



STATE OF WISCONSIN  
**Legislative Audit Bureau**  
NONPARTISAN • INDEPENDENT • ACCURATE

Report 25-01  
January 2025

# Biennial Report

January 1, 2023 – December 31, 2024



## **Joint Legislative Audit Committee Members**

### **Senate Members:**

Eric Wimberger, Co-chairperson  
Chris Kapenga  
Howard Marklein  
Robert Wirch  
Melissa Ratcliff

### **Assembly Members:**

Robert Wittke, Co-chairperson  
Daniel Knodl  
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Francesca Hong  
Sequanna Taylor

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## **Legislative Audit Bureau**

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**State Auditor**  
Joe Chrisman

**Deputy State Auditor  
for Performance  
Evaluation**  
Dean Swenson

**Deputy State Auditor  
for Financial Audit**  
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and Editor**  
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The Legislative Audit Bureau supports the Legislature in its oversight of Wisconsin government and its promotion of efficient and effective state operations by providing nonpartisan, independent, accurate, and timely audits and evaluations of public finances and the management of public programs. Bureau reports typically contain reviews of financial transactions, analyses of agency performance or public policy issues, conclusions regarding the causes of problems found, and recommendations for improvement.

Reports are submitted to the Joint Legislative Audit Committee and made available to other committees of the Legislature and to the public. The Audit Committee may arrange public hearings on the issues identified in a report and may introduce legislation in response to the audit recommendations. However, the findings, conclusions, and recommendations in the report are those of the Legislative Audit Bureau.

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The Bureau accepts confidential tips about fraud, waste, and mismanagement in any Wisconsin state agency or program through its hotline at 1-877-FRAUD-17.

For more information, visit [www.legis.wisconsin.gov/lab](http://www.legis.wisconsin.gov/lab).

# Contents

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<b>Letter of Transmittal</b>	<b>1</b>
<b>Purpose and Organization</b>	<b>3</b>
Authority and Responsibilities	4
Budget and Staffing	5
Recognitions and Awards	6
Joint Legislative Audit Committee	7
Requesting Our Services	8
Accessing Our Work	8
<b>Financial Audits and Performance Evaluations</b>	<b>11</b>
Noteworthy Findings	13
Statutory and Administrative Rule Noncompliance	13
Financial Reporting	15
Information Technology	17
Administration of Federal Funds	18
Program Operations and Effectiveness	20
Issues for Legislative Consideration	22
Future Considerations	24
Information Technology	24
Supplemental Federal Funding	24
<b>Fraud, Waste, and Mismanagement Hotline</b>	<b>27</b>
Highlights of Selected Hotline Activities	29
<b>Report Summaries</b>	<b>31</b>
Reports Published in 2023	31
Reports Published in 2024	37
<b>Appendices</b>	
Appendix 1—Recurring Audit Responsibilities	
Appendix 2—Organization Chart	
Appendix 3—Index by Audit Topic	
Appendix 4—Index by Audited Entity	





STATE OF WISCONSIN

# Legislative Audit Bureau

Joe Chrisman  
State Auditor

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[AskLAB@legis.wisconsin.gov](mailto:AskLAB@legis.wisconsin.gov)

January 10, 2025

Governor Tony Evers and  
Members of the Legislature  
State Capitol  
Madison, Wisconsin 53702

Dear Governor Evers and Members of the Legislature:

The biennial report, which is required under s. 13.94 (1) (j), Wis. Stats., summarizes the nonpartisan Legislative Audit Bureau's statutory responsibilities and highlights noteworthy findings from January 1, 2023, through December 31, 2024.

The Bureau supports the Legislature in its oversight of Wisconsin government and its promotion of efficient and effective state operations by providing nonpartisan, independent, accurate, and timely audits and evaluations of public finances and the management of public programs. Bureau reports typically contain reviews of financial transactions, analyses of agency performance or public policy issues, conclusions regarding the causes of problems found, and recommendations for improvement. In addition, the Bureau staffs a hotline to address allegations of fraud, waste, and mismanagement in state government.

We look forward to continuing to deliver nonpartisan, independent, accurate, and timely analyses to enhance accountability and assist the Legislature in its oversight of state government.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Joe Chrisman".

Joe Chrisman  
State Auditor

JC/ss





## Purpose and Organization

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***The Legislative Audit Bureau  
assists the Legislature in  
maintaining effective  
oversight.***

The Legislative Audit Bureau supports the Legislature in its oversight of Wisconsin government and its promotion of efficient and effective state operations by providing nonpartisan, independent, accurate, and timely audits and evaluations of public finances and the management of public programs. The Bureau independently and systematically examines the accounting records and financial statements of entities that receive public funds, performs reviews of government operations to promote good fiscal and management practices, and evaluates programs and services that the State of Wisconsin provides to its citizens. Specifically, the Bureau:

- conducts financial audits and performance evaluations of state agencies and programs as required by statutes, as directed by the Joint Legislative Audit Committee, or at the discretion of the State Auditor;
- issues independent auditor's reports on the State's financial statements, which are published in the State's Annual Comprehensive Financial Report (ACFR) prepared by the Department of Administration (DOA);
- verifies state agencies' compliance with laws and program regulations pertaining to federal funds received by the State of Wisconsin each year;
- performs other independent audits at the request of state agencies in order to demonstrate compliance or provide assurance of sound financial practices;

## 4 › PURPOSE AND ORGANIZATION

- staffs a hotline to address allegations of fraud, waste, and mismanagement in state government; and
- conducts periodic “best practices” reviews of governmental service delivery by counties and municipalities.

### Authority and Responsibilities

*The authority and responsibilities of the Bureau and the State Auditor are set forth in s. 13.94, Wis. Stats.*

The authority and responsibilities of the Bureau and the State Auditor are set forth in s. 13.94, Wis. Stats., which includes a broad mandate to provide assurance that financial transactions have been made in a legal and proper manner and to review state agency performance and program accomplishments. Statutes grant the Bureau access to financial records and other documentation, including those that are confidential by law, relating to state agencies and certain other entities. Statutes require the Bureau to be strictly nonpartisan and to maintain the confidentiality of audits in progress.

The authority to audit any county, city, village, town, or school district is described in s. 13.94 (1) (m), Wis. Stats. In addition, gaming compacts between the State of Wisconsin and 11 American Indian tribes require that audited financial statements and security audits of Indian gaming operations be made available to the Bureau.

Legislation enacted in 2023 and 2024 created new audit requirements for the Bureau. 2023 Wisconsin Act 12 requires the Bureau to:

- annually, beginning in 2024, conduct a financial audit of the retirement system of Milwaukee County to include financial statements and an evaluation of accounting controls and accounting records maintained by the system for individual participants and departments (see report 24-7);
- annually, beginning in 2024, conduct a financial audit of the retirement system of the City of Milwaukee to include financial statements and an evaluation of accounting controls and accounting records maintained by the system for individual participants and departments (see reports 24-19 and 24-20);
- at least once every five years, contract for an actuarial audit of the retirement system of Milwaukee County;
- at least once every five years, contract for an actuarial audit of the retirement system of the City of Milwaukee;

- once every five years, conduct a financial audit of Milwaukee County’s expenditure of revenues generated by the sales and use taxes imposed under the requirements of Act 12; and
- once every five years, conduct a financial audit of the City of Milwaukee’s expenditure of revenues generated by the sales and use taxes imposed under the requirements of Act 12.

In addition, 2023 Wisconsin Act 40 requires the Bureau after the end of each fiscal biennium, concluding with the 2049–51 fiscal biennium, to conduct a financial audit of a local professional baseball park district created under subch. III of ch. 229.

Other recurring statutory audit responsibilities are described in Appendix 1.

## **Budget and Staffing**

The Bureau’s annual operating budget is approximately \$7.5 million in general purpose revenue (GPR) and \$2.6 million in program revenue from audit contracts with other state agencies. The Bureau has an authorized staffing level of 86.8 positions.

***The Bureau maintains organizational and personal independence from the entities it audits.***

As part of the legislative branch of state government, the Bureau maintains organizational independence from the entities it audits, which are primarily agencies of the executive branch. The State Auditor is appointed by the Legislature’s Joint Committee on Legislative Organization, and staff are appointed by the State Auditor and are unclassified employees. All staff are required to complete annual ethics statements to identify any personal or external circumstances that could reasonably lead third parties to question their independence.

Many audit staff have earned advanced degrees in areas such as accounting, business administration, and public policy. The largest number of Bureau staff are in the Financial Audit Division. Evaluators in the Performance Evaluation Division and investigative auditors in the investigative unit make up the remaining audit staff. Our current organization chart is Appendix 2.

Financial audit staff adhere to professional auditing standards promulgated by the American Institute of Certified Public Accountants and the Comptroller General of the United States. These standards require auditors to:

- be free, in both fact and appearance, from impairments to independence;
- maintain professional competence through continuing education;

## 6 › PURPOSE AND ORGANIZATION

- have an appropriate internal quality control system in place; and
- undergo peer reviews to assess compliance with auditing standards and the adequacy of the internal quality control system.

Financial auditors complete 80 hours of continuing professional education every two years, as required by government auditing standards, and both financial auditors and performance evaluators receive training in core audit skill areas. Our internal quality control system includes detailed auditing policies and procedures, documentation requirements, supervisory review of all working papers, and both senior staff and editorial reviews of report drafts.

### Recognitions and Awards

***The Bureau earned the highest rating possible on its 2024 peer review.***

Every three years, through the National State Auditors Association, the Bureau's peers from other states review our internal quality control system and the working papers from selected financial audits for compliance with financial auditing standards. The Bureau successfully completed its most recent peer review in August 2024 by earning the highest rating possible.

***Two Bureau reports were recognized for their significant impact on public policy.***

The Bureau's evaluations of *Certain Broadband Expansion Grant Programs* (report 22-11) and the *Community Corrections Program* (report 23-5) were recognized for "significant impact on public policy" by the National Conference of State Legislatures' National Legislative Program Evaluation Society (NLPES) in 2023 and 2024, respectively.

NLPES is one of nine professional staff associations connected with the National Conference of State Legislatures (NCSL). NLPES includes employees of state legislative agencies engaged in program evaluation or performance auditing. The purpose of NLPES is to advance the profession of nonpartisan legislative program evaluation and performance auditing and to provide staff with relevant training, opportunities for exchanging ideas and information, and recognition for superior performance.

***The Bureau received the 2024 Excellence in Evaluation Award.***

The Bureau received the 2024 Excellence in Evaluation Award from NLPES. The award is presented to the audit organization determined to have made significant contributions to the field of legislative program evaluation and performance auditing during the four-year period beginning January 1, 2020, and ending December 31, 2023. The award is presented to only one recipient each year.

To earn this recognition, the Bureau successfully demonstrated achievements in three specific areas: the significance of the performance evaluation work performed and how it has positively affected state operations and policies; the body of performance evaluation work performed and how it was produced; and the contributions made to further advance the field.

***The Bureau received a 2024 Notable Documents Award for two reports.***

The Bureau also was chosen as a recipient of the 2024 Notable Documents Award. The Award was presented to the Bureau by the Legislative Research Librarians Professional Staff Association of NCSL in the category of Labor and Employment for the Bureau's publication of:

- *Telework, Space Management, and Risk Management: Department of Administration* (report 23-22); and
- *Telework, Space Management, and Risk Management: University of Wisconsin System* (report 23-23).

