

**UW System Board of Regents
Audit, Risk, and Compliance Committee**

Virtual via Zoom Videoconference
July 10, 2025

MEETING OF THE AUDIT, RISK, and COMPLIANCE COMMITTEE

The meeting of the Audit, Risk, and Compliance Committee was called to order at 8:00 a.m. by Chair Regent Angela Adams.

A. Calling of the Roll

Roll call was taken. Regents Adams, Adongo, Goitom, Palzewicz, Salzwedel, and Underly were present. Regents Fritz and Traynor were absent.

B. Declaration of Conflicts

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

C. Proposed Consent Agenda

Regent Underly made a motion to approve the consent agenda, which consisted of the minutes of the June 5, 2025, Audit, Risk, and Compliance Committee Meeting and the Office of Internal Audit: Fiscal Year 2025 Audit Plan Progress Report, seconded by Regent Goitom. The consent agenda was approved unanimously without discussion.

D. Office of Compliance and Risk Management (OCRM)

1. Discussion of Fiscal Year 2026 Goals and Fiscal Year 2025 Progress Report

Chief Compliance and Risk Officer Paige Smith and Risk Management Director Joseph Rayzor presented their Fiscal Year 2026 Goals and Fiscal Year 2025 Progress Report. Ms. Smith began with the progress report, stating several items have been completed including the development of policy, resources, and training for digital accessibility compliance, UWSA Emergency Management Protocols, memorandums of understanding with UW Police Departments' Offices of Emergency Management, and insurance policy evaluation. Ms. Smith noted the Compliance Assessment & Monitoring Process and Hazardous Waste training are currently in progress. Furthermore, she said the Compliance Matrix and Records Management Policy are on hold, while the Risk Control Award has been discontinued.

Next, Ms. Smith provided a high-level review of their office's goals for fiscal year 2026, which involve training, and providing risk management and compliance services to reduce the burden on the universities, (e.g., investigative services, emergency management, and webpage resources). Mr. Rayzor gave an update on the Risk, Compliance, and Audit (RCA) program, reaffirming their commitment to oversee risk assessment tools and resource creation, exercise facilitation, and the creation and review of risk treatment plans. By working closely with the universities to identify high-level risks, he noted they will continue to provide regular updates to President Rothman and the Audit, Risk, and Compliance Committee.

Regent Salzwedel inquired about compliance with mandates and executive orders, specifically the bi-annual budget agreement and requirement to have an independent study on the Universities of Wisconsin's future sustainability, and what can be expected going forward, presumably falling under the

responsibility of the OCRM. President Rothman joined the conversation and stated they are in the preliminary stages, having met with chancellors to walk through the various conditions to receiving the additional funding, and work teams are being developed to produce the plans they are required to submit to the Joint Committee on Employment Relations later this year. Furthermore, he anticipates the OCRM and the OIA will maintain monitoring and audits of the plans put in place to ensure the Universities of Wisconsin remain in compliance consistent with the requirements of the statute. Regent Salzwedel asked if the regents should look to Ms. Smith and her team for the governance component, as well as Ms. Stortz and her team, as a point of contact, to provide consistent updates on the progress, to which President Rothman agreed, and added the universities themselves, and Interim Senior Vice President for Academic & Student Affairs Johannes Britz, will too. President Rothman reaffirmed his commitment to comply once the policies are developed and approved.

Regent Adams asked President Rothman to clarify the details of the budget and timing/deadlines. He stated that the process requires analysis of the efficiencies in the work being done throughout the Universities of Wisconsin, which must be submitted to the Legislative Committee by December 31, 2026, and brought to the Board of Regents before then. Regent Adams thanked the participants.

E. Office of Internal Audit (OIA)

1. Summarized Results of Audits Recently Issued

Ms. Stortz then summarized the results of the audit recently issued by the Office of Internal Audit since the June committee meeting. This included the *Youth Protection and Compliance* audit executive summary. She began by thanking the universities and their pre-college liaisons for all their assistance during the performance of this audit at a very busy time in the academic calendar. She provided the context that similar audits were previously conducted in 2020: *Oversight of Programs with Minors*, and in 2022: *Criminal Background Checks*. Concerning the *Youth Protection and Compliance* audit, Ms. Stortz reported that some universities had good results and found that in general there was a correlation with having pre-college liaisons in their positions for a long tenure and that had access to leadership. The audit recommended pre-college liaisons be given access to training, and to leadership at their universities to drive compliance. She also noted that when it came to volunteer criminal background checks and their training, exceptions were found at six of the 13 UW universities, and five did not have good tracking of the programs happening on their campuses. The auditors recommended that universities know where their programs are and they are being tracked, as well as compliance and monitoring that both the criminal background checks are being completed before the volunteers come to UW universities and that the volunteers are given the appropriate training. In addition, they recommend that the policies be strengthened to provide clarity and guidance around third-party agreements and whether minors may serve as volunteers at UW youth programs.

The Committee Members had a robust discussion regarding the audit results and management's plans to address the findings and recommendations. Regent Underly noted that the Wisconsin Department of Public Instruction has developed procedures to perform background checks for teachers and other staff who work with youth. We may be able to leverage their work, especially for the challenges related to multiple states. The regents also noted that the contract management issues could be managed with commercially available systems.

Paige Smith presented her plan to collaborate with the university leaders to address the findings. The regents noted that this needs to be a high priority. Moreover, they asked for periodic updates on the progress and for Internal Audit to confirm that the corrective actions are completed as soon as possible.

The regents also suggested that moving forward, for significant risks, System Compliance and Risk use dashboards and continuous monitoring to enhance compliance. Regent Goitom asked if spot audits are

ever performed and suggested that the Office of Internal Audit perform them to identify significant compliance issues in a timely manner.

[Recording: 50:03]

After Regent Adams thanked Ms. Stortz and Ms. Smith, the Audit, Risk, and Compliance Committee moved into closed session at 8:51 a.m. by a motion from Regent Underly and seconded by Regent Goitom and adopted on a roll call vote with Regents Adams, Adongo, Goitom, Palzewicz, Salzwedel, and Underly voting in the affirmative. There were no dissenting votes and no abstentions.

Respectfully submitted,

Erika L. Laabs
Recording Secretary