Wisconsin Elections Commission

Internal Control Plan

Revised: November 21, 2018

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Introduction

The Wisconsin Elections Commission (WEC) has developed the following internal control plan to provide reasonable assurance that all federal and state assets are safeguarded, applicable laws and regulations are followed, and objectives of the Agency are being met.

Control Environment

Mission Statement

The mission of the Commission is to enhance representative democracy by ensuring the integrity of Wisconsin's electoral process through the administration of Wisconsin's elections laws and the dissemination of information, guidance and services to local election officials, candidates, policymakers, voters and the public, utilizing both staff expertise and technology solutions.

Code of Conduct

All permanent and project Wisconsin Elections Commission staff are required to attend a Department of Administration (DOA) orientation upon appointment. During new hire orientation, staff receive an Employee Handbook (Appendix A) and are required to sign an Acknowledgement of Receipt (Appendix B) which signifies their understanding that they will abide by work rules, code of ethics and other guidelines contained therein. The staff of the Wisconsin Elections Commission are also required by Wis. Stat. § 5.05(4) to be nonpartisan. This quality is instilled in every employee during agency training and is a significant part of the culture at the Wisconsin Elections Commission.

Strategic Plans and Organization Chart

The national Help America Vote Act of 2002 (HAVA) requires each state receiving federal funds to compose an election administration plan, outlining how those funds will be used. In cooperation with local election officials, members of the Legislature, and other citizens, the Government Accountability Board revised its State Election Administration Plan in August, 2009. This 106-page revised plan addressed the election-related goals of the agency for the next five years and details specific initiatives to be researched for potential implementation in the areas of election administration, accessibility, voting equipment, voter registration, voter education and election official training. The state election administration plan also contains a preliminary budget to utilize existing HAVA funds, as well as the available 2008, 2009, and 2010 requirements payments received. Finally, the state election plan also contains preliminary performance goals and provides measurement standards for each element of the plan, a copy of which is available upon request.

WISCONSIN ELECTIONS COMMISSION

Meagan Wolfe
Administrator
#334590

Michael Haas
Staff Counsel
#022929

Reid Magney
Public Information Officer
#311392

Sharrie Hauge
Chief Administrative Officer
#304752

Richard Rydecki
Deputy Administrator
#049511

Robert Kehoe
Program and Policy Chief
#007387

Sharrie Hauge (Chief Administrative Officer)

Amy McGregor
Office Operations
#075397

Tiffany Schwoerer
Operations Program Associate
#339516

Steve Rossman
IS Tech Specialist
#339512

John Hoeth
IS Resources Support Tech Snr
#339514

Julia Billingham
Grants Accountant
#516315

Richard Rydecki (Deputy Administrator)

Diane Lowe
Lead Election Specialist
#315282

William Wirkus
Election Specialist
#315281

Allison Coakley
Election Specialist
#339531

Riley Willman
Election Specialist
#339526

Robert Williams
Elections Specialist
#339530

Nate Judnic
Elections Specialist
#051277

Cody Davies
Voting Equipment Specialist
#516314

Robert Kehoe (Program and Policy Chief)