In 2024, Wisconsin was one of nine states with reports chosen for this recognition by a nationwide committee that evaluates each document on specific criteria, including relevance, organization, clarity, effective use of graphics, innovation, balance, and expansion of the base of knowledge on a particular subject. The committee commended the Bureau's reports as "innovative in providing substantive information on contemporary issues of interest to legislatures." The Bureau's 2 reports were among only 13 reports selected nationwide for recognition from the 38 nominated in 2024.

## **Joint Legislative Audit Committee**

***The Joint Legislative Audit Committee has advisory responsibilities for the Legislative Audit Bureau.***

The Joint Legislative Audit Committee has advisory responsibilities for the Legislative Audit Bureau. It may direct the Bureau to conduct audits and evaluations, and it receives and reviews issued reports. The Audit Committee held nine public hearings in 2023 and 2024.

The Audit Committee consists of its co-chairs, the co-chairs of the Joint Committee on Finance, one other majority and two minority party senators, and one other majority and two minority party representatives. During most of calendar year 2023, its members were:

Senator Eric Wimberger,  
Co-chairperson

Senator Jesse James  
Senator Howard Marklein  
Senator Dianne Hesselbein  
Senator Tim Carpenter

Representative Robert Wittke,  
Co-chairperson

Representative John Macco  
Representative Mark Born  
Representative Francesca Hong  
Representative Ryan Clancy

In December 2023, Senator Hesselbein became the Senate Minority Leader. On December 5, 2023, Senator Robert Wirsch replaced Senator Hesselbein as the ranking Senate minority party member on the Committee.

Additional information on Audit Committee hearings—including hearing notices, live and recorded broadcasts, and presentation materials from past hearings—can be found on the Bureau’s website, [www.legis.wisconsin.gov/lab](http://www.legis.wisconsin.gov/lab).

## Requesting Our Services

Most performance evaluation work is requested by legislators through the Joint Legislative Audit Committee. State agencies may also request audit services in order to meet external audit requirements.

***Any legislator may request an evaluation or audit by writing to the Audit Committee co-chairs.***

Any legislator may request a performance evaluation or a financial audit by writing to the Audit Committee co-chairs. Audit requests should clearly identify the topic, program, and agency in question, as well as the specific concerns that may be addressed by an audit or evaluation. Before submitting a request to the Audit Committee co-chairs, legislators may wish to discuss it with the State Auditor, who will provide information on similar topics that have been previously audited and help to assess the feasibility, size, and scope of the proposed inquiry.

## Accessing Our Work

Whether initiated in response to legislation or requested by individual members of the Legislature and approved by the Audit Committee, audit work remains confidential until released by the State Auditor. When the audit report is released, it is distributed electronically to all members of the Legislature, the Governor, members of the media, and other interested parties. An email notification service is also available by free subscription. Individuals may follow the Bureau on X (formerly known as Twitter) @WILegAudit. For copies of our publications, please visit our website or call (608) 266-2818.

Since 2021, each report is accompanied by a short summary, which serves as an online navigation tool for readers to easily link to the specific location in the report where specific information is discussed. Each summary is also available as a podcast with a video slideshow on the Bureau’s website and on the Bureau’s YouTube channel. To make our audit work more accessible, we also undertake additional efforts to produce mobile friendly versions of the summary. We also purposefully remediate our audit reports to make them accessible to electronic reading devices used by those with visual impairments.

The Bureau's website lists audits in progress and numbered reports published since 2005. The first two digits of each document number indicate the year of publication.

Audit follow-up documents submitted by state agencies to the Audit Committee in response to recommendations contained in reports are also available on the website. Audit follow-up documents received since 2011 are currently available.

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## Financial Audits and Performance Evaluations

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From January 2023 through December 2024, the 49 reports released by the Bureau included 344 recommendations to auditees for improvements and four issues for legislative consideration. These reports include:

- financial audit reports, including two single audits that tested compliance with federal grant requirements related to \$40.0 billion in federal financial assistance administered by state agencies in fiscal year (FY) 2021-22 and FY 2022-23;
- performance evaluation reports designed to measure the extent to which state agencies or programs have achieved their intended objectives;
- independent auditor's reports on the State of Wisconsin's financial statements, which were published annually in the State of Wisconsin's ACFR;
- audit reports detailing financial issues at the University of Wisconsin (UW) System, which were published annually;
- semiannual reports describing activity on the Bureau's Fraud, Waste, and Mismanagement Hotline; and
- other audit opinions and certifications, including those published in annual reports prepared by the State of Wisconsin Investment Board (SWIB), the Department of Employee Trust Funds (ETF), and the retirement systems of Milwaukee County and the City of Milwaukee.

***Financial audits are detailed, impartial reviews of the financial statements prepared by an audited entity.***

Financial audits are detailed, impartial reviews that focus on:

- the accuracy of financial statements prepared by an audited entity;
- the effectiveness of internal controls, which are the policies and procedures established by management to ensure the integrity and accuracy of financial reporting and proper administration of state and federal funds; and
- compliance with required accounting or other standards, including laws, regulations, and contracts or grant agreements.

***An unmodified opinion signifies that audited financial statements reliably represent an entity's financial condition.***

We perform financial audits as required by statutes and in response to requests by some state agencies. Our financial audit reports generally include an auditor's opinion on the agency's financial statements indicating whether the financial statements and notes are fairly stated in all material respects. An unmodified, or "clean," opinion signifies that the auditor has concluded that an agency's financial statements and the accompanying notes conform to generally accepted accounting principles (GAAP), or in some cases to another standard, and that they reliably represent the agency's financial condition. A modified opinion expresses reservations about financial statements because, for example, accounting principles were not appropriately applied.

In addition, our financial audits include a report on internal controls related to financial reporting and on our tests of compliance with certain laws and regulations that could have material (that is, quantitatively or qualitatively significant) effect on the determination of amounts shown in the financial statements and accompanying notes. In the report on internal controls and compliance, we include concerns we identified related to internal controls and noncompliance that may be defined as a material weakness or a significant deficiency. A *material weakness* is a deficiency or a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the financial statements or material noncompliance will not be prevented or will not be detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance, which includes those responsible for oversight of the financial reporting process.

In 2023 and 2024, we reported 11 material weaknesses and 49 significant deficiencies in internal control at state and local agencies. Financial audits include recommendations for improving the internal control deficiencies we identified.

*Performance evaluations measure the extent to which an agency or program is achieving its objectives.*

Performance evaluations establish performance criteria; measure existing conditions, their probable causes, and actual and potential effects; and typically include recommendations for improving agency operations or enhancing legislative oversight.

*Investigations assess information reported to the Bureau's hotline to determine appropriate next steps.*

We conduct investigations to assess information reported to the Bureau's Fraud, Waste, and Mismanagement Hotline. As noted, we describe the activity of the hotline in this report and in semiannual reports that include selected highlights from hotline investigations.

## Noteworthy Findings

Our audit and evaluation work frequently identifies opportunities for the Legislature to increase its oversight of important policy issues and government operations. In 2023 and 2024, we identified areas of statutory and administrative rule noncompliance by state and local agencies, identified noteworthy findings related to financial reporting, information technology, the administration of federal funds, and program operations and effectiveness. As we recommend, audited agencies submit follow-up reports to the Joint Legislative Audit Committee to update the committee on the status of efforts to implement our recommendations. These follow-up reports are available on our website.

### Statutory and Administrative Rule Noncompliance

*In 2023 and 2024, we identified 13 areas of noncompliance by state and local agencies with statutory and administrative rule provisions.*

In 2023 and 2024, we identified 13 areas of statutory noncompliance by state and local agencies we audited, as detailed below.

#### *Department of Administration*

We identified noncompliance by DOA with statutory and administrative rule provisions requiring it to biennially obtain from each agency an alternative work pattern plan and either review and approve each plan or execute written agreements with agencies to delegate these responsibilities. (For details, see report 23-22, *Telework, Space Management, and Risk Management: Department of Administration.*)

We identified noncompliance by DOA with statutory and administrative rule provisions requiring it to monitor and evaluate each agency's progress toward achieving its alternative work pattern goals and objectives. (For details, see report 23-22, *Telework, Space Management, and Risk Management: Department of Administration.*)

We continued to identify statutory noncompliance by DOA for providing insufficient oversight and monitoring of executive branch agency information technology (IT) operations. (For details, see report 23-26, *State of Wisconsin FY 2022-23 Financial Statements* and report 24-23, *State of Wisconsin FY 2023-24 Financial Statements.*)

We continued to identify statutory noncompliance by DOA in the recording of interest earnings on advanced funding for the Coronavirus State and Local Fiscal Recovery Funds grant program. (For details, see report 23-26, *State of Wisconsin FY 2022-23 Financial Statements* and report 24-23, *State of Wisconsin FY 2023-24 Financial Statements*.)

***Department of Corrections***

We identified noncompliance by the Department of Corrections (DOC) with statutes requiring it to review the consequences it imposed on individuals in community supervision in order to assess differences among consequences, evaluate the effectiveness of consequences, and monitor the effect of consequences on the number of revocations. (For details, see report 23-5, *Community Corrections Program*.)

We also identified noncompliance by DOC with statutes requiring it to provide day reporting center services throughout the state. (For details, see report 23-5, *Community Corrections Program*.)

***Milwaukee, City of***

We identified statutory noncompliance by the Employees' Retirement System of the City of Milwaukee (Retirement System) with open meetings laws. (For details, see report 24-19, *Employees' Retirement System of the City of Milwaukee*.)

***Milwaukee, County of***

We continued to identify noncompliance by the Milwaukee County Executive with statutes requiring the executive to select a program commissioner for the Opportunity Schools and Partnership Program even if no Milwaukee Public Schools are in the program and to notify the Governor and the mayor of the City of Milwaukee if the position becomes vacant. (For details, see report 23-7, *Opportunity Schools and Partnership Program*.)

We identified statutory noncompliance by the Milwaukee County Office of the Comptroller with requirements to ensure financial audits of the Employees' Retirement System of the County of Milwaukee were performed in accordance with *Government Auditing Standards*. (For details, see report 24-7, *Employees' Retirement System of the County of Milwaukee*.)

***Department of Revenue***

We identified statutory noncompliance by the Wisconsin Lottery, which is required to provide quarterly reporting to the Legislature on its operations. Specifically, we found that the Wisconsin Lottery did not file the report for the quarter ended September 2022. (For details, see report 23-9, *Wisconsin Lottery*.)

***Department of Safety and Professional Services***

We identified noncompliance by the Department of Safety and Professional Services (DSPS) with statutes requiring it to develop written policies that prohibit its staff from requesting credential

applicants to email any portion of their Social Security numbers and providing such confidential information to third parties, and regularly train its staff on these policies. (For details, see report 23-24, *Administration of Professional Credentials*.)

### ***Wisconsin Economic Development Corporation***

We identified noncompliance in the Wisconsin Economic Development Corporation's (WEDC's) policies with statutory requirements for collecting repayments from award recipients. (For details, see report 23-11, *Wisconsin Economic Development Corporation*.)

We also identified noncompliance in WEDC's contracts with 20 tax credit recipients with statutory requirements because the contracts indicated the recipients could be charged interest only from the dates of revocation, rather than the dates the tax credits were claimed. (For details, see report 23-11, *Wisconsin Economic Development Corporation*.)

