

8/12/2024

## BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

### **Audit Committee**

Thursday, August 22, 2024  
10:00 a.m. – 11:15 a.m.

Van Hise Hall, Room 1920  
UW Administration Offices  
1220 Linden Drive  
Madison, Wisconsin  
& via Zoom Videoconference

- A. Calling of the Roll
- B. Declaration of Conflicts
- C. Approval of the Minutes of the June 6, 2024, Audit Committee meeting
- D. Internal Audit
  - 1. Fiscal Year 2025 Audit Plan Progress Report
  - 2. Summarized Results of Audits Recently Issued
- E. Office of Compliance and Risk Management
  - 1. Presentation of Risk, Compliance, and Audit (RCA) Risk Treatment Plan

## **FISCAL YEAR 2025 AUDIT PLAN PROGRESS REPORT**

### **REQUESTED ACTION**

For information and discussion.

### **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 2025 Audit Plan.

### **Presenter(s)**

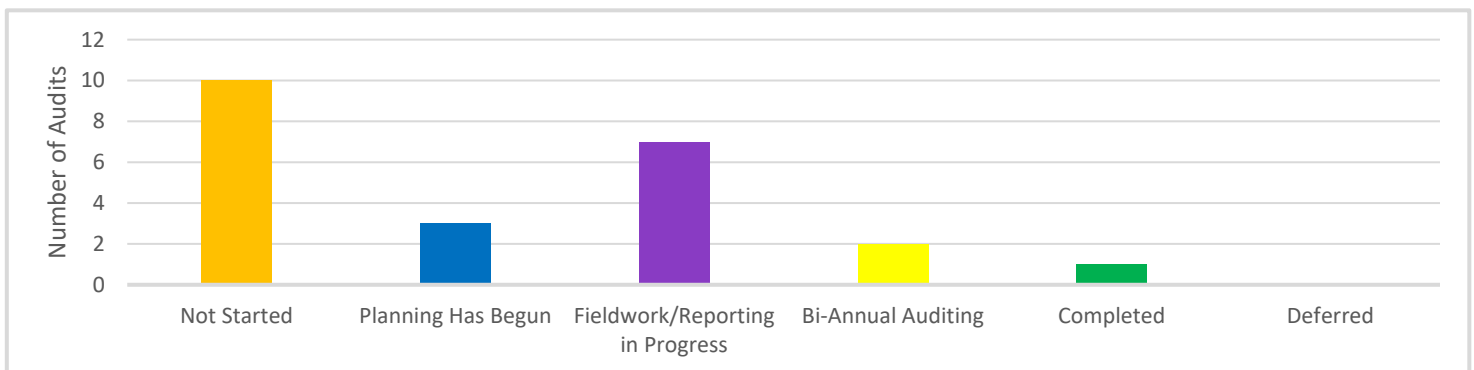
- Lori Stortz, Chief Audit Executive

### **ATTACHMENTS**

- A) Universities of Wisconsin Office of Internal Audit Fiscal Year 2025 Audit Plan Progress Chart.

**UNIVERSITIES OF WISCONSIN  
OFFICE OF INTERNAL AUDIT  
FISCAL YEAR 2025  
AUDIT PLAN PROGRESS**

	<b>Title</b>	<b>Risks</b>
1	Payroll (Bi-Annual Auditing)	Fraud, Data Accuracy, Compliance with Policy
2	Purchasing Cards (Bi-Annual Auditing)	Fraud, Embezzlement, Compliance with Policy
3	\$31.89M Funding in Biennium for Workforce Devel. 4 High-Demand Areas	Reputational, Compliance
4	ATP	Operational, Financial
5	Auxiliary Unit - Housing	Financial, Operational
6	Commitments Made by System to WI Legis. per BOR Resol. Dec. 13, 2023	Reputational, Compliance
7	Employee References Regarding Sexual Violence and Harassment	Compliance, Reputational
8	External Assessment (Self-Assessment with Independent Validation)	Conformance with IIA Standards
9	Grade Changes	Academic integrity, Compliance, Fraud
10	Information Technology (IT) Distributed Units	Data Security
11	Information Technology (IT) Privacy Policy – UWSA 1040	Data Security
12	Internal Assessment – FY 2025	Conformance with Institute of Internal Audit (IIA) Standards and Code of Ethics
13	Madison NCAA	Compliance
14	NCAA Athletics Division I and II AUP Engagements	Compliance with NCAA Agreed-Upon Procedures
15	Office of Educational Opportunity (OEO)	Compliance
16	Planning Key Control Validation for Workday Go-Live	Reputational, Operational, Fraud
17	Records Retention	Legal, Compliance
18	Student Safety - Emergency Preparedness	Human safety, Operational, Reputational
19	Third-Party Servicers	Compliance with federal guidance
20	UWSA Policy 616 Student Drivers under State’s Liability Protection	Human safety, Operational, Reputational, Compliance
21	Wisconsin Economic Development Corporation (WEDC) Grants	Grant Compliance, Fraud
22	Wisconsin Intercollegiate Athletic Conference (WIAC) Grant Program	Grant Compliance
23	Youth Protection and Compliance	Reputational, Compliance, Human Safety



## **SUMMARIZED RESULTS OF AUDITS RECENTLY ISSUED**

### **REQUESTED ACTION**

For information and discussion.

### **SUMMARY**

Since the June 6, 2024 meeting of the Audit Committee, the Office of Internal Audit has issued the following reports:

- Office of Internal Audit – Annual Report 2024
- Payroll Continuous Auditing
- Student Safety - Emergency Preparedness

### **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.

**PRESENTATION OF  
RISK, COMPLIANCE, AND AUDIT (RCA) RISK TREATMENT PLAN**

**REQUESTED ACTION**

For information and discussion.

**SUMMARY**

The Universities of Wisconsin Administration (UWSA) Office of Compliance and Risk Management will present a summary of a risk treatment plan developed to assist the Universities of Wisconsin in mitigating high-level risks identified during Year 1 of the Risk, Compliance and Audit (RCA) Pilot Program.

**Presenter**

- Paige Smith, Chief Compliance and Risk Officer
- Joseph Rayzor, Director of Risk Management

**BACKGROUND**

During the summer of 2023, the UWSA Office of Compliance and Risk Management initiated a new program called the RCA (“Risk, Compliance and Audit”) Pilot Program to implement a strategic and innovative method of identifying and assessing high-level risks. A pilot was conducted during the FY23-24 academic year under which risk assessments were completed by five participating UW universities and the UWSA Risk and Compliance Council.

Once the high-level risks were identified, the participating UW universities developed lists of existing treatments that were in place at the university-level to manage each risk. Universities also offered proposed treatments for UWSA to consider in managing the risks systemwide. The UWSA Risk and Compliance Council reviewed this list of proposed treatments and compared them with existing actions currently being undertaken at the UWSA level. Finally, UWSA risk owners considered what was in their control, authority or capability and drafted a final list of treatments that are and/or could potentially mitigate each of the identified high-level risks to a reasonable level as part of the RCA process.