Sarah Whitt
IT Functional Lead
#339513

Greg Grube
GIS Specialist
#339522

Ann Oberle
UAT Lead
#339515

Jodi Kitts
Elections Specialist
#339529

Christopher Doffing
Training Officer
#339519

Michael Nelson
Elections Specialist
#339518

Michelle Hawley
Training Officer
#339520

Sarah Statz
Elections Specialist
#339525

Patrick Brennan
Training Officer
#339521

Tony Bridges
IS Technical Services Specialist
#339532

Connie Shehan
Election Specialist (data)
#516311

Michael Sabaka
Elections Specialist (training)
#516312

Jeffrey Harrison
Elections Security Specialist
#516313

Sara Linski
IT Project Manager
#516310

Personnel Policies and Procedures
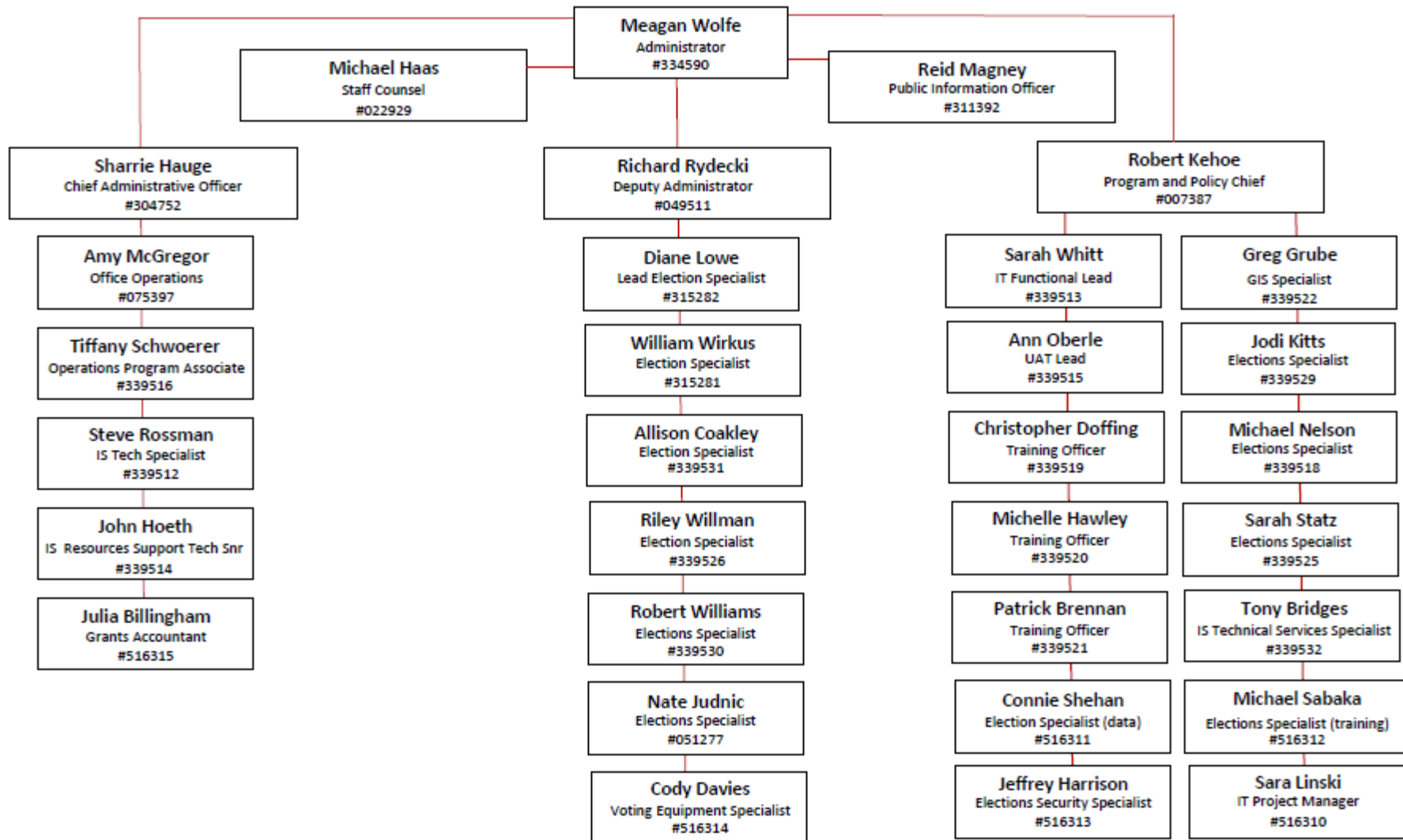
All permanent and project Wisconsin Elections Commission staff are required to attend a Department of Administration (DOA) orientation upon appointment. During orientation, staff receive a DOA Employee Handbook (Appendix A) and are required to sign an Acknowledgement of Receipt (Appendix B), which signifies their understanding that they will be held to the personnel policies and procedures contained therein.

Position Descriptions

Employee position descriptions are available upon request. Agency management periodically reviews employee position descriptions to ensure they match employee work assignments, and then updates them as necessary. See Appendix C – Position Numbers, Employee Names, and Classification Titles.