## **Financial Reporting**

***In 2023 and 2024, we identified improvements that could be made to financial reporting by state and local agencies.***

In 2023 and 2024, we identified improvements that could be made to financial reporting by state and local agencies we audited, as detailed below.

### ***Department of Administration***

We reported a significant deficiency in internal control over financial reporting after we found DOA did not complete sufficient bank reconciliation procedures to identify in a timely manner that the automated process used to record bank deposits in the accounting records had duplicated recording certain deposits and missed recording other deposits. Through November 13, 2024, DOA identified that cash had been overstated by \$81.9 million for certain funds. (For details, see report 24-23, *State of Wisconsin FY 2023-24 Financial Statements*.)

We reported a significant deficiency related to DOA's reporting of interest earned on advanced federal funding. DOA did not correctly report the interest earnings on federal funding advanced to the State under the Coronavirus State and Local Fiscal Recovery Funds grant program. After we identified the error, DOA adjusted the financial statements to reflect the interest earnings as earned revenue, but in doing so misstated both unassigned and restricted fund balance. We recommended that DOA correct the reporting of the interest earnings as unassigned fund balance and review its existing procedures for financial reporting to ensure amounts are properly classified in fund balance. (For details, see report 24-23, *State of Wisconsin FY 2023-24 Financial Statements*.)

***Department of Health Services***

The Department of Health Services (DHS) is responsible for preparing financial information that is used by DOA to prepare the financial statements of the State's General Fund. We found DHS did not adequately assess whether the amounts expected to be received from opioid settlements required the recognition in the financial statements of a receivable for the future revenues. At our request, DHS analyzed information we identified and, based on its analysis, DHS prepared adjustments to reflect a \$101.2 million receivable related to expected future opioid settlement funds for those agreements in place as of June 30, 2023. Although we did not report a deficiency in internal control over financial reporting, we did recommend that DHS develop enhanced procedures to evaluate and research the proper accounting for new activities that may require adjustments for financial reporting purposes. (For details, see report 23-26, *State of Wisconsin FY 2022-23 Financial Statements*.)

***Milwaukee, City of***

We reported two material weaknesses in internal control over financial reporting and the preparation of the employer schedules after we found the 2023 financial statements for the Retirement System were materially misstated because the Retirement System erroneously included the fiduciary net position of the Employers' Reserve Fund in the calculation of the net pension liability. As a result, the net pension liability disclosed in the notes was understated by \$85.1 million. Retirement System staff also did not properly classify certain investments, which led to a \$549.6 million misstatement in the note disclosures. In the employer schedules, Retirement System staff erroneously presented both a deferred outflow of resources and a deferred inflow of resources. As a result, the Ending Net Pension Liability was understated by \$85.1 million and the Total Deferred Outflows of Resources and the Total Deferred Inflows of Resources were each overstated by \$395.2 million as a result of these errors. We recommended the Retirement System improve its financial reporting. (For details, see report 24-19, *Employees' Retirement System of the City of Milwaukee*; and report 24-20, *Employees' Retirement System of the City of Milwaukee Reporting for Participating Employers*.)

***Milwaukee, County of***

We reported three significant deficiencies in internal control over financial reporting for the Employees' Retirement System of the County of Milwaukee (ERS). First, we found Retirement Plan Services (RPS), which staffs ERS, had not conducted a comprehensive review to ensure there was an adequate system of internal control related to its fiscal employee positions and its oversight of financial reporting. Second, we found deficiencies in RPS's assessment of internal controls at the custodian bank, which RPS relied on for investment transaction processing, custody of investments, and reporting. Third, we found that RPS's consulting actuary used inaccurate creditable years of service for 118 active participants who had prior years of creditable service with the City of Milwaukee. We recommended that RPS take

steps to improve its financial reporting process. (For details, see report 24-7, *Employees' Retirement System of the County of Milwaukee*.)

### ***Department of Transportation***

We reported a significant deficiency in internal control over financial reporting after we identified that the infrastructure data used by Department of Transportation (DOT) staff to prepare adjusting journal entries related to infrastructure projects were not complete and did not include data for 13 projects. This omission led to a \$26.1 million error in financial reporting. In addition, DOT staff incorrectly accrued mass transit operating assistance payments in the Transportation Fund, which led to a \$28.8 million error in financial reporting. (For details, see report 24-23, *State of Wisconsin FY 2023-24 Financial Statements*.)

### ***Department of Workforce Development***

We reported a significant deficiency in internal control over financial reporting related to the monitoring and use of predictive analytics for the Unemployment Insurance program by the Department of Workforce Development (DWD). We recommended that DWD seek approval from the U.S. Department of Labor regarding use of the predictive analytics model. We also recommended that DWD implement and document adequate procedures to monitor the ongoing accuracy of the predictive analytics model. (For details, see report 23-8, *Unemployment Reserve Fund*.)

## **Information Technology**

***We identified improvements that state and local agencies could make to IT security.***

We identified IT security concerns at state and local agencies we audited, as detailed below.

### ***Department of Administration***

We reported 36 IT concerns related to data classification and encryption, security awareness, identification and authentication, and audit logging at 10 state agencies we reviewed. We found concerns at each of these 10 agencies, and we made recommendations to DOA for improvements. (For details, see report 23-22, *Telework, Space Management, and Risk Management: Department of Administration*.)

We continued to report a significant deficiency in internal control over financial reporting related to DOA's oversight and monitoring of executive branch agency IT operations. Because DOA continued to be in statutory noncompliance in FY 2022-23, we recommended that DOA report to the Joint Legislative Audit Committee by March 1, 2024, on the status of its efforts to implement our recommendations. We identified continued statutory noncompliance in FY 2023-24 and we recommended that DOA report to the Joint Legislative Audit Committee quarterly in calendar year 2025 on the status of its efforts to implement our recommendations. (For details, see report 23-26, *State of Wisconsin FY 2022-23 Financial Statements* and report 24-23, *State of Wisconsin FY 2023-24 Financial Statements*.)

We reported two significant deficiencies in internal control over financial reporting related to weaknesses in DOA's Division of Enterprise Technology information security access review process and its IT policy exception process during FY 2022-23. Although we made recommendations to DOA for improvements, we again reported significant deficiencies in internal control over financial reporting related to these matters in FY 2023-24. (For details, see report 23-26, *State of Wisconsin FY 2022-23 Financial Statements* and report 24-23, *State of Wisconsin FY 2023-24 Financial Statements*.)

***Milwaukee, County of***

We found concerns with RPS's controls over its pension benefit computer system. We reported a significant deficiency in internal control over financial reporting and made recommendations to RPS for improvements. (For details, see report 24-7, *Employees' Retirement System of the County of Milwaukee*.)

***Department of Workforce Development***

We found a concern with access controls over the Unemployment Insurance System operated by DWD in FY 2020-21. We reported a significant deficiency in internal control over financial reporting and made recommendations to DWD for improvements. (For details, see report 23-8, *Unemployment Reserve Fund*.)

***University of Wisconsin System***

We reported 8 IT concerns at five UW institutions we reviewed. We found concerns at each of the five UW institutions, and we made recommendations for improvements. (For details, see report 23-23, *Telework, Space Management, and Risk Management: University of Wisconsin System*.)

**Administration of Federal Funds**

***We recommended improvements to the State's administration of federal funds.***

We recommended improvements to the State's administration of federal funds, as detailed below.

**Single Audits**

***Department of Administration and Other State Agencies***

For FY 2021-22, we again qualified our opinion on compliance related to eligibility requirements for the Emergency Rental Assistance Program at DOA. An auditor provides a qualified opinion on compliance when the compliance concerns are material in relation to a specific compliance area tested for a federal program or cluster. Specifically, we found DOA could not be assured that only those eligible for emergency rental assistance received program benefits. We identified one material weakness and 17 significant deficiencies in internal control over compliance or financial reporting, and 8 other findings of noncompliance.



We made 64 recommendations to state agencies and questioned \$1.3 million in expenditures charged to federal programs in FY 2021-22. We also identified \$43.0 million in additional federal funding the State should claim. (For details, see report 23-4, *State of Wisconsin FY 2021-22 Single Audit*.)

For FY 2022-23, we again qualified our opinion on compliance related to eligibility requirements for the Emergency Rental Assistance Program at DOA. Specifically, we reported findings related to DOA's monitoring of the nonprofit organizations that assist DOA in administering this program, and we qualified our opinion on compliance related to DOA's subrecipient monitoring efforts. We also qualified our opinion on compliance related to certain requirements for five other federal programs, including four administered by DHS and one administered by the Department of Natural Resources. We identified 8 material weaknesses and 17 significant deficiencies in internal control over compliance or financial reporting, and 3 other findings of noncompliance. We made 60 recommendations to state agencies and questioned \$13.0 million in expenditures charged to federal programs. (For details, see report 24-3, *State of Wisconsin FY 2022-23 Single Audit*.)

## Other Audits of Federal Funds

### ***Department of Health Services***

We questioned \$518,700 that DHS paid to 10 Provider Payment program grant applicants that did not submit sufficient documentation to support their grant applications or the grant amounts they requested. We found that DHS did not execute loan agreements with all entities to which it deployed ventilators and did not inventory the ventilator-related equipment it had purchased during the public health emergency. Six ventilators, with a combined value of \$122,300, were missing as of January 2023. We also found that DHS did not regularly track whether the ventilators had been maintained by the firm with which it contracted or develop a plan for the future use of the ventilators. We made 20 recommendations to DHS for improvements, including those related to its Office of Inspector General (OIG). (For details, see report 23-6, *Administration of Certain Supplemental Federal Funds*.)

### ***Wisconsin Economic Development Corporation***

From March 2020 through June 2023, WEDC administered three grant programs supported by supplemental federal funds that DOA had allocated to it. We found that five grants totaling \$50,000 were made to ineligible recipients through a program supported by supplemental federal funds. We also found that WEDC did not require eight grant recipients to repay \$64,300 in supplemental federal funds that had been used to cover expenditures that were either incurred outside the contractually specified periods or not verified. We made recommendations to WEDC for improvements. (For details, see report 23-11, *Wisconsin Economic Development Corporation*.)

## Program Operations and Effectiveness

***We identified areas where improvements to program operations and effectiveness could be achieved.***

We identified areas where improvements to program operations and effectiveness could be achieved, as detailed below.

