



State of Wisconsin
Department of Employee Trust Funds
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Correspondence Memorandum

Date: May 5, 2016
To: Group Insurance Board
From: Yikchau Sze, Director
Office of Internal Audit
Subject: 2015 – 2017 Audit Plan Status

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

The following is a summary of the audit engagements completed or in progress and the status of other Office of Internal Audit (OIA) activities since December 11, 2015 to the report date of February 29, 2016. This information was presented to the Audit Committee of the Employee Trust Funds Board on March 24, 2016.

Audit Engagements – Completed

- Annuitant's Payroll
- Wisconsin Retirement System Employer Reporting

Audit Engagements – In-Progress

- Tax Reporting and Tax Payment – Initial planning
- Retirement Benefit (Pension Benefit) – Fieldwork is in progress
- Full File Compare (A process comparing health insurance enrollment data between ETF's records and health plans' records) – Fieldwork is in progress

Other OIA Activities

- Initiated and facilitating discussions of a cross-functional team for fraud prevention/detection that includes strengthening the ethics policy, evaluating vendors' proposals and drafting decision paper for senior management approval

Reviewed and approved by Robert J. Conlin, Secretary

Electronically Signed 5/9/16

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GIB	5.18.16	6J

- Establishing Quality Assurance and Improvement program to comply with the International Standards for Professional Practice of Internal Auditing promulgated by the Institute of Internal Auditors
- Confirmed the timing and updated the detailed audit plan for the security audits of Business Administration System
- Provided advisory services in the following areas:
 - Wipfli TASC contract extension
 - Actuarial contracts performance review
 - Full File Compare process
- Continued involvement in the Transformation, Integration and Modernization effort with
 - Risk management monitoring
 - Change management discussion
 - Security policy sub-committee discussion
- Tracking open audit issues and report status of the open issues to the Audit Committee quarterly through Open Audit Issue Report
- Attended following major trainings:
 - The Psychology of Governance, Risk and Compliance: Jackie Van Marter, Rick Onasch, Mary Statz, and Yikchau Sze attended the 2 CPE credit training offered by the Institute of Internal Auditors Madison Chapter in February
 - Detecting Fraud in Claims Investigations – Rick Onasch attended the seminar offered by the Association of Certified Fraud Examiners in Milwaukee in January

Staff will be available at the Group Insurance Board meeting to answer any questions.