LEGISLATIVE AUDIT BUREAU: HUMAN RESOURCES SYSTEM (HRS)
Security Issues

- LAB identified security issues – HRS access and the program change process – as a material weakness.

- UW has identified additional Separation of Duties (SOD) as integral to ensure proper user access and financial controls.
  - UW has completed over 60% of the identified security measures and will complete the remaining SOD controls by mid-2014.
LAB documented that state group health insurance overpayments declined from $12.6 million from May 2011-April 2012 to $1.2 million from May 2012-April 2013 (90.5% decrease).

- UW has remained current in reconciliations within the 2-month recovery period since October, 2012.

Overpayments for the Wisconsin Retirement System (WRS) declined by 89.7% - from $17.5 million in 2011 to $1.8 million in 2012.

- UW has set a benchmark target of $250,000 for a maximum recoverable variance annually.
HRS Implementation Costs

- Project cost was $78.6 million for planning and implementation.
  - $2.8 million below the $81.4 million budget
- LAB noted the following ancillary cost may be largely related to implementation:
  - $972,600 in estimated overtime costs
  - $3.0 million for stabilization projects
  - $6.6 million increase for Service Center operations