### ***Department of Administration***

Although we provided an unmodified opinion on the reporting information DOA prepared for participating employers as of June 30, 2022, for the State Retiree Health Insurance program, we recommended that DOA ensure that its consulting actuary addresses the remaining errors and recommendations identified in the actuarial audit in the next valuation or participation rate experience study. (For details, see report 23-12, *State Retiree Health Insurance Reporting for the State of Wisconsin.*)

Although we found that DOA's Division of Wisconsin State Capitol Police responded faster, on average, to legislative duress alarms than to all incidents from FY 2021-22 through FY 2022-23, we made 13 recommendations to DOA to improve the timeliness of incident response and to address staffing, training, and oversight issues. (For details, see report 24-4, *Wisconsin State Capitol Police.*)

### ***Department of Administration and University of Wisconsin System***

We found that the telework policies of most agencies and UW institutions allowed employees to telework up to five days per week and included most of the 28 best practices we identified. However, most agencies and UW institutions indicated they had not assessed in writing the effects of telework on their operations. Most employees at 15 agencies and most noninstructional UW employees did not have agreements that permitted them to telework. We found that some employees may not have worked in the office as frequently as expected, based on their agreements. We also found a total of \$99,300 in potentially ineligible travel reimbursements was paid to 76 employees. Approximately one-third or fewer of workstations were in use during our six site visits to 15 agencies and UW System. Although the State could consider additional consolidation of office space, space management improvements are needed. We made 14 recommendations to DOA and 14 recommendations to UW System Administration for improvements. (For details, see report 23-22, *Telework, Space Management, and Risk Management: Department of Administration*; and report 23-23, *Telework, Space Management, and Risk Management: University of Wisconsin System.*)

***Department of Corrections***

We evaluated the community corrections program, which is administered by DOC. We found DOC did not consistently complete risk and needs assessments in a timely manner for individuals who were under supervision in the community. We also found DOC did not centrally track all program services, even if courts have ordered that individuals complete them. We made 27 recommendations to DOC for improvements. (For details, see report 23-5, *Community Corrections Program*.)

***Department of Justice***

The median turnaround time for analyzing evidence at the State Crime Laboratories, which are administered by the Department of Justice (DOJ), increased from 39 days for assignments created in FY 2019-20 to 58 days for assignments created in FY 2022-23. In January 2024, we surveyed 72 sheriffs, 420 police chiefs, 71 district attorneys, 259 circuit court judges, 358 public defenders, and 63 medical examiners and coroners. A total of 45.3 percent of survey responses indicated satisfaction with the timeliness of crime laboratory units in analyzing evidence in 2023, and 25.9 percent indicated they were neither satisfied nor dissatisfied. We made 16 recommendations to DOJ for improvements. (For details, see report 24-6, *Timeliness of State Crime Laboratories in Analyzing Evidence*.)

***Department of Safety and Professional Services***

In FY 2022-23, the average amount of time to issue initial credentials decreased considerably from prior years. On average, it took 189.6 days to issue the 100 credentials in our file review, which focused on credentials that took the longest amount of time to issue. The overall amount appropriated to DSPS for credentialing steadily increased from the 2013-15 biennium through the 2023-25 biennium. We made 12 recommendations to DSPS for improvements. (For details, see report 23-24, *Administration of Professional Credentials*.)

***State of Wisconsin Investment Board***

SWIB is authorized to establish its own budget and to create or eliminate staff positions. As of December 31, 2023, SWIB managed \$155.1 billion in assets, including \$132.4 billion in Wisconsin Retirement System (WRS) assets. As of December 2023, the Core Retirement Investment Trust Fund (Core Fund) of the WRS exceeded its five-year benchmark, but the Variable Retirement Investment Trust Fund (Variable Fund) of the WRS did not. The 20-year average annual investment return of the Core Fund declined over the past decade. The proportion of assets SWIB managed internally decreased from 53.5 percent in December 2019 to 45.4 percent in December 2023, and SWIB's expenses increased from \$480.3 million in 2019 to \$852.0 million in 2023 (77.4 percent) primarily because of an increase in management fees SWIB paid to external investment managers. SWIB's staff increased by 63.0 full-time equivalent (FTE) positions from December 2019 to December 2023 and totaled

298 FTE as of December 2023. For 2023 performance, 262 SWIB staff received a total of \$30.6 million in annual bonuses, which was the highest amount awarded from 2019 to 2023. As the Core Fund's investment returns decreased and SWIB's staffing and other expenses increased considerably, SWIB should improve its strategic planning. We made 12 recommendations to SWIB for improvements. (For details, see report 24-18, *State of Wisconsin Investment Board*.)

### ***Wisconsin Economic Development Corporation***

WEDC administered 30 programs in FY 2021-22. We found that the recipients of 338 awards that closed from FY 2011-12 through FY 2021-22 created approximately two-thirds of the planned number of jobs. In September 2021, WEDC began to close a significant number of awards that had ended as long ago as 2015. We found that WEDC did not revoke \$2.6 million in tax credits from recipients of 20 awards that it closed from May 2022 through May 2023, even though these recipients did not meet their contractual obligations. WEDC waited an average of 3.6 years to close these awards. In reports 19-6 and 21-7, we recommended that WEDC improve how it assesses the results of its programs, including by annually and comprehensively assessing awards that closed and using this information to consider changes to its program policies and when making decisions about future awards. In our most recent audit, we found that WEDC still had not implemented our recommendation. Statutes require WEDC to annually report on certain programmatic information. We assessed how WEDC reported on its programs in FY 2021-22, including in its online data that present information on program results. We found that the online data did not accurately reflect the numbers of contractually required jobs created and retained as a result of awards that closed, and the online data double-counted the numbers of jobs retained as a result of certain awards. We found similar concerns in three of our other audits of WEDC (report 21-7, report 19-6, and report 17-9). We made 26 recommendations to WEDC for improvements. (For details, see report 23-11, *Wisconsin Economic Development Corporation*.)

## **Issues for Legislative Consideration**

In 2023 and 2024, we identified four issues for legislative consideration for which the Legislature may wish to modify statutes, as detailed below.

### ***Department of Administration***

***The Legislature could consider modifying statutes to allow governmental bodies to convene in closed session in order to discuss IT security issues.***

Section 19.85 (1), Wis. Stats., allows meetings of governmental bodies to convene in closed session in order to discuss statutorily specified issues, such as certain personnel issues. However, statutes do not allow governmental bodies to convene in closed session in order to discuss IT security issues, such as the concerns we found during our review. Discussing such concerns during an open meeting would potentially compromise the security of the State's data and systems. The Legislature

could consider modifying statutes to allow governmental bodies to convene in closed session in order to discuss IT security issues. Doing so would allow it to obtain detailed information about the concerns we found, question agencies about the concerns, understand actions that agencies had taken and planned to take to address the concerns, and offer guidance and support to agencies. We note that modifying the statutes to allow a governmental body to meet in closed session to discuss IT security issues would not guarantee that the sensitive information discussed in such a meeting would remain confidential after such a meeting ended. We previously raised this issue for legislative consideration in report 20-11. (For details, see report 23-22, *Telework, Space Management, and Risk Management: Department of Administration*.)

### ***Department of Health Services***

***The Legislature could consider modifying statutes to require DHS to publicly report certain information about OIG.***

The Legislature could consider modifying statutes to require DHS to publicly report certain information about its Office of Inspector General (OIG). This information could include the summary results of OIG's monitoring and audit efforts, including those involving the Medical Assistance and Foodshare programs. In addition, this information could include the annual audit plan for OIG's internal audit section and all reports completed by the internal audit section. Requiring DHS to publicly report this information would provide increased transparency of the results of OIG's efforts for ensuring integrity in the programs DHS administers and DHS's internal operations. (For details, see report 23-6, *Administration of Certain Supplemental Federal Funds*.)

### ***State of Wisconsin Investment Board***

***The Legislature could consider modifying some or all of 17 statutory provisions to indicate whether SWIB must comply with them.***

The Legislature could consider modifying statutes to clarify SWIB's obligations regarding its management of WRS assets. If the Legislature agrees s. 25.182, Wis. Stats., supersedes SWIB's requirement to comply with certain other statutory provisions, including some or all of the 17 statutory provisions with which SWIB indicated it is no longer required to comply, it could modify these provisions to clarify that they do not apply to SWIB's management of WRS assets. However, if the Legislature does not agree, it could modify some or all of these statutory provisions to indicate that SWIB must comply with them. (For details, see report 24-18, *State of Wisconsin Investment Board*.)

***The Legislature could consider modifying statutes to require staff in senior SWIB positions to file annual statements of economic interests.***

The Legislature could consider modifying statutes to require any staff member in the chief of staff and strategy position to file an annual statement of economic interest. Because the potential exists that SWIB could in the future create additional new senior positions, the Legislature could also consider modifying statutes to require staff in any such positions to file annual statements of economic interests. For example, the Legislature could modify statutes to require any staff member in any position reporting directly to the executive director/chief investment officer or to the deputy executive director/chief operating officer to file annual statements of economic interests. (For details, see report 24-18, *State of Wisconsin Investment Board*.)

## Future Considerations

Certain matters we analyzed in 2023 and 2024 are likely to be topics of ongoing legislative consideration, as detailed below.

### Information Technology

*We continue to identify concerns with IT in state government.*

As noted, we continued to identify concerns with IT in state government, including continuing statutory noncompliance by DOA in its responsibility to oversee and monitor IT in state agencies. We recommended that DOA report to the Joint Legislative Audit Committee by March 31, 2025, and continuing on a quarterly basis in 2025 on the status of its efforts to take corrective action and implement our audit recommendations. (For more information, see report 24-23, *State of Wisconsin FY 2023-24 Financial Statements*.)

We also acknowledge there are several other large-scale IT projects under development at state agencies. These include the Administrative Transformation Program (ATP) at UW System, which has a budget of \$212.0 million and a revised implementation date of July 2025; Project Centum at SWIB; and the Insurance Administration System and the Pension Administration System at ETF. (For more information, see report 24-22, *University of Wisconsin System*; report 24-18, *State of Wisconsin Investment Board*, and report 24-1, *Department of Employee Trust Funds*.)

### Supplemental Federal Funding

As a condition of receiving federal funds, state agencies must meet the audit requirements of the federal Single Audit Act of 1984, as amended, and of the federal Office of Management and Budget *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). We are currently performing this audit for FY 2023-24, which is anticipated to be completed in spring 2025.

The State began receiving supplemental federal funding related to the public health emergency in April 2020. In addition to financial audit work related to the State's administration of these funds, from 2020 through 2023 we released 13 reports that evaluated aspects of the State's activities related to the public health emergency.

Although the public health emergency expired on May 11, 2023, subsequent to the end of FY 2022-23 state agencies continued to spend federal funding provided to address the public health emergency. In addition, in November 2021 the federal government enacted the Infrastructure Investment and Jobs Act, which includes funding for transportation, drinking water programs, broadband programs, and cybersecurity initiatives. Portions of this funding will be received by the

State through existing federal programs, such as the Highway Planning and Construction program and Low-Income Home Energy Assistance Program. We anticipate performing audit work related to the expenditure of funds under this federal law.

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## Fraud, Waste, and Mismanagement Hotline

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***The Bureau operates  
a toll-free hotline  
(1-877-FRAUD-17).***

As required by s. 13.94 (1) (br), Wis. Stats., the Bureau operates a toll-free hotline (1-877-FRAUD-17) that allows the public and state employees to report alleged fraud, waste, and mismanagement within state government. Callers may remain anonymous, and the statute governing the hotline specifically requires us to protect their identities even when other information related to calls is made public. A secure web-based form is also available to report concerns and is available at [www.legis.wisconsin.gov/lab](http://www.legis.wisconsin.gov/lab).

