



STATE OF WISCONSIN
Department of Employee Trust Funds
A. John Voelker
SECRETARY

Wisconsin Department
of Employee Trust Funds
PO Box 7931
Madison WI 53707-7931
1-877-533-5020 (toll free)
Fax 608-267-4549
etf.wi.gov

Correspondence Memorandum

Date: November 10, 2022
To: Audit Committee
From: Yikchau Sze, Director
Office of Internal Audit (OIA)
Subject: FY22 - FY23 Biennial Audit Plan Update

The following is a summary of audit engagements completed, in-progress, and the status of other OIA activities from August 26, 2022, through November 10, 2022.

Engagements Completed

- Department Terms and Conditions Audit
- Interest Crediting Audit
- IT General Controls Assessment

Engagements In-Progress

- Chapter 40 Procurement Audit
- Resources Management Review
- WRS Employer Billing Audit
- Third-party administrator (TPA) Contract Compliance Audit for the Administration of Pre-Tax Savings Accounts

Other Activities

- Provided TPA Contract Compliance Audit Oversight
 - Participated in periodic audit check-in meetings
 - Reviewed draft audit report and provided feedback to the benefit program manager
- Assisted ETF fraud response by facilitating the review and response to incidents submitted through ETF Hotline, and engaging in the development of fraud awareness and training program
 - No incidents were submitted through the ETF Hotline this reporting period. Four incidents were reported year to date; none of them was substantiated as fraud cases
- Assisted the development of ETF Information Risk Management Program (IRMP) by participating in the IRMP pilot work group
- Created and published OIA SharePoint page on ETF Connect SharePoint site
- Supported migration to TeamMate+ by creating a user manual and updating the Internal Audit Manual
- Tracked the status of all open audit issues through the quarterly Open Audit Issue Report (see Attachment A)

Attachment A: Open Audit Issues Report Summary Memo

Board	Mtg Date	Item #
AUD	12.08.22	9



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This memo is for informational purposes only. No action is required.

The Open Audit Issues report tracks recommendations raised by the OIA for all internal audits and recommendations raised by independent external auditors. OIA updates the Open Audit Issues report quarterly, based on the status reported by management. Management is responsible for the timely completion of actions that address audit findings. OIA is responsible for tracking progress reported by management and performing follow-up audits to confirm the completion of corrective actions if deemed necessary.

Currently, there are total of seven outstanding audit recommendations on the Open Audit Issues summary report: Five from the Sick Leave Reporting audit OIA completed in August and two from the Legislative Audit Bureau's 2020 financial statements audit that carried over from the last quarter.

Open Audit Issues Summary - November 2022

Program	Audit Report Date	Audit Performed by	Audit Recommendations			
			Outstanding		Closed	Total
			#	Complete By	#	
Sick Leave Reporting Audit	August 2022	OIA	1	2/1/2023		
			1	2/15/2023		
			1	4/30/2023		
			1	9/1/2023		
			1	11/15/2022		
Total - Internal Audit			5		1	6
ETF 2020 ACFR (Report 21-14)	September 2021	LAB	2	December 2022	1	
Total - LAB Audit			2		1	3