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Correspondence Memorandum

Date: August 31, 2023
To: Audit Committee
From: Yikchau Sze, Director
Office of Internal Audit (OIA)
Subject: Open Audit Issues Report

This memo is for informational purposes only. No Committee 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.

Compared with the status reported in the last quarter, the Open Audit Issues report (see page 2) includes:

- One more recommendation from the TPA Contract Compliance audit of Pre-tax Saving Account Programs was closed
- Detailed action plans to address recommendations from IT Control Assessment were determined to be further developed and implemented after the implementation of the Insurance Administration System
- Breach Response Readiness Assessment was added to the Open Audit Issues report for status monitoring

Open Audit Issues Report
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Program	Audit Report Date	Audit Performed by	Issue	Risk Rating	Audit Recommendations			
					Outstanding	Complete By	Closed	Total
Sick Leave Reporting Audit	August 2022	OIA	Issue Log and Training Materials	Medium		2/1/2023	1	
			UW Faculty SHICC Years of Adjusted Continuous Service (ACS)	Medium	1	2/15/2023 5/15/2023 8/15/2023 2/29/2024		
			Year of ACS Determination	Low - Medium		4/30/2023	1	
			500 Hour SHICC Restoration	Medium	1	9/1/2023		
			Employment Category Review	Low - Medium		11/15/2022	1	
			AcSL Application Access Review	Medium		8/12/2022	1	
TPA - Optum Financial Audit	February 2023	OIA	Reporting Concerns	Medium - High	1	8/31/2023		
			ERA and CB Claims Substantiation	Medium		9/30/2023	1	
			Contribution Limits and HSA Eligibility	Medium	1	9/30/2023 12/31/2023		
			Quarterly Performance Standards Reporting	Medium	1	6/30/2023 8/31/2023		
			Performance Standards Penalty	Low - Medium	1	5/31/2023 6/30/2023 8/31/2023		
			SFTP Access	Low - Medium		1/31/2023	1	
Total - OIA Audit					6	6	12	
Pharmacy Benefit Manager	September 2022	PillarRx			1	Next Audit Cycle; 2023		
Wellness Administrator	August 2022	Segal			3	Next Audit Cycle; 2024	6	
Total - External TPA Audit					4		6	10
IT Control Assessment for ECM and MDM	November 2022	JANUS		Including all Risk levels	11	High level plan was developed; implementation will be after IAS go-live		
Breach Response Readiness	June 2023	JANUS		Low and Medium	10	Action plans were developed. 5 out of 10 have targeted completion dates	5	
Total - IT Audit					21		5	26