The hotline has been in operation since April 2008 and is primarily administered by certified fraud examiners. It does not duplicate or replace other government hotlines or complaint resources. Since its inception, we have received 1,676 hotline reports alleging fraud, waste, and mismanagement. We address hotline reports by:

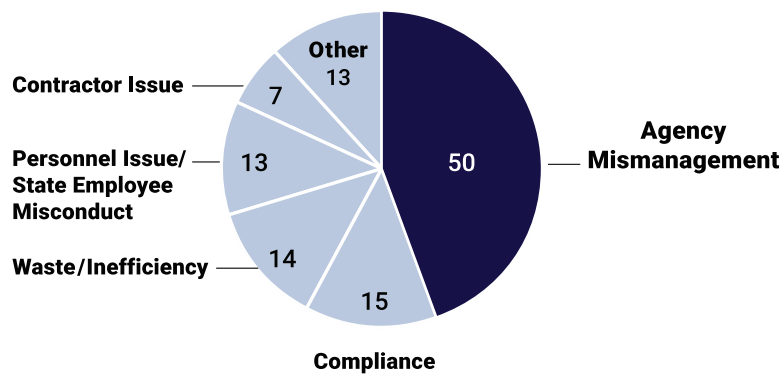
- following up on concerns during the course of ongoing audit work;
- initiating interviews and documentation reviews with other state agencies;
- conducting audits or reviews in response to substantiated allegations and reporting our findings to the Joint Legislative Audit Committee; and
- making referrals, providing information, and correcting misinterpretations that result in allegations.

***From January 1, 2023, through December 31, 2024, 112 of the 195 concerns reported to the hotline were state-related issues.***

From January 1, 2023, through December 31, 2024, 112 of the 195 concerns reported to the hotline were state-related issues. As shown in Figure 1, the majority of such reports pertained to concerns about state agency mismanagement, compliance with applicable laws, waste/inefficiency, personnel issues, and contractor issues.

Figure 1

**Reports of Fraud, Waste, and Mismanagement in State Government<sup>1</sup>**  
2023 and 2024



<sup>1</sup> A total of 112 state-related reports were received from January 1, 2023, through December 31, 2024.

***We reported hotline activity to the Joint Legislative Audit Committee semiannually.***

We reported hotline activity to the Joint Legislative Audit Committee in the following reports:

- *Biennial Report, January 1, 2021 – December 31, 2022* (report 23-1);
- *Fraud, Waste, and Mismanagement Hotline Semiannual Report: July 2022 – December 2022* (report 23-2);
- *Fraud, Waste, and Mismanagement Hotline Semiannual Report: January – June 2023* (report 23-10);
- *Fraud, Waste, and Mismanagement Hotline Semiannual Report: July – December 2023* (report 24-2); and
- *Fraud, Waste, and Mismanagement Hotline Semiannual Report: January – June 2024* (report 24-8).

***Information reported to the hotline was resolved in five other audit reports issued in 2023 and 2024.***

Information reported to the hotline may also be investigated by financial audit and performance evaluation audit teams engaged in the conduct of related, but distinct, audit work. We also included the resolution of information reported to the hotline in five other audit reports issued in 2023 and 2024:

- *Community Corrections Program* (report 23-5);
- *Wisconsin Economic Development Corporation* (report 23-11);
- *Telework, Space Management, Risk Management: Department of Administration* (report 23-22);
- *Administration of Professional Credentials* (report 23-24); and
- *Wisconsin State Capitol Police* (report 24-4).

## **Highlights of Selected Hotline Activities**

Our hotline investigations are conducted in response to reported allegations, which may lead us to identify needed improvements in government operations. For example:

### ***Fox River Navigational System Authority***

***We identified multiple concerns with management decisions and board activities of the Fox River Navigational System Authority.***

We identified multiple concerns with management decisions and board activities of the Fox River Navigational System Authority (Authority), including concerns with maintaining the lock system, Authority personnel management, open records law compliance, and open meetings law compliance. We also reviewed DOA’s responsibilities related to the Authority. We recommended that both the Authority and DOA make improvements. (For details, see report 23-10, *Fraud, Waste, and Mismanagement Hotline, Semiannual Report: January 2023 – June 2023.*)

### ***Department of Administration***

***We recommended that DOA improve its oversight of state agency rental rate reductions requested by state agencies for certain state-owned residential properties.***

We conducted follow-up on DOA’s administration of state-owned residential properties. We originally reported on this issue in December 2019 (report 19-26). We reviewed the status of recommendations we made in report 19-26 to DOA, the Department of Natural Resources, and UW System. We also addressed a report made to the hotline in 2023 in the scope of our audit follow-up work. We recommended that DOA improve its oversight of state agency rental rate reductions requested by state agencies for certain state-owned residential properties. (For details, see report 24-2, *Fraud, Waste, and Mismanagement Hotline, Semiannual Report: June 2023 – December 2023.*)





## Report Summaries

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A chronological summation of reports published in 2023 and 2024 follows. As noted, the full text of each document is available at [www.legis.wisconsin.gov/lab](http://www.legis.wisconsin.gov/lab). Appendix 3 is an index of reports by audit topic, and Appendix 4 is an index of reports by audited entity.

### Reports Published in 2023

#### **Report 23-1: Biennial Report**

*January 1, 2021 – December 31, 2022*

The biennial report, which is required under Wisconsin Statutes, summarizes the nonpartisan Legislative Audit Bureau's statutory responsibilities and highlights noteworthy findings from January 1, 2021, through December 31, 2022.

#### **Report 23-2: Fraud, Waste, and Mismanagement Hotline**

*Semiannual Report: July 2022 – December 2022*

We highlighted the activity of the Bureau's Fraud, Waste, and Mismanagement hotline for the period from July 1, 2022, through December 31, 2022, including the 22 state-related reports we received.

#### **Report 23-3: Department of Employee Trust Funds**

*Calendar Year 2021*

We provided unmodified opinions on the financial statements of the separate funds presented in the Department of Employee Trust Fund's (ETF's) 2021 Annual Comprehensive Financial Report.

**Report 23-4: State of Wisconsin FY 2021-22 Single Audit**

In FY 2021-22, state agencies administered \$20.2 billion in federal financial assistance, including \$5.9 billion that was expended related to the public health emergency and that was separately identified in the State's Schedule of Expenditures of Federal Awards. Our audit focused on 22 federal programs that accounted for 58.9 percent of the federal financial assistance administered. We provided an unmodified opinion on federal compliance for 21 of the programs we reviewed. However, we again qualified our opinion on compliance for certain requirements related to the Emergency Rental Assistance Program. We made 64 recommendations to improve the administration of federal programs and to address the internal control deficiencies we identified related to financial reporting. We questioned \$1.3 million in costs that state agencies charged inappropriately to federal funds. We also identified \$43.0 million in additional federal funding the State should claim. The federal government will work with state agencies to resolve the concerns we identified.

**Report 23-5: Community Corrections Program**

We evaluated the Community Corrections Program, which is administered by the Department of Corrections (DOC). From January 2019 through December 2021, 128,213 individuals were under community supervision at some point in time. We found that 35.8 percent of initial risk and needs assessments, which are used to help determine an individual's supervision level in the community, were not completed in a timely manner for individuals who began supervision from January 2019 through December 2021. DOC does not centrally track all program services, even if courts have ordered that individuals complete them. One-fifth of individuals under community supervision received program services paid for or provided by DOC from January 2019 through December 2021, and these individuals successfully completed 45.4 percent of services. From January 2019 through March 2022, DOC agents substantiated that 57,253 individuals committed 388,408 violations of the rules of supervision, and 168,066 consequences were imposed on individuals. However, DOC did not comprehensively comply with statutes by reviewing the consequences it imposed on individuals. The vacancy rate in the program's authorized staff positions increased from 5.6 percent in July 2019 to 12.8 percent in July 2022. We made 27 recommendations to DOC to improve its administration of the program.

**Report 23-6: Administration of Certain Supplemental Federal Funds**

From March 2020 through June 2022, the Department of Health Services (DHS) awarded \$159.6 million in program grants to 1,431 long-term health care and emergency medical services providers. We questioned \$518,700 that DHS paid to 10 grant applicants that did not submit sufficient documentation to support their grant applications or the grant amounts they requested. From March 2020 through June 2022, DHS spent \$38.7 million to purchase and maintain 1,542 ventilators for loan or deployment to hospitals, fire and rescue departments, and emergency medical services providers. We found that DHS did not execute loan agreements with all entities to which it deployed ventilators, did not inventory the ventilator-related equipment it had purchased, did not regularly track whether the ventilators had been maintained by the firm with which DHS contracted, or develop a plan for the future use of the ventilators. We provided recommendations to DHS to improve how it administers its grant programs and its Ventilator Stewardship program. We also recommended that DHS improve how its Office of Inspector General ensures program integrity.

### **Report 23-7: Opportunity Schools and Partnership Program**

Student achievement and other factors determine whether public schools are eligible for transfer into the program. Statutes include separate eligibility criteria for Milwaukee Public Schools (MPS) and all other school districts. No schools have been transferred into the program to date. No MPS schools were eligible for transfer into the program for the 2023-24 school year. No schools in other school districts will be eligible for transfer into the program for the 2023-24 or the 2024-25 school years.

### **Report 23-8: Unemployment Reserve Fund**

*FY 2020-21 and FY 2021-22*

We provided an unmodified opinion on the financial statements of the Unemployment Reserve Fund as of and for the years ended June 30, 2021, and June 30, 2022. The Unemployment Insurance program reported \$2.8 billion in federal reimbursements during FY 2020-21 and FY 2021-22. The net position of the Fund decreased by \$668.5 million since June 30, 2019, and was \$1.4 billion on June 30, 2022. The lowest tax rate schedule was in effect for calendar year 2023.

### **Report 23-9: Wisconsin Lottery**

*FY 2021-22*

We provided an unmodified opinion on the Wisconsin Lottery's financial statements as of and for the years ended June 30, 2021, and June 30, 2022. Since its inception, the Wisconsin Lottery has provided \$5.4 billion in property tax relief, including \$340.2 million distributed in FY 2021-22. Wisconsin Lottery ticket sales decreased from \$894.5 million in FY 2020-21 to \$887.8 million in FY 2021-22, or by 0.7 percent. The Wisconsin Lottery spent \$53.6 million on basic commissions and \$5.9 million on Retailer Performance Program payments in FY 2021-22. We recommended that the Department of Revenue file each statutorily required quarterly report with the Legislature in a timely manner.

### **Report 23-10: Fraud, Waste, and Mismanagement Hotline**

*Semiannual Report: January 2023 – June 2023*

We highlighted the activity of the Bureau's Fraud, Waste, and Mismanagement hotline for the period from January 1, 2023, through June 30, 2023, including the 25 state-related reports we received.

### **Report 23-11: Wisconsin Economic Development Corporation**

In FY 2021-22, WEDC administered 30 economic development programs under which it allocated an estimated \$58.0 million in tax credits; awarded \$91.3 million in grants and \$4.8 million in loans; and authorized local governments to issue \$53.4 million in bonds. We found WEDC's procedures for awarding tax credits did not consistently comply with statutes, five grants totaling \$50,000 were made to ineligible recipients through a program supported by supplemental federal funds, and eight grant recipients were not required to repay \$64,300 in supplemental federal funds that had been used to cover expenditures that were incurred outside contractually specified time periods or not verified. We also found WEDC did not revoke \$2.6 million in tax credits, even though these recipients did not meet their contractual obligations, and its online data continued to contain inaccuracies. We made 26 recommendations to WEDC for improvements. WEDC's information indicated that 29,439 awards closed from FY 2011-12 through FY 2021-22, including 338 tax credit and loan awards that

contractually required the recipients to create jobs and 379 tax credit and loan awards that contractually required the recipients to retain jobs. Recipients created 66.9 percent of the planned number of jobs and retained 73.7 percent of the contractually required jobs.

