

**UW System Board of Regents  
Audit Committee**

Nohr Gallery, Ullsvik Hall  
University of Wisconsin–Platteville  
1 University Plaza, Platteville, Wisconsin  
& via Zoom Videoconference  
**April 4, 2024**

**MEETING OF THE AUDIT COMMITTEE**

The meeting of the Audit Committee was called to order at 10:45 a.m. by Board of Regents President Regent Karen Walsh.

**A. Calling of the Roll**

Roll call was taken. Regents Atwell, Colón, Goitom, Underly, Walsh, and Weatherly were present. Regents Adams and Jones were absent.

**B. Declaration of Conflicts**

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

**C. Approval of the minutes of the February 8, 2024, meeting of the Audit Committee**

Regent Colón made a motion to approve the minutes of the February 8, 2024, Audit Committee meeting, seconded by Regent Weatherly, which were approved unanimously without discussion.

**D. Internal Audit**

**1. Fiscal Year 2024 Audit Plan Progress Report**

Chief Audit Executive Lori Stortz reviewed the status on the *Fiscal Year 2024 Audit Plan*. She noted that the largest column on the audit status chart is “completed/canceled” and that she expects to bring more audit reports to the committee when they meet in June. Ms. Stortz confirmed the audit plan will be substantially finished by the end of the fiscal year, with the exception of the following two audits which were discussed at the committee meeting. Due to the impact to our universities caused by the Federal FAFSA delays, the Office of Internal Audit was asked to defer the audit of *Third-Party Servicers*, to prevent placing even more strain on the financial aid offices at our universities who must focus on their core mission to serve the students and process the financial aid packages in a timely manner. Ms. Stortz indicated she and her team agreed and the audit will be deferred until summer. The second audit concerned UWSA Policy 616, *Student Drivers Under State’s Liability Protection*, which is ongoing and likely will be issued this summer. Next, Ms. Stortz stated that one audit has been cancelled, *ShopUW+ Internal Controls - Phase 2*. The audit was cancelled because the controls they were going to test were regarding the procurement internal controls built in the ShopUW platform, and that platform will not be used beyond July 2025 because management has decided that using the Workday tool ERP will be more efficient and effective. Therefore, Ms. Stortz felt it did not make fiscal sense to have her team test controls that will likely be obsolete in less than a year.

## **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 last Audit Committee meeting in February 2024. The first concerned the *Other Affiliated Organizations* Executive Summary. This audit focused on the oversight processes, to test compliance with Regent Policy Document (RPD) 21-11, *Cost-Benefit Reporting for Foundations and Associated Affiliated Organizations*. Ms. Stortz noted the internal audit found the processes to be working very well and there were no audit comments. Regent Walsh noted that the phrase “no comments” is significant in an audit report.

Next Regent Walsh took a moment to briefly describe to the new Regents on the committee the length and breadth of the types of audits the Office of Internal Audit is called upon to examine.

This was followed by Ms. Stortz discussing the *Bi-Annual Purchasing Card Audit Report* for the June 24, 2023 to January 5, 2024 testing cycle. She reported that the current number of active purchasing cards was approximately 6,700, which was a slight increase from the prior testing cycle’s total. Ms. Stortz noted the results of this audit were consistent with prior periods, and comments concerned recurring items, such as various approval lapses, goods ordered shipped directly to personal residences without explanation, and incomplete documentation. Ms. Stortz said she will be meeting with those universities involved to suggest how they might improve their controls. She also stated as this program has matured, her office chose not do testing at four universities because they had consistently had excellent results over the last couple of years and this was a way of rewarding them for their excellent work.

## **3. Overview of the Institute of Internal Auditors new Global Internal Audit Standards**

Lastly, Ms. Stortz provided an overview of the Institute of Internal Auditors (IIA) new Global Internal Audit Standards (standards). The new standards were disseminated this past January and the Office of Internal Audit will be required to comply with them in January 2025. She expressed that she would bring suggested edits to the Audit Committee Charter before the committee at a subsequent meeting. Regent Walsh said that it was nice to know that their office was auditing themselves.

Respectfully submitted,

Erika L. Laabs  
Recording Secretary