



*The Legislative Audit Bureau makes 22 recommendations  
to State of Wisconsin Agencies*

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**Department of Administration** (p. 25)

1. We recommend the Wisconsin Department of Administration:
  - provide additional guidance to state agencies for the allowability of costs funded by the Coronavirus Relief Fund (p. 28); and
  - improve its reimbursement request review and approval processes to provide additional assurances that only allowable costs are funded by the Coronavirus Relief Fund (p. 28).
2. We recommend the Wisconsin Department of Administration:
  - take steps to fully complete projects or update project plans to implement the written procedures, practices, and settings of the Division of Enterprise Technology to enforce policies and standards (p. 79).
3. We recommend the Wisconsin Department of Administration:
  - evaluate, by December 18, 2020, the adequacy of executive branch agency monitoring provided through the dashboard in assessing the progress of executive branch agency compliance with the State of Wisconsin IT Security Policy Handbook and related standards and implement additional methods for monitoring as needed (p. 81);
  - establish a timeline for anticipated agency compliance with the State of Wisconsin IT Security Policy Handbook and related standards, assess agency progress in achieving compliance, and take action to assist agencies not achieving compliance in a timely manner (p. 81);
  - set specific completion dates for the actions identified in its Division of Enterprise Technology's risk assessment plan related to vulnerability management and penetration testing, complete the actions by the dates established, and update the plan to specify the frequency of and processes for ongoing or periodic assessments and related actions (p. 81); and
  - identify, by December 18, 2020, areas not included within the scope of the current risk assessment plan or other methods of assessing risks that would assist in the overall management of risk, and update the risk assessment plan for consideration of these areas or methods (pp. 81-82).

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**Department of Children and Families** (p. 29)

4. We recommend the Wisconsin Department of Children and Families:
  - correct the provider maintenance cost percentages in eWiSACWIS for the group home and residential care centers we identified and, as appropriate, either return federal funds to the federal government or seek additional federal reimbursement (p. 31);

- review the provider maintenance cost percentages for other group homes and residential care centers in eWiSACWIS to determine if other errors exist that we did not identify and, as appropriate, either return federal funds to the federal government or seek additional federal reimbursement (*p. 31*); and
- develop a review process, including adequate written procedures, to ensure that provider maintenance cost percentages for group homes and residential care centers are updated correctly in eWiSACWIS (*p. 31*).

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**Department of Health Services** (*p. 33*)

5. We recommend the Wisconsin Department of Health Services:
  - monitor the effectiveness of policy and CARES programming changes it implemented in June 2020 to ensure they result in prompt resolution of SWICA data match discrepancies for eligibility determinations, and identify and implement further policy or system programming changes as necessary to ensure such discrepancies are promptly resolved (*p. 36*).
6. We recommend the Wisconsin Department of Health Services:
  - assign staff the responsibility for completing reviews of access to MMIS in compliance with the state IT policies and standards issued by the Department of Administration and complete access reviews by June 30, 2021 (*p. 38*);
  - continue to work with state agencies and counties to complete the review of access to CARES and related applications by June 30, 2021, and implement a process for access reviews in compliance with the state IT policies and standards issued by the Department of Administration (*p. 38*); and
  - document all access reviews conducted for MMIS and CARES and take prompt actions from such reviews to remove unneeded or excessive access (*p. 38*).
7. We recommend the Wisconsin Department of Health Services:
  - determine and seek to recoup improper Medical Assistance Program payments it made to 56 ineligible providers during FY 2019-20 for services provided after their termination dates (*p. 41*); and
  - implement by June 30, 2021, a timely process to identify and seek to recoup improper payments made to terminated Medical Assistance Program providers for services provided after their termination dates (*p. 41*).
8. We recommend the Wisconsin Department of Health Services:
  - work with the U.S. Department of Health and Human Services to determine a repayment amount for the instances of inappropriate federal payments made for the 215 ineligible CHIP participants we identified (*p. 43*);
  - implement procedures to ensure caseworkers are addressing CARES alerts in a timely manner (*p. 43*); and
  - establish a process and complete reviews of the manual eligibility determinations to ensure the correct household member was assigned as a CHIP participant (*p. 43*).
9. We recommend the Wisconsin Department of Health Services:
  - ensure accurate and complete reporting of its federal programs on the statewide SEFA in accordance with federal regulations by ensuring adequate communication between staff who administer federal programs and those staff responsible for compiling its SEFA submission (*p. 44*).