### **Report 23-12: State Retiree Health Insurance Reporting for the State of Wisconsin**

*June 30, 2022*

The State Retiree Health Insurance program, which is one of the other postemployment benefits (OPEB) programs offered by the State of Wisconsin to eligible retirees, is administered by ETF. The Department of Administration (DOA) is responsible for preparing the financial statements of the State of Wisconsin, including calculating the total OPEB liability for the program. DOA reported a total OPEB liability of \$717.2 million as of June 30, 2022. DOA also prepares the employer schedules and notes for the program. We provided unmodified opinions on the employer schedules and related notes of the program as of and for the year ended June 30, 2022. We recommended that DOA ensure its consulting actuary addresses the remaining errors and recommendations identified in the actuarial audit.

### **Report 23-13: Retirement Funds Investment Activity**

*Calendar Year 2022*

We provided unmodified opinions on the financial statements and related notes of the Retirement Funds investment activity for the year ended December 31, 2022. These financial statements were prepared by SWIB, which invests assets for the Wisconsin Retirement System (WRS) that are held in the Core Retirement Investment Trust Fund (Core Fund) and the Variable Retirement Investment Trust Fund (Variable Fund). Together, these funds are known as the Retirement Funds. The Core Fund was 94.4 percent of total investment assets of the Retirement Funds as of December 31, 2022. From December 31, 2021, to December 31, 2022, the net investment position of the Core Fund decreased from \$136.3 billion to \$114.4 billion, and the net investment position of the Variable Fund decreased from \$10.9 billion to \$8.4 billion. The percentage of the investment assets of the Retirement Funds managed internally by SWIB has decreased from 56.6 percent in 2018 to 37.9 percent in 2022.

### **Report 23-14: Wisconsin Retirement System**

*Calendar Year 2022*

We provided unmodified opinions on the financial statements and related notes prepared by ETF for the WRS (report 23-14), the Retiree Life Insurance programs (report 23-16), and the Supplemental Health Insurance Conversion Credit (SHICC) program (report 23-19). The fiduciary net position of the WRS decreased by 16.5 percent and was \$118.4 billion as of December 31, 2022. As of December 31, 2022, the fiduciary net position of the State Retiree Life Insurance program was \$303.2 million, the fiduciary net position of the Local Retiree Life Insurance program was \$241.6 million, and the fiduciary net position of the SHICC program was \$1.1 billion. We also provided unmodified opinions on the employer schedules and related notes prepared by ETF for the WRS (report 23-15), the State Retiree Life Insurance program (report 23-17), the Local Retiree Life Insurance program (report 23-18), and the SHICC program (report 23-20).



### **Report 23-15: Wisconsin Retirement System Reporting for Participating Employers**

*Calendar Year 2022*

### **Report 23-16: Retiree Life Insurance Programs**

*Calendar Year 2022*

### **Report 23-17: State Retiree Life Insurance Reporting for the State of Wisconsin**

*Calendar Year 2022*

### **Report 23-18: Local Retiree Life Insurance Reporting for Participating Employers**

*Calendar Year 2022*

### **Report 23-19: Supplemental Health Insurance Conversion Credit Program**

*Calendar Year 2022*

### **Report 23-20: Supplemental Health Insurance Conversion Credit Program Reporting for Participating Employers**

*Calendar Year 2022*

### **Report 23-21: State Investment Fund**

*FY 2022-23*

We provided an unmodified opinion on the financial statements and related notes of the State Investment Fund (SIF) as of and for the year ended June 30, 2023. These financial statements were prepared by the State of Wisconsin Investment Board (SWIB), which manages the SIF. The SIF invests the excess operating cash balances of State of Wisconsin agencies, the WRS, and the Wisconsin Local Government Investment Pool. As of June 30, 2023, State of Wisconsin agencies held 65.2 percent of the total participant shares in the SIF. As of June 30, 2023, 49.2 percent of the investments in the SIF were in U.S. Treasury obligations and securities of federal agencies. The net position of the SIF increased from \$20.2 billion as of June 30, 2022, to \$21.4 billion as of June 30, 2023.

### **Report 23-22: Telework, Space Management, and Risk Management**

*Department of Administration*

We evaluated the telework and space management practices of 39 executive branch agencies (report 23-22) and all 14 University of Wisconsin (UW) institutions (report 23-23) in 2023. We also assessed risk management practices for information technology (IT) at 10 agencies and 5 UW institutions. We found that the telework policies of most agencies and UW institutions allowed employees to telework up to five days per week, and the telework policies of agencies and UW institutions included most of the 28 best practices we identified. However, most agencies and UW institutions indicated they had not assessed in writing the effects of telework on their operations. Most employees at 15 agencies and most noninstructional UW employees did not have agreements that permitted them to telework.

The precise extent to which employees worked from the office was not known. Therefore, we used the available data to analyze the extent to which employees teleworked. We found that some employees may not have worked in the office as

frequently as expected, based on their agreements. Approximately one-third or fewer of workstations were in use during our six site visits to 15 agencies and UW System Administration in July and August 2023. We also identified a total of \$99,300 in potentially ineligible travel reimbursements paid to 76 employees.

We found that the State could consider additional consolidation of office space, and space management improvements are needed. Our review found 36 concerns at ten agencies and 8 concerns at five UW institutions related to risk management for information technology. We make 14 recommendations to DOA and 14 recommendations to UW System Administration.

### **Report 23-23: Telework, Space Management, and Risk Management**

*University of Wisconsin System*

### **Report 23-24: Administration of Professional Credentials**

We evaluated the administration of professional credentials by the Department of Safety and Professional Services (DSPS). In fiscal year (FY) 2022-23, the average amount of time to issue initial credentials decreased considerably from prior years. It took DSPS an average of 59.1 days to issue initial healthcare credentials in FY 2022-23. However, it took, on average, 189.6 days to issue the 100 healthcare credentials in our file review, which focused on credentials that took the longest amount of time to issue. The overall amount appropriated to DSPS for credentialing steadily increased from the 2013-15 biennium through the 2023-25 biennium. The number of authorized full-time equivalent (FTE) staff positions for credentialing decreased from the 2013-15 biennium through the 2017-19 biennium but increased in the following three biennia. We made 12 recommendations to improve how DSPS administers credentials.

### **Report 23-25: University of Wisconsin System**

*FY 2022-23*

We provided unmodified audit opinions on UW System's FY 2022-23 financial statements, including its aggregate discretely presented component units. UW System's net position was \$6.4 billion as of June 30, 2023. On a budgetary basis, UW System's unrestricted program revenue balance decreased by 0.8 percent as of June 30, 2023. Unrestricted program revenue balances ranged from \$7.6 million at UW-Oshkosh to \$496.7 million at UW-Madison.

### **Report 23-26: State of Wisconsin FY 2022-23 Financial Statements**

We provided unmodified audit opinions on the State of Wisconsin's FY 2022-23 financial statements. These financial statements are included in the State's Annual Comprehensive Financial Report, which is prepared by the Department of Administration (DOA). The General Fund total fund balance improved from \$4.7 billion as of June 30, 2022, to \$6.7 billion as of June 30, 2023. We also reviewed certain aspects of the federal funding the State received for the public health emergency. We made 15 recommendations to state agencies, and we included in our report certain other matters of interest related to the State's activities in FY 2022-23.

## Reports Published in 2024

### **Report 24-1: Department of Employee Trust Funds**

*Calendar Year 2022*

We provided unmodified opinions on the financial statements of the separate funds presented in ETF's 2022 Annual Comprehensive Financial Report.

### **Report 24-2: Fraud, Waste, and Mismanagement Hotline**

*Semiannual Report: July 2023 – December 2023*

We highlighted the activity of the Bureau's Fraud, Waste, and Mismanagement Hotline for the period from July 1, 2023, through December 31, 2023, including the 27 state-related reports we received. We also highlighted findings related to selected hotline reports we resolved since the publication of our last semiannual report. In addition, we followed up on the administration of state-owned residential properties by DOA.

### **Report 24-3: State of Wisconsin FY 2022-23 Single Audit**

In FY 2022-23, state agencies administered \$19.8 billion in federal financial assistance, including \$3.8 billion that was expended related to the public health emergency and that was separately identified in the State's Schedule of Expenditures of Federal Awards. Our audit focused on 22 federal programs that accounted for 61.2 percent of the federal financial assistance administered. We found that state agencies generally complied with federal requirements, and we provided an unmodified opinion on federal compliance for 16 of the programs we reviewed. However, we qualified our opinion on compliance related to certain requirements for 6 programs we reviewed, including for the Emergency Rental Assistance Program administered by DOA for which we qualified our opinion on compliance for a third year. We made 60 recommendations to improve the administration of federal programs and to address the internal control deficiencies we identified related to financial reporting. We questioned \$13.0 million in costs that state agencies charged inappropriately to federal funds. The federal government will work with state agencies to resolve the concerns we identified.

### **Report 24-4: Wisconsin State Capitol Police**

In 44 states, primary responsibility for providing security in capitol buildings is assigned to the executive branch. Capitol Police, a division of DOA, uses a variety of measures to help ensure security at the State Capitol. We found that Capitol Police responded 4.3 percent faster, on average, to legislative duress alarms than to all incidents from FY 2021-22 through FY 2022-23. Turnover among Capitol Police staff was 33.1 percent in FY 2022-23. We made 13 recommendations to DOA for improvements.

### **Report 24-5: Retirement Funds Investment Activity**

*Calendar Year 2023*

We provided unmodified opinions on the financial statements and related notes of the Retirement Funds investment activity as of and for the year ended December 31, 2023. These financial statements were prepared by SWIB, which invests assets for the WRS that are held in the Core Fund and the Variable Fund. Together, these funds are known as the Retirement Funds. The Core Fund made up 94.1 percent of total investment assets of the Retirement Funds as of December 31, 2023. From December 31, 2022, to December 31, 2023, the net investment position of the Core Fund increased from

\$114.4 billion to \$122.5 billion, and the net investment position of the Variable Fund increased from \$8.4 billion to \$9.8 billion. The percentage of the investment assets of the Retirement Funds managed internally by SWIB decreased from 50.3 percent in 2019 to 38.1 percent in 2023.

#### **Report 24-6: Timeliness of State Crime Laboratories in Analyzing Evidence**

The Department of Justice (DOJ) operates three crime laboratories, which are located in Madison, Milwaukee, and Wausau. In July 2023, DOJ was authorized 177.1 FTE permanent positions for the crime laboratories, and DOJ spent \$30.4 million on the crime laboratories in FY 2022-23. The vacancy rate of crime laboratory analyst positions increased from 2.6 percent in July 2019 to 9.5 percent in July 2023. The median turnaround time for analyzing evidence increased from 39 days for assignments created in FY 2019-20 to 58 days for assignments created in FY 2022-23. Approximately one-half of the survey responses we received from sheriffs, police chiefs, district attorneys, circuit court judges, public defenders, medical examiners, and coroners indicated satisfaction with the timeliness of DOJ's crime laboratories in analyzing evidence. We made 16 recommendations to DOJ for improvements.

