Status of Internal Audit Plan
FY 2022 – FY 2023

Office of Internal Audit

May 31, 2023

Board	Mtg Date	Item #
AUD	06.22.23	6

Executive Summary

This report provides information on the status of the Biennial Internal Audit Plan for FY2022 - FY2023 (Plan). The Plan included 17 projects to be completed by the Office of Internal Audit (OIA) and seven information technology (IT) projects that OIA outsourced to JANUS Association, a consulting firm specialized in IT auditing and consulting services.

OIA has completed and reported 12 projects to the Audit Committee as of May 2023 and is on target to complete four engagements by the end of June 2023 and report results to the Committee at the September meeting. The two outstanding data analytical-focused projects will be re-evaluated through the data analytics initiative OIA has planned for in the Biennial Internal Audit Plan for FY2024 – FY2025.

JANUS completed three of the seven planned projects as the result of balancing risks with available ETF resources.

The tables on the following pages provide engagement status details as well as the statuses of audit recommendations. For audit finding status details, please see Attachment A, the Open Audit Issues Report.

Attachment A: Open Audit Issues Report

Detailed Audit Plan Status

The following tables provide the status of audit projects planned for FY2022 and FY2023, the reasons why certain projects were not completed according to the Plan, as well as the statuses of audit recommendations, if any.

Table 1. OIA Projects

Title	Type	Status – May 2023	Report Date	Reason for Change / Comment	Recommendation
Health Plan Enrollment Data Analysis	Audit - Data Analytical pilot Project	Cancelled		Replaced by the data analytics initiative in the FY24-FY25 audit plan	N/A
Member Contact Information Management	Consulting	Completed	5/26/2022	Scope modified to review Master Data Management system Person Domain	Improvement Considerations Only
Interest Crediting	Audit	Completed	11/7/2022		No Audit Findings
Third Party Administrator (TPA) Oversight, including SOX Reporting Review and Contract Compliance Audit Oversight	Consulting	Completed	Various memos issued		N/A

Title	Type	Status – May 2023	Report Date	Reason for Change / Comment	Recommendation
TPA Contract Compliance Audit – Pre-Tax Savings Accounts	Audit	Completed	2/23/2023	Insourced to enhance assurance provided	6 Audit Findings – 1 Closed, 5 In-Progress
Benefits Calculation and Distribution	Agreed-upon Procedures	Completed	3/1/2022 2/21/2023		N/A
WRS Data Integrity Analysis	Audit	Cancelled		Replaced by the data analytics initiative in the FY24-FY25 audit plan	N/A
WRS Account Closure	Audit	Completed	1/25/2022		2 Audit Findings – All Closed
Required Minimum Distribution	Audit	In progress	September 2023 Audit Committee Meeting	Originally titled *Forced Distribution*	N/A
Department Terms and Conditions	Audit	Completed	11/14/2022		No Audit Findings
Resource Management Using Eclipse	Consulting	Completed	1/25/2023		Improvement Considerations Only
Enterprise Content Management System Record Processing	Consulting	Completed	3/8/2022		Improvement Considerations Only

Title	Type	Status – May 2023	Report Date	Reason for Change / Comment	Recommendation
Portfolio Intake Process	Consulting	Completed	5/10/2023		Improvement Considerations Only
Public Record Request	Audit	In progress	September 2023 Audit Committee Meeting	Originally titled *Open Record Request* and was a consulting project	N/A
Chapter 40 Procurement Process	Audit	In progress	September 2023 Audit Committee Meeting		N/A
WRS Billing	Audit	On hold	September 2023 Audit Committee Meeting	OIA staff on family leave	N/A
Sick Leave Reporting	Audit	Completed	8/25/2022		6 Audit Findings – 4 closed, 2 In-Progress

Table 2. IT Projects

Title	Type	Status – May 2023	Report Date	Reason for Change / Comments	Recommendation
IT General Control	Audit	Completed	11/15/2022	Project rescoped to focus on newly implemented systems	13 Audit Findings – Action Plan Requires Further Assessment
System Development Life Cycle	Audit	Deferred		Deferred to FY2024 due to balancing risks with available ETF resources	N/A
Breach Response Readiness	Consulting	In progress	To be reported at the June 2023 Audit Committee meeting		
Data Loss Prevention	Consulting	Cancelled		Included in the Equipment and Sensitive Data Protection Audit	N/A
Equipment and Sensitive Data Protection	Audit	Completed	4/26/2022		No Audit Findings; Improvement Considerations Only
Vendor Management	Consulting	Deferred		Deferred due to priority and resources	N/A
IT Interface	Audit	Deferred		Deferred to FY2024 as System Integration Review	N/A