7/1/2025

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Audit, Risk, & Compliance Committee
Thursday, July 10, 2025
8:00-9:30 a.m.

via Zoom Videoconference

A. Calling of the Roll

B. Declaration of Conflicts

C. Proposed Consent Agenda:
   1. Approval of the Minutes of the June 5, 2025 Audit, Risk, and Compliance Committee Meeting
   2. Office of Internal Audit: Fiscal Year 2025 Audit Plan Progress Report

D. Office of Compliance and Risk Management
   1. Discussion of Fiscal Year 2026 Goals and Fiscal Year 2025 Progress Report

E. Office of Internal Audit:
   1. Summarized Results of Audits Recently Issued

F. Move into closed session to:
   1. Confer with legal counsel regarding potential or pending litigation [New York v. Trump (District of Rhode Island, Case No. 25-cv-00039), Mass. v. NIH (District of Massachusetts, Case No. 25-cv-10338), AAU v. NIH (District of Massachusetts, Case No. 25-cv-10346), California v. Dept. of Education (District of Massachusetts, Case No. 25-cv-10548), New York v. McMahon (District of Massachusetts, Case No. 1:25-cv10601), Colorado v. HHS (District of Rhode Island Case No. 25-cv-00121), Rhode Island v. Trump (District of Rhode Island, Case No. 1:25-cv-00128), Mass. v. HHS (District of Massachusetts, Case No. 25-cv-10814), AAU v. Dept. of Energy (District of Massachusetts, Case No. 1:25-cv-10912-ADB), Maryland v. Corporation for National and Community Service, operating as AmeriCorps (District of Maryland, Case No. 1:25- cv-01363), ACLS, et. al. v. McDonald et. al. (Southern District of New York, Case No: 1:25-cv-03657), New York v. Kennedy (District of Rhode Island, Case No. 1:25-cv00196), AAU v. National Science Foundation (District of Massachusetts, Case No. 1:25-cv-11231), New York v. National Science Foundation (Southern District of New York, Case No. 1:25-cv-04452), AAU, et al. v. Department of Defense (District of Massachusetts, Case No. 1:25-cv-11740); New Jersey v. OMB (District of Massachusetts, Case No. 1:25-cv-11816)], as permitted by s. 19.85(1)(g), Wis. Stats.; and

2. Consider strategies for crime detection and prevention, as permitted by s. 19.85(1)(d), Wis. Stats.

FISCAL YEAR 2025 AUDIT PLAN PROGRESS REPORT

REQUESTED ACTION

For information and discussion.

SUMMARY

One of the responsibilities of the Audit, Risk, and Compliance 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.

OFFICE OF INTERNAL AUDIT
FISCAL YEAR 2025
AUDIT PLAN PROGRESS

	Title	Risks
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
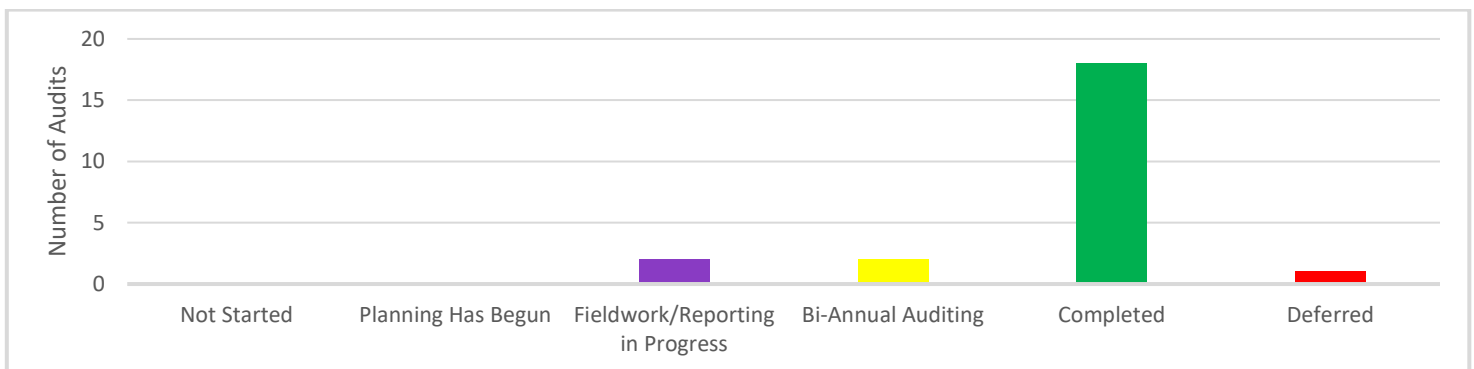
OFFICE OF COMPLIANCE AND RISK MANAGEMENT
FISCAL YEAR 2026 GOALS AND FISCAL YEAR 2025 PROGRESS REPORT