#### **Report 24-7: Employees' Retirement System of the County of Milwaukee**

*Calendar Year 2023*

We provided an unmodified opinion on the financial statements of the Employees' Retirement System of the County of Milwaukee (ERS) as of and for the year ended December 31, 2023. This is the first audit of the ERS we completed under provisions of 2023 Wisconsin Act 12. The ERS is a single-employer, defined-benefit retirement system with 12,466 participants as of December 31, 2023. In 2023, the ERS reported \$73.3 million in total contributions, \$173.8 million in net investment income, and it paid pension benefits totaling \$199.4 million. As of December 31, 2023, the ERS net pension liability was \$729.4 million. The ERS fiduciary net position, which is a measure of overall financial condition, was \$1.7 billion as of December 31, 2023. We identified four significant deficiencies in internal control at Retirement Plan Services (RPS), and we identified three other matters of interest. We make 17 recommendations to RPS and 3 recommendations to the Milwaukee County Office of the Comptroller for improvements.

#### **Report 24-8: Fraud, Waste, and Mismanagement Hotline**

*Semiannual Report: January 2024 – June 2024*

We highlighted the activity of the Bureau's Fraud, Waste, and Mismanagement Hotline for the period from January 1, 2024, through June 30, 2024, including the 32 state-related reports we received. We also highlighted findings related to selected hotline reports we resolved since the publication of our last semiannual report.

#### **Report 24-9: Wisconsin Lottery**

*FY 2022-23*

We provided unmodified opinions on the Wisconsin Lottery's financial statements as of and for the years ended June 30, 2022, and June 30, 2023. Since its inception, the Wisconsin Lottery has provided \$5.8 billion in property tax relief, including \$319.7 million distributed in FY 2022-23. Wisconsin Lottery ticket sales increased from \$887.8 million in FY 2021-22 to \$981.7 million in FY 2022-23, or by 10.6 percent.

**Report 24-10: State Retiree Health Insurance Reporting for the State of Wisconsin***June 30, 2023*

The State Retiree Health Insurance program, which is one of the OPEB programs offered by the State of Wisconsin to eligible retirees, is administered by ETF. DOA is responsible for preparing the financial statements of the State of Wisconsin, including calculating the total OPEB liability for the program. DOA reported a total OPEB liability of \$802.4 million as of June 30, 2023. DOA also prepares the employer schedules and notes for the program. We provided unmodified opinions on the employer schedules and related notes of the program as of and for the year ended June 30, 2023. We recommended that DOA ensure its consulting actuary addresses the error and implements the recommendations identified in the actuarial audit.

**Report 24-11: Wisconsin Retirement System***Calendar Year 2023*

We provided unmodified opinions on the financial statements and related notes prepared by ETF for the WRS (report 24-11), the Retiree Life Insurance programs (report 24-13), and the SHICC program (report 24-16). The fiduciary net position of the WRS increased by 7.9 percent and was \$127.7 billion as of December 31, 2023. As of December 31, 2023, the fiduciary net position of the State Retiree Life Insurance program was \$287.8 million, the fiduciary net position of the Local Retiree Life Insurance program was \$235.9 million, and the fiduciary net position of the SHICC program was \$1.2 billion. We also provided unmodified opinions on the employer schedules and related notes prepared by ETF for the WRS (report 24-12), the State Retiree Life Insurance program (report 24-14), the Local Retiree Life Insurance program (report 24-15), and the SHICC program (report 24-17).

**Report 24-12: Wisconsin Retirement System Reporting for Participating Employers***Calendar Year 2023***Report 24-13: Retiree Life Insurance Programs***Calendar Year 2023***Report 24-14: State Retiree Life Insurance Reporting for the State of Wisconsin***Calendar Year 2023***Report 24-15: Local Retiree Life Insurance Reporting for Participating Employers***Calendar Year 2023***Report 24-16: Supplemental Health Insurance Conversion Credit Program***Calendar Year 2023***Report 24-17: Supplemental Health Insurance Conversion Credit Program Reporting for Participating Employers***Calendar Year 2023*

### **Report 24-18: State of Wisconsin Investment Board**

SWIB invests assets for the WRS and six other funds. As of December 31, 2023, SWIB managed \$155.1 billion in assets, including \$132.4 billion in WRS assets. As of December 2023, the Core Fund of the WRS exceeded its five-year benchmark, but the Variable Fund of the WRS did not. The 20-year average annual investment return of the Core Fund declined over the past decade. The proportion of assets SWIB managed internally decreased from 53.5 percent in December 2019 to 45.4 percent in December 2023. SWIB's expenses increased from \$480.3 million in 2019 to \$852.0 million in 2023, or by 77.4 percent, primarily because of an increase in management fees SWIB paid to external investment managers. SWIB's staff increased by 63.0 FTE positions from December 2019 to December 2023 and totaled 298 FTE positions as of December 2023. For 2023 performance, 262 SWIB staff received a total of \$30.6 million in annual bonuses, which was the highest amount awarded from 2019 to 2023. As the Core Fund's investment returns decreased and SWIB's staffing and other expenses increased considerably, SWIB should improve its strategic planning. We made 12 recommendations to SWIB and include two issues for legislative consideration.

### **Report 24-19: Employees' Retirement System of the City of Milwaukee**

*Calendar Year 2023*

We provided an unmodified opinion on the financial statements of the Employees' Retirement System of the City of Milwaukee (Retirement System) as of and for the year ended December 31, 2023. This is the first audit of the Retirement System we completed under provisions of 2023 Wisconsin Act 12. The Retirement System is a cost sharing, multiple-employer, defined-benefit pension plan with 30,111 members as of December 31, 2023. In 2023, the Retirement System reported \$545.9 million in net investment income, \$203.7 million in total contributions, and it paid pension benefits totaling \$466.6 million. Administrative expenses of the Retirement System totaled \$8.0 million in 2023. As of December 31, 2023, the Retirement System's net pension liability was \$2.1 billion. The Retirement System's fiduciary net position, which is a measure of overall financial condition, was \$5.8 billion as of December 31, 2023. We identified two material weaknesses in internal control over financial reporting, and we reported a finding of statutory noncompliance related to Wisconsin's open meetings laws. We made four recommendations to Retirement System staff for improvements.

### **Report 24-20: Employees' Retirement System of the City of Milwaukee Reporting for Participating Employers**

*Calendar Year 2023*

### **Report 24-21: State Investment Fund**

*FY 2023-24*

We provided an unmodified opinion on the financial statements and related notes of the SIF as of and for the year ended June 30, 2024. These financial statements were prepared by SWIB, which manages the SIF. The SIF invests the excess operating cash balances of State of Wisconsin agencies, the WRS, and the Wisconsin Local Government Investment Pool. As of June 30, 2024, State of Wisconsin agencies held 58.6 percent of the total participant shares in the SIF. As of June 30, 2024, 51.8 percent of the investments in the SIF were repurchase agreements. The net position of the SIF increased from \$21.4 billion as of June 30, 2023, to \$22.9 billion as of June 30, 2024.

**Report 24-22: University of Wisconsin System***FY 2023-24*

We provided unmodified audit opinions on UW System's FY 2023-24 financial statements, including its aggregate discretely presented component units.

UW System's net position was \$6.7 billion as of June 30, 2024. UW System revenues were \$7.0 billion, including \$1.6 billion in revenue from Student Tuition and Fees, and UW System expenses totaled \$6.6 billion as of June 30, 2024. Total Salary and Fringe Benefits was \$4.2 billion, which was UW System's largest expense. We provided additional information on the number and salaries of certain types of UW employees. On a budgetary basis, UW System's unrestricted program revenue balance decreased 1.4 percent and was \$1.1 billion as of June 30, 2024.

**Report 24-23: State of Wisconsin FY 2023-24 Financial Statements**

We provided unmodified audit opinions on the State of Wisconsin's FY 2023-24 financial statements. These financial statements are included in the State's ACFR, which is prepared by DOA. The General Fund total fund balance decreased from \$6.6 billion as of June 30, 2023, to \$4.5 billion as of June 30, 2024. We also reviewed certain aspects of the federal funding the State received for the public health emergency. We made 21 recommendations to state agencies, and we included in our report certain other matters of interest related to the State's activities in FY 2023 24.

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## Appendices

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## Appendix 1

### **Recurring Audit Responsibilities**

Under s. 13.94, Wis. Stats., and other statutory provisions, the Legislative Audit Bureau is required to conduct annual financial audits of:

- the University of Wisconsin System;
- the Department of Employee Trust Funds;
- the Capital Improvement Fund;
- the Bond Security and Redemption Fund;
- the State of Wisconsin Investment Board;
- the Wisconsin Lottery;
- the retirement system of Milwaukee County; and
- the retirement system of the City of Milwaukee.

Statutes require us to conduct biennial performance evaluations of the State of Wisconsin Investment Board, Wisconsin Economic Development Corporation, and the Opportunity Schools and Partnership Programs. Statutes also require us to conduct a biennial financial audit of the local professional baseball park district created under subch. III of ch. 229, Wis. Stats.

At least once every three years, we are required by statutes to audit the State Life Insurance Fund and the Injured Patients and Families Compensation Fund.

Once every five years, statutes require us to conduct a financial audit of expenditures of revenues generated by the sales and use taxes imposed by Milwaukee County and by the City of Milwaukee.

At least once every five years, statutes require us to contract for an actuarial audit of the Wisconsin Retirement System, the retirement system of Milwaukee County, and the retirement system of the City of Milwaukee.

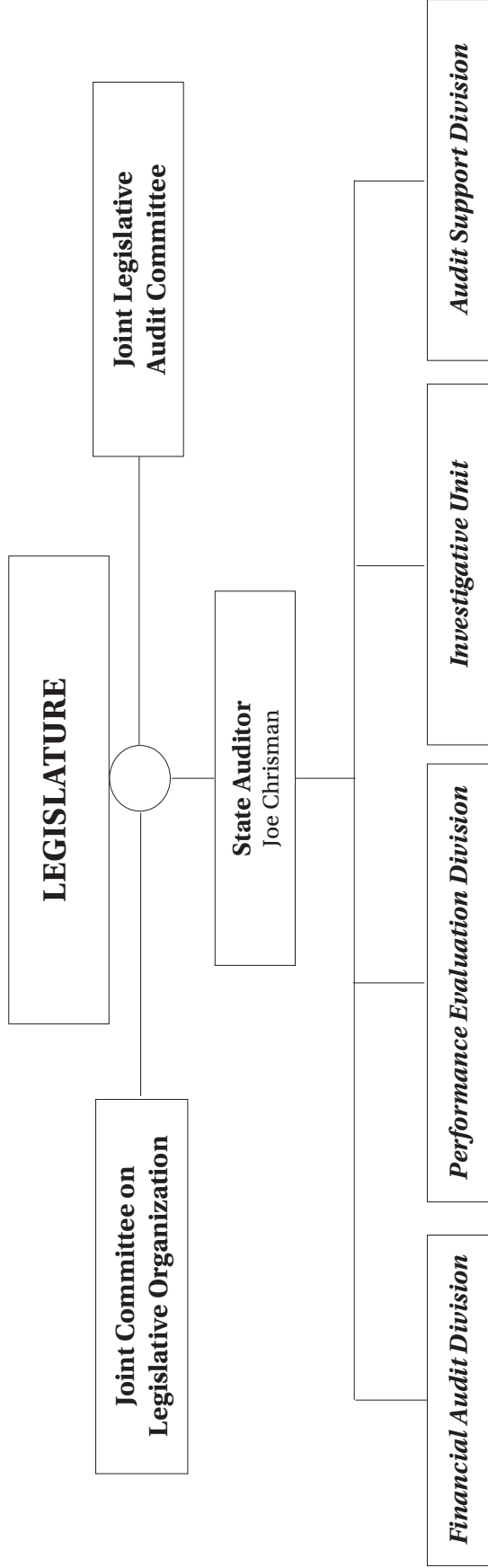
Periodically, statutes require that we conduct county and municipal best practices reviews. We are also required to review the quarterly statements of economic interest and reports of economic transactions that members and employees of the State of Wisconsin Investment Board file with the Wisconsin Ethics Commission.

