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Correspondence Memorandum

Date: May 28, 2024
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 (starting on page 2) has the following changes:

- Two more recommendations from the Uniform Dental Third-Party Administrator (TPA) contract compliance audit were closed, resulting in all but one recommendation being outstanding. However, the completion date is to be determined, as feasibility and time needed to address the issue is under review.
- One more recommendation was added to the outstanding list of the Breach Response Readiness assessment as it was not completed as planned.

Staff will be at the Committee meeting to answer any questions.

Attachment C

Open Audit Issues Summary – May 2024

Program	Audit Report Date	Audit Performed by	Issue	Risk Rating	Audit Recommendations			
					Outstanding	Complete By	Closed	Total
SOC2 Reporting	October 2023	OIA	See the audit report discussed in closed session	Including all Risk levels	2	12/31/2024	2	
WRS Contribution Payments	August 2023	OIA	Over/Under Contributions	Medium	1	2/1/2024 3/31/2024 TBD		
Required Minimum Distribution (RMD)	August 2023	OIA	Late RMDs for Employees Terminated at or over RMD Age	Medium - High	1	6/1/2024		
			RMD Process Procedures and Published Information	Medium - High	1	9/1/2024		
			RMD Cycle-End Review to Address Process Gaps	Medium - High	1	1/1/2025		
Sick Leave Reporting	August 2022	OIA	Issue Log and Training Materials	Medium		2/1/2023	1	
			UW Faculty SHICC Years of Adjusted Continuous Service (ACS)	Medium		2/15/2023 5/15/2023 8/15/2023 2/29/2024	1	
			Year of ACS Determination	Low - Medium		4/30/2023	1	
			500 Hour SHICC Restoration	Medium	1	9/1/2023 3/31/2025		
			Employment Category Review	Low - Medium		11/15/2022	1	
			AcSL Application Access Review	Medium		8/12/2022	1	
LTDI Audit	August 2019	OIA	Folder Access	Medium - High	1	6/30/2024	2	
Total - OIA Audit					8		9	17

Program	Audit Report Date	Audit Performed by	Issue	Risk Rating	Audit Recommendations			
					Outstanding	Complete By	Closed	Total
Pharmacy Benefit Manager Services and Medicare Part D Employer Group Waiver Audit	November 2023	PillarRx	Some manufacturers were slightly above the rebate variance threshold	N/A	1	9/1/2024		
Uniform Dental Benefits Administration Audit	September 2023	CTI	Recommendations related to several areas	N/A	1	4/3/2024 TBD	9	
Wellness Program Administration Audit	August 2022	Segal	Recommendations related to several areas	N/A	3	9/1/2024	6	
Total - External TPA Audit					5		15	20
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	11	Action plans were developed. 5 out of 10 have targeted completion dates	5	
Total - IT Audit					22		5	27