REQUESTED ACTION

For information and discussion.

SUMMARY

The Universities of Wisconsin Office of Compliance and Risk Management (OCRM) will provide a status report on OCRM's progress under its Fiscal Year 2025 annual goals and an overview of its high-level goals for Fiscal Year 2026. The attached document provides a written summary of this information.

Presenter(s)

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

Attachment

A) OCRM Fiscal Year 2026 Goals and Fiscal Year 2025 Progress Report

Office of Compliance and Risk Management
FY26 Goals and FY25 Progress Report

The Office of Compliance and Risk Management (OCRM) provides compliance and risk management services, guidance and support to Universities of Wisconsin Administration (UWSA) and its universities to successfully perform their administrative, operational and compliance-related activities. OCRM consists of the Office of Compliance and Integrity and the Office of Risk Management.

FY26 Goals

Topic	Description
Compliance Monitoring	**Goal:** (This goal is continued from FY25) Develop a sustainable and efficient compliance monitoring process to track, evaluate and address compliance gaps identified by recent audit findings, federal regulations, and national data on emerging trends in higher education. **Key Indicators:** ➢ Review relevant audit, regulations or trends and evaluate applicable policies, procedures or practices. ➢ Develop a written project management plan for each compliance review (e.g. identify owners and stakeholders, select and track data collection, develop action plans and tasks, set timelines, track progress and issue recommendations). Utilize existing project management software to manage the compliance review. ➢ In collaboration with the applicable senior leadership and unit directors, initiate a compliance review on a selected topic or risk. ✓ Review and assess impact of selected audit, regulation, or trend; ✓ Compare assessment with existing processes or practices; ✓ Identify gaps in controls or challenges in managing risk; ✓ Assess and prioritize type and impact of gaps; ✓ Determine appropriate steps to address gaps and mitigate risks along with necessary expertise, resources and/or support; ✓ Set reasonable timelines for completion. ➢ Submit completed project plan(s) to leadership and stakeholders with recommendation(s) and additional information, as necessary. ➢ Complete up to three compliance reviews on or before May 1, 2026.

Data Collection and Publication of Data	**Goal:** Create and maintain an OCRM dashboard to highlight certain systemwide data points and activities for leadership and internal stakeholders.
	
	Key Indicators:
	➢ Collect and publish data dashboard on the OCRM webpage on the following topics:
	    ✓ Compliance Obligations
	    ✓ Investigations
	    ✓ Public Records
	    ✓ Risk Assessment
	    ✓ Title IX
	    ✓ Youth Protection
	➢ Set benchmark as of July 1, 2025, for tracking data and activities and identifying trends or patterns for compliance and risk management decision-making.
	➢ Evaluate webpage usage and functionality on or before March 1, 2026, to assess effectiveness of information and content.