In addition, we are responsible for conducting special examinations of the accounts and financial transactions of any department or office as the Legislature, the Joint Legislative Audit Committee, or the Joint Committee on Legislative Organization directs.



Appendix 2

**Wisconsin Legislative Audit Bureau**  
December 2024





## Appendix 3

### Index by Audit Topic

#### Corrections

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**Community Corrections Program** (report 23-5)

#### County and Local Government

---

**Employees' Retirement System of the County of Milwaukee** Calendar Year 2023  
(report 24-7)

**Employees' Retirement System of the City of Milwaukee** Calendar Year 2023 (report 24-19)

**Employees' Retirement System of the City of Milwaukee Reporting for Participating Employers** Calendar Year 2023 (report 24-20)

#### Economic Development and Employment

---

**Unemployment Reserve Fund** FY 2020-21 and FY 2021-22 (report 23-8)

**Wisconsin Economic Development Corporation** (report 23-11)

#### Education

---

**Opportunity Schools and Partnership Program** (report 23-7)

**University of Wisconsin System** FY 2022-23 (report 23-25)

**University of Wisconsin System** FY 2023-24 (report 24-22)

#### Environment and Natural Resources

---

**Fraud, Waste, and Mismanagement Hotline** (report 23-10)  
Semiannual Report: January 2023 – June 2023

#### Gaming and Lottery

---

**Wisconsin Lottery** FY 2021-22 (report 23-9)

**Wisconsin Lottery** FY 2022-23 (report 24-9)

#### Health Care and Human Services

---

**Administration of Certain Supplemental Federal Funds** (report 23-6)

## Information Technology

---

**Telework, Space Management, and Risk Management** (report 23-22)  
*Department of Administration*

**Telework, Space Management, and Risk Management** (report 23-23)  
*University of Wisconsin System*

**State of Wisconsin FY 2022-23 Financial Statements** (report 23-26)

**State of Wisconsin FY 2023-24 Financial Statements** (report 24-23)

## Insurance

---

**State Retiree Health Insurance Reporting for the State of Wisconsin** (report 23-12)  
June 30, 2022

**Retiree Life Insurance Programs** Calendar Year 2022 (report 23-16)

**State Retiree Life Insurance Reporting for the State of Wisconsin** Calendar Year 2022  
(report 23-17)

**Local Retiree Life Insurance Reporting for Participating Employers** Calendar Year 2022  
(report 23-18)

**Supplemental Health Insurance Conversion Credit Program** Calendar Year 2022  
(report 23-19)

**Supplemental Health Insurance Conversion Credit Program Reporting for Participating Employers** Calendar Year 2022 (report 23-20)

**State Retiree Health Insurance Reporting for the State of Wisconsin** (report 24-10)  
June 30, 2023

**Retiree Life Insurance Programs** Calendar Year 2023 (report 24-13)

**State Retiree Life Insurance Reporting for the State of Wisconsin** Calendar Year 2023  
(report 24-14)

**Local Retiree Life Insurance Reporting for Participating Employers** Calendar Year 2023  
(report 24-15)

**Supplemental Health Insurance Conversion Credit Program** Calendar Year 2023  
(report 24-16)

**Supplemental Health Insurance Conversion Credit Program Reporting for Participating Employers** Calendar Year 2023 (report 24-17)



## Law Enforcement

---

**Wisconsin State Capitol Police** (report 24-4)

**Timeliness of State Crime Laboratories in Analyzing Evidence** (report 24-6)

## State Government Operations and Enterprises

---

**Biennial Report** (report 23-1)  
January 1, 2021 – December 31, 2022

**Fraud, Waste, and Mismanagement Hotline** (report 23-2)  
Semiannual Report: July 2022 – December 2022

**State of Wisconsin FY 2021-22 Single Audit** (report 23-4)

**Fraud, Waste, and Mismanagement Hotline** (report 23-10)  
Semiannual Report: January 2023 – June 2023

**State Investment Fund** FY 2022-23 (report 23-21)

**Telework, Space Management, and Risk Management** (report 23-22)  
*Department of Administration*

**Telework, Space Management, and Risk Management** (report 23-23)  
*University of Wisconsin System*

**Administration of Professional Credentials** (report 23-24)

**State of Wisconsin FY 2022-23 Financial Statements** (report 23-26)

**Fraud, Waste, and Mismanagement Hotline** (report 24-2)  
Semiannual Report: July 2023 – December 2023

**State of Wisconsin FY 2022-23 Single Audit** (report 24-3)

**Fraud, Waste, and Mismanagement Hotline** (report 24-8)  
Semiannual Report: January 2024 – June 2024

**State Investment Fund** FY 2023-24 (report 24-21)

**State of Wisconsin FY 2023-24 Financial Statements** (report 24-23)

## Wisconsin Retirement System

---

**Department of Employee Trust Funds** Calendar Year 2021 (report 23-3)

**Retirement Funds Investment Activity** Calendar Year 2022 (report 23-13)

**Wisconsin Retirement System** Calendar Year 2022 (report 23-14)

Wisconsin Retirement System (*continued*)

---

**Wisconsin Retirement System Reporting for Participating Employers** Calendar Year 2022  
(report 23-15)

**Department of Employee Trust Funds** Calendar Year 2022 (report 24-1)

**Retirement Funds Investment Activity** Calendar Year 2023 (report 24-5)

**Wisconsin Retirement System** Calendar Year 2023 (report 24-11)

**Wisconsin Retirement System Reporting for Participating Employers** Calendar Year 2023  
(report 24-12)

**State of Wisconsin Investment Board** (report 24-18)

## Appendix 4

### Index by Audited Entity

#### Administration, Department of

---

**State Retiree Health Insurance Reporting for the State of Wisconsin**  
June 30, 2022 (report 23-12)

**Telework, Space Management, and Risk Management**  
*Department of Administration* (report 23-22)

**Fraud, Waste, and Mismanagement Hotline** (report 24-2)  
Semiannual Report: July 2023 – December 2023

**Wisconsin State Capitol Police** (report 24-4)

**State Retiree Health Insurance Reporting for the State of Wisconsin** (report 24-10)  
June 30, 2023

#### Corrections, Department of

---

**Community Corrections Program** (report 23-5)

#### Employee Trust Funds, Department of

---

**Department of Employee Trust Funds** Calendar Year 2021 (report 23-3)

**Wisconsin Retirement System** Calendar Year 2022 (report 23-14)

**Wisconsin Retirement System Reporting for Participating Employers**  
Calendar Year 2022 (report 23-15)

**Retiree Life Insurance Programs** Calendar Year 2022 (report 23-16)

**State Retiree Life Insurance Reporting for the State of Wisconsin** Calendar Year 2022  
(report 23-17)

**Local Retiree Life Insurance Reporting for Participating Employers** Calendar Year 2022  
(report 23-18)

**Supplemental Health Insurance Conversion Credit Program** Calendar Year 2022  
(report 23-19)

**Supplemental Health Insurance Conversion Credit Program Reporting for Participating Employers** Calendar Year 2022 (report 23-20)

**Department of Employee Trust Funds** Calendar Year 2022 (report 24-1)

**Wisconsin Retirement System** Calendar Year 2023 (report 24-11)

Employee Trust Funds, Department of (*continued*)

---

**Wisconsin Retirement System Reporting for Participating Employers**  
Calendar Year 2023 (report 24-12)

**Retiree Life Insurance Programs** Calendar Year 2023 (report 24-13)

**State Retiree Life Insurance Reporting for the State of Wisconsin** Calendar Year 2023  
(report 24-14)

**Local Retiree Life Insurance Reporting for Participating Employers** Calendar Year 2023  
(report 24-15)

**Supplemental Health Insurance Conversion Credit Program** Calendar Year 2023  
(report 24-16)

**Supplemental Health Insurance Conversion Credit Program Reporting for Participating Employers** Calendar Year 2023 (report 24-17)

Fox River Navigational Authority

---

**Fraud, Waste, and Mismanagement Hotline** (report 23-10)  
Semiannual Report: January 2023 – June 2023

Health Services, Department of

---

**Administration of Certain Supplemental Federal Funds** (report 23-6)

**Fraud, Waste, and Mismanagement Hotline** (report 24-8)  
Semiannual Report: January 2024 – June 2024

Investment Board, State of Wisconsin (SWIB)

---

**Retirement Funds Investment Activity** Calendar Year 2022 (report 23-13)

**State Investment Fund** FY 2022-23 (report 23-21)

**Retirement Funds Investment Activity** Calendar Year 2023 (report 24-5)

**State of Wisconsin Investment Board** (report 24-18)

**State Investment Fund** FY 2023-24 (report 24-21)

Justice, Department of

---

**Timeliness of State Crime Laboratories in Analyzing Evidence** (report 24-6)

Milwaukee, County of

---

**Employees' Retirement System of the County of Milwaukee** Calendar Year 2023  
(report 24-7)

Milwaukee, City of

---

**Employees' Retirement System of the City of Milwaukee** Calendar Year 2023 (report 24-19)

**Employees' Retirement System of the City of Milwaukee Reporting for  
Participating Employers** Calendar Year 2023 (report 24-20)

Public Instruction, Department of

---

**Opportunity Schools and Partnership Program** (report 23-7)

Revenue, Department of

---

**Fraud, Waste, and Mismanagement Hotline** (report 23-2)  
Semiannual Report: July 2022 – December 2022

**Wisconsin Lottery** FY 2021-22 (report 23-9)

**Wisconsin Lottery** FY 2022-23 (report 24-9)

Safety and Professional Services, Department of

---

**Administration of Professional Credentials** (report 23-24)

State of Wisconsin, Comprehensive

---

**State of Wisconsin FY 2021-22 Single Audit** (report 23-4)

**State of Wisconsin FY 2022-23 Financial Statements** (report 23-26)

**State of Wisconsin FY 2022-23 Single Audit** (report 24-3)

**State of Wisconsin FY 2023-24 Financial Statements** (report 24-23)

University of Wisconsin System

---

**Telework, Space Management, and Risk Management**  
*University of Wisconsin System* (report 23-23)

**University of Wisconsin System** FY 2022-23 (report 23-25)

**University of Wisconsin System** FY 2023-24 (report 24-22)

Wisconsin Economic Development Corporation

---

**Wisconsin Economic Development Corporation** (report 23-11)

Workforce Development, Department of

---

**Unemployment Reserve Fund** FY 2020-21 and FY 2021-22 (report 23-8)