plan to return to the practice of campus visits during the upcoming year and are working to increase training for UW System staff. Ms. Brandt also stated that they are working on creating a plan to put into service a crisis call center to provide support across the UW System.

Chief Roman affirmed that all of the UW institutions are doing a solid job in their emergency planning and all worked very hard during the pandemic. She further explained that emergency standards are being developed to make sure goals are being met across the UW System regardless of the size of the campus. Regent Miller asked if the Emergency Management staff analyze external events that occur to try to learn from them. Chief Roman confirmed that they do and continue to examine as more information is released to the public.

### **2. Internal Controls and Hazardous Materials Management**

The committee then heard from Director of Procurement, Brent Tilton, who gave an update on ShopUW+ Internal Controls and Hazardous Materials Management. Mr. Tilton reported that ShopUW+ has transformed the purchasing and accounts payable systems and has been proven to help with processes all across the UW System. He demonstrated many of the features of the system and explained that we are currently in “Phase Two” - the stabilization stage. Mr. Tilton then highlighted the *Chem Manager* + system which is an inventory tracking tool that tracks the entire lifecycle of chemicals. This is currently in place at several campuses and full deployment is expected through 2023. Mr. Tilton thanked all who are involved in this effort.

The Regents discussed the complexity of chemical storage and hazardous material disposal across the UW System. Regent Weatherly requested that a postmortem be held once ShopUW+ has been completed, to confirm if expectations have been met and evaluate whether we are getting fair and equitable pricing from vendors.

## **F. Annual Report of Regent Policy Document 4-21, “Commitment to Academic Freedom and Freedom of Expression”**

Lastly we heard from Chief Compliance Officer, Paige Smith, who discussed the Annual Report of Regent Policy Document 4-21, “Commitment to Academic Freedom and Freedom of Expression.” This policy covers all students, staff, and visitors. Ms. Smith stated that notice of this policy is provided to new students and staff and is promoted on the campus level. Free speech remains central to our higher education mission.

The committee discussed participation across the UW System and the balance between freedom of expression and maintaining the safety of our students and staff on campus.

The Regents thanked the participants for all they are doing for the institutions and UW System. The meeting was adjourned at 11:49 a.m.

Respectfully submitted,

Erika Laabs  
Recording Secretary