



Office of the President

1700 Van Hise Hall  
1220 Linden Drive  
Madison, Wisconsin 53706-1559  
608-262-2321  
[jrothman@uwsa.edu](mailto:jrothman@uwsa.edu)  
[www.wisconsin.edu](http://www.wisconsin.edu)

March 2, 2023

Senator Eric Wimberger  
Representative Robert Wittke  
Co-Chairs, Joint Legislative Audit Committee

Dear Senator Wimberger and Representative Wittke:

Thank you for the opportunity to update the Joint Legislative Audit Committee on Report 22-25, the UW System's annual financial audit. In that report, the Legislative Audit Bureau provided an unqualified opinion on the UW System's financial statements for fiscal years 2021-22 and 2020-21, and provided three recommendations related to the UW System's administration of federal coronavirus relief funds. This letter serves as the status report of those recommendations.

Through fiscal year 2021-22, the UW System spent \$536.5 million of its \$563.7 million allocation from three federal coronavirus relief funds, including the Higher Education Institution Financial Assistance program, the Governor's Emergency Education Relief Fund, and the Higher Education Emergency Relief Fund (HEERF). The Legislative Audit Bureau identified \$239,200 in questioned costs, or 0.04 percent, of the amount spent, and recommended that UW System work with the federal government to resolve these costs.

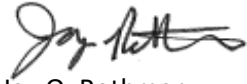
UW universities have removed \$215,700 in expenses identified by the Audit Bureau as unallowable, and claimed other coronavirus-related costs or lost revenues to fully utilize the allocated federal funds. UW System Administration has contacted the U.S. Department of Education, our federal cognizant agency, to resolve the remaining \$23,500, which we believe to be allowable. When a final determination is made by the federal government, UW System will take any necessary steps.

The Legislative Audit Bureau also recommended that UW System Administration ensure all UW universities spend a portion of their HEERF funds on evidence-based coronavirus prevention or management practices and on informing financial aid recipients about benefit changes for which they may be eligible. While federal regulations require some funds be spent in these two areas, regulations do not prescribe an exact amount or timing of these expenditures. UW System Administration does not anticipate compliance issues in this area, and is working with UW universities to ensure the requirement is met when remaining federal funds are spent in fiscal year 2022-23.

Finally, the Legislative Audit Bureau recommended that UW System Administration provide written guidance to UW universities regarding the allowable uses of HEERF funds. UW System Administration respectfully disagrees with this recommendation. Each round of coronavirus funding brought new regulations and guidance from the federal government and professional organizations. Given the unique and ever-changing nature of the pandemic and funding regulations, UW System Administration saw its role as a facilitator, providing information from these authoritative sources to our campuses, sharing best practices from UW and other universities, and resolving campus questions with the federal government. This approach served the UW System well, and we do not believe further actions are needed at this time.

If you have any questions regarding these issues or the steps taken, please do not hesitate to contact me or Vice President Sean Nelson.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay Rothman". The signature is fluid and cursive, with a prominent loop at the end.

Jay O. Rothman  
President, UW System

cc: State Auditor Joe Chrisman  
Chancellors  
Vice President Sean Nelson