RCA Program and Trend-tracking	**Goal:** Continue to oversee and facilitate the Risk, Compliance and Audit (RCA) program through risk assessment tools, resource creation, exercise facilitation, and the creation and review of risk treatment plans. In accordance with President Rothman's direction, review and evaluate trends in higher education related to high-level risks and provide regular updates to President Rothman and the Audit, Risk and Compliance Committee leadership, upon request.
	
	Key Indicators:
	➢ Conduct systemwide risk assessment on high-risk topics identified and/or selected by senior leadership.
	    ✓ Utilize existing communities of practice and the UWSA Risk and Compliance Council to conduct the assessments and evaluate current and potential risk drivers and consequences.
	    ✓ Use results to assess whether UWSA is sufficiently managing risks to mitigate any actual or perceived harm. Provide reports to senior leadership for review and action, if necessary.
	    ✓ Present relevant information to board leadership, upon request.

Training	**Goal:** In collaboration with UWSS, OGC and other applicable UW Administrative Offices, provide system-wide training programs, webpage resources, and modules in learning management system on relevant risk topics, as identified through the RCA risk assessment work, internal audits or upon request. **Key Indicators:** ➢ Develop and or offer trainings on the following topics: ✓ Title VI of Civil Rights Act Training

	✓ Title IX Sexual Misconduct Training ✓ SUNY SCI Title IX Training ✓ Youth Protection Training and Precollege Liaison Onboarding ✓ UW Employee Training on Ethics for State Public Officials ✓ Other topics as necessary ➢ In coordination with UWSS, track completion rates and competency scores.

Webpage Resources	**Goal:** Enhance and broaden OCRM's webpage in scope and content to provide more information, materials, resources and guidance for the benefit of university stakeholders.
	
	Key Indicators:
	➢ Track usage of OCRM webpages and identify useful trends for improvements.
	➢ Track webpage user activity by page views and unique visitors, top pages by traffic, average time spent on top/specific pages, bounce rate.
	➢ Develop user satisfaction survey on website usefulness, content relevance, etc.
	➢ Prepare and publish regular compliance information, updates and communications to stakeholders:
	    ✓ Newsletters
	    ✓ Compliance Conundrums
	    ✓ Other emails directing stakeholders to our webpages and resources

Shared services (small "s")	**Goal:** Collaborate with UW Administration, UWSS and Universities to identify systemwide and centralized areas of operation or administration that would benefit universities in fulfilling their missions and strategic goals. Continue to evaluate and update existing shared services, including investigations, workers' compensation, risk transfer, and emergency management.
	
	Key Indicators:
	➢ Track usage and satisfaction with existing shared services offered by OCRM.
	    ✓ Investigative services
	    ✓ RCA Program
	    ✓ Workers' Compensation
	➢ Survey stakeholders on an annual basis regarding satisfaction and usage of services. Evaluate and assess by May 1 of each year to determine whether changes are needed.
	➢ Track and evaluate OCRM level of activity and staff expertise to ensure capacity for successful service support.
	➢ Based on university needs and resources, develop additional shared services as directed by UWSA leadership.