10. We recommend the Wisconsin Department of Health Services:
  - develop and implement formal, written policies, by June 30, 2021, that require an annual physical inventory at each storage facility be completed by Department and Health Services staff or other individuals independent of the storage facility (p. 46);
  - complete by June 30, 2021, a physical inventory of all USDA donated food commodities at the storage facilities (p. 46); and
  - obtain documentation from each physical inventory conducted of USDA donated food commodities held at storage facilities, reconcile the physical inventory to the DHS food commodities records, report any identified losses of food commodities to the USDA, and make restitution for such losses (p. 46).
  
11. We recommend the Wisconsin Department of Health Services:
  - complete the required monitoring of eligibility determination processes to ensure only eligible participants receive USDA donated food commodities (p. 49).
  
12. We recommend the Wisconsin Department of Health Services:
  - develop and implement formal, written policies and procedures, by June 30, 2021, for reviewing and approving recipient agency annual budgets, reviewing and approving additional purchase requests, and monitoring recipient agency payments as they are made (p. 52);
  - develop and implement a comprehensive centralized tracking procedure, by June 30, 2021, for identifying and documenting approvals for recipient agency additional purchase requests, including equipment purchases (p. 52); and
  - maintain consistent and complete documentation of all approvals and monitoring activities conducted for recipient agency administrative funding for each fiscal year (p. 52).
  
13. We recommend the Wisconsin Department of Health Services:
  - immediately provide the State's Medicaid Fraud Control and Elder Abuse Unit (MFCEAU) all substantiated FY 2019-20 allegations that were not previously referred during FY 2019-20 (p. 54);
  - develop a review process to ensure required communications are made in a timely manner to the MFCEAU (p. 54); and
  - comply with policies to refer certain instances of fraud or abuse it identifies to the MFCEAU on a monthly basis (p. 54).
  
14. We recommend the Wisconsin Department of Health Services:
  - comply with the federal regulations and return to the federal government its share of the Medical Assistance Program provider overpayment amounts it has identified and communicated to providers (p. 56).
  
15. We recommend the Wisconsin Department of Health Services:
  - develop formal, written procedures by June 30, 2021, to identify the sources of information necessary and steps needed to compile accurate and complete information for the Opioid program performance reports (p. 58); and
  - retain in a central location all documentation that it used to support information included in each performance report it submits to the federal government (p. 58).

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**Department of Public Instruction** (p. 59)

16. We recommend the Wisconsin Department of Public Instruction:

- by June 30, 2021, complete a physical inventory of donated food commodities maintained at storage facilities, reconcile the physical inventory to its food commodities records, report any identified losses of food commodities to the USDA, and make restitution for such losses (p. 61).

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**Department of Workforce Development** (p. 63)

17. We recommend the Wisconsin Department of Workforce Development:

- adequately review its SEFA before certifying its submission to the Department of Administration to ensure accurate and complete reporting of expenditures in accordance with federal regulations (p. 65).

18. We recommend the Wisconsin Department of Workforce Development:

- implement planned corrective actions related to concerns that were identified in our prior audit (p. 67);
- complete access reviews for SUITES in compliance with the state IT policies and standards issued by the Department of Administration (p. 67);
- complete reviews of access to federal tax information in compliance with federal requirements (p. 67); and
- document all access reviews conducted and take prompt actions from such reviews to remove unneeded access or excessive access (p. 67).

19. We recommend the Wisconsin Department of Workforce Development:

- revise its procedures for calculating benefit payables as of the end of the fiscal year to ensure the effect of changes in circumstances, such as the backlog of claims that occurred for FY 2019-20 claims, is reflected in the payable (p. 86).

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**University of Wisconsin System** (p. 69)

20. We recommend the University of Wisconsin-Green Bay:

- ensure it accurately interprets guidance and only charges allowable costs to federal grant programs (p. 71).

21. We recommend University of Wisconsin System Administration:

- continue development and maintenance of a comprehensive information security program, including developing systemwide information security policies, standards, and procedures across the remaining critical information security areas, as recommended by National Institute of Standards and Technology publications (p. 84);
- develop a structure to effectively monitor compliance with systemwide policies (p. 84); and
- work with UW institutions to achieve compliance in a timely manner when noncompliance is identified (p. 84).

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**Department of Employee Trust Funds**

22. We recommend the Wisconsin Department of Employee Trust Funds:

- improve its calculation of the compensated absence liability estimate for the basic Accumulated Sick Leave Conversion Credit program by revising its policies by April 30, 2021, and implementing them for the 2020 financial statements (*p. 88*); and
- ensure when implementing changes to financial reporting that it completes its planning, review, and assessment process before the close of the affected financial reporting period, and works with the Department of Administration, State Controller's Office on areas that affect the State's Comprehensive Annual Financial Report (*p. 88*).