FY25 Progress Report

Office	FY2025 Annual Performance Goal Description	Status/ Progress
OCI	Provide **investigatory services** to UW in cases involving Title IX and EEO allegations of misconduct that may impact advancing an inclusive workplace and retaining high-quality, diverse staff.	Completed Note: This is an ongoing service
OCI	Enhance the knowledge and understanding of **ethical duties and obligations** among all UW employees through new and innovative training programs and resources.	Completed Note: This is an ongoing compliance function
ORM	Work with university partners to create a **virtual on-demand hazardous waste training program** (currently training is only available once a year). Update the current hazardous waste website to ensure that it reflects current processes, is easier to navigate, and incorporates feedback from university partners.	In Progress. Target August 2025. UWSA training resources were shifted toward ATP.
ORM	Expand the scope of our **emergency management strategic focus** by partnering with UW-Madison's Emergency Management Office to create systemwide trainings, events and activities for awareness and understanding of health and safety risks posed to our campus community. Conduct a systemwide virtual tabletop exercise on a student-related threat scenario. Review and update for accuracy the UWSA's Continuity of Operations Plans (COOP) (25 plans).	Completed Note: This is an ongoing compliance and risk management function
OCI	Serve on the **WICCD Steering Committee** to provide guidance and support from a system-level compliance and risk perspective to ensure the goals and objectives of WICCD are aligned with the UW's policies and practices.	Completed
OCI	**Reimagine the use and function of the UWSA Compliance Matrix** to ensure that all compliance obligations across the UWSA and universities are known, fulfilled, and tracked in real time. Secure a new software system to increase the capacity of the existing Matrix using real-time data tracking, individualized report management, automated reminders, filing system, localized dashboards, and report generation for more timely and accurate compliance monitoring.	On hold for budget reasons
ORM	Analyze the rates, terms, and coverage for the UW Administration's **major insurance programs and purchases**, ensuring that the program is competitively priced and provides adequate coverage given current market conditions.	Completed Note: This is an ongoing compliance

		and risk management function
OCRM	Continue the **Risk Compliance and Audit (RCA) pilot program** by completing additional risk assessments at the university levels using a strategic and collaborative process to maximize engagement and data collection while minimizing the complexity and length of process. Initiate Year 2 of the program by taking risk assessment results and identifying areas of opportunity and improvement in controls or treatments to mitigate and reduce risks.	Completed Ongoing program in FY26 (Year 3)
OCRM	Create a **compliance assessment and monitoring process** for improved accountability, communications, efforts, and results related to fulfillment of compliance obligations. Use information obtained from the UWSA Compliance Matrix, RCA results, audit findings, and general input from universities. Develop resources, charts, and other materials for the compliance monitoring process. Identify and share best practices for fulfilling compliance obligations and risk management efforts across the UW.	In progress Work will extend into FY26
OCI	Develop and implement a new **UWSA Records Management Policy** to ensure that all records are collected, maintained, and disposed of in accordance with applicable policies and state law requirements.	Draft SYS 650 policy is completed along with guidance Policy Implementation on hold until fall of 2025
OCI	Provide support and guidance to UW workgroup on reviewing and updating **processes and protocols** for academic labs and activities that collect, use and store donated **cadavers and body parts**.	Completed
OCI	Co-lead a **research security and compliance systemwide workgroup** to develop and implement new compliance-related programs, trainings, and guidance on non-financial compliance-related research activities at the comprehensive level.	Completed
OCI	In collaboration with UWSA Office of Student Affairs, Chief Information Technology, and Office of General Counsel, develop a UWSA-level compliance framework and support structure for ensuring that the UW is fulfilling the **digital accessibility standards and Title II regulations** for its internet and public-facing web communications.	UWSA working group tasks completed Work will continue into FY26 due to implementation of policy as of April 2026

OCI	Co-lead the UWSA effort to **implement the new Title IX regulations**, including providing expertise in revising applicable administrative codes, policies, and procedures. OCI will develop and offer training programs and communications to UWSA and universities to understand and fulfill the changes required by federal law.	Completed
OCI	Develop an **internal online Title IX training program** for UWSA employees and students (due to discontinued use of outside vendor).	Completed
OCI	Partner with Grand River Solutions to **reimagine sexual discrimination online training** for students. Serve as resident experts on student experiences and perspectives.	Completed
ORM	Develop an **annual risk control recognition award** to recognize the university who initiates a significant and measurable risk reduction plan while preserving opportunities for innovation.	Discontinued

SUMMARIZED RESULTS OF AUDITS RECENTLY ISSUED

REQUESTED ACTION

For information and discussion.

SUMMARY

Since the June 5, 2025 meeting of the Audit, Risk, and Compliance Committee, the Office of Internal Audit has issued the following reports:

- Youth Protection – Executive Summary

Presenter(s)

- Lori Stortz, Chief Audit Executive

BACKGROUND

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