Other Functional Guidance Materials Provided to Employees

Procurement Manual
The state procurement manual communicates the required policies and procedures for purchasing commodities and services throughout the state and is available online as part of the VendorNet System. The Wisconsin Procurement Manual is available at:
http://doa.wi.gov/Divisions/Enterprise-Operations/State-Bureau-of-Procurement/Agency-Information/Procurement-Manual/

Purchasing Card User Manual
The DOA Purchasing Card User Manual is a document used by the Wisconsin Elections Commission staff which defines a purchasing card, its proper uses, and associated internal control policies and procedures governing usage by Elections Commission staff members. See first page of Appendix G - Purchasing Cardholders and User Manual for a listing of cardholder names and associated programs/grants. The user manual is issued to staff, if and when it's decided he or she will need to use purchasing cards as part of their job duties. The DOA Purchasing Card Manual is available at:
http://www.doa.state.wi.us/Documents/DEO/Procurement/PCardManual/PCARD%20USER%20MANUAL.pdf

Wisconsin Statutes (Chapters 5 to 10 and 12)
The Wisconsin Elections Commission (WEC) administers and enforces Wisconsin law pertaining to Chapters 5 to 10 and 12. Program staff members are expected to have a high-level working knowledge of their controlling statutes, along with various inter-related statutes which may affect the conduct of elections in the state.

Election Administration Manual
Wisconsin Elections Commission staff developed this manual to serve as a knowledgebase for the various election officials in Wisconsin. It establishes the policies and procedures governing Wisconsin elections. The Election Administration Manual is available at:
http://elections.wi.gov/publications/manuals.

<u>WisVote User Manual</u>
Wisconsin Elections Commission staff developed this manual as a technical resource, to assist
My Vote users in the operation and troubleshooting of the application, and is available here:
http://elections.wi.gov/publications/manuals/wisvote and at the election training website:
http://www.electiontraining.gab.wi.gov/.

Risk Assessment

<u>Risk Assessment</u>
Risk is defined as the level of vulnerability to fraud, abuse, and/or mismanagement. Risk
assessment is the identification and analysis of relevant risks to achievement of objectives,
forming a basis for determining how the risks should be managed. The WEC assesses risk by
considering the events and circumstances which may occur and could adversely affect the
WEC's ability to record, process, summarize, and report agency financial information.
Management of the risks associated with the use of the WEC's internal control structure provides
reasonable assurance that financial processing functions work as intended.

Funding Sources

The Wisconsin Elections Commission's funding comes from several sources:

1. <u>State General Program Revenue</u> (1) (a) - GPR and PR Funds 100

2. <u>Help America Vote Act of 2002 (HAVA) (1) (x)</u> - SEG Fund 220 – Federal funds were
   provided for all states to make sweeping reforms in the way elections are conducted. All
   federal funds with a cash balance earn interest monthly. Once the funds are spent, the state
   must then take over financial responsibility for maintaining HAVA initiatives. Within this
   Fund 220 Appropriation 1 80, there are, or were, several distinct HAVA-related programs
   and subprograms (reporting category in parentheses):

   A. Section 101 (H101) – To be spent on the improvement of elections administration, which
      includes the training and certification of county and municipal clerks on current election
      laws and procedures.

   B. Section 251 (*251*) – To be spent on the creation of a statewide voter registration system
      (SVRS) database and to provide for further election enhancements:

      i.   Section 251 (2519) – Requirements Payments received from the 2009 federal
           fiscal year to continue Wisconsin's election administration in accordance with the
           initial Section 251 requirements.
      ii. Section 251 (2510) – Requirements Payments received from the 2010 federal
           fiscal year to continue Wisconsin's election administration in accordance with the
           initial Section 251 requirements.

3. <u>Investigations</u> (1) (be)– GPR Fund 100 - Appropriation 105 funds the cost of investigating
   potential violations of chs. 5 to 10 and 12, as authorized by the Commission.

4. Training of Chief Inspectors (1) (bm) - GPR Fund 100 – Appropriation 106 for training chief inspectors under s. 7.31.

5. Special Counsel (1) (br) – GPR Fund 100 – Appropriation 107 for the compensation of special counsel appointed as provided in s.5.05 (2m) (c) 6.

6. Voter ID Training (1) (c) – GPR Fund 100 - Appropriation 109 funds training of county and municipal clerks concerning voter identification requirements provided in 2011 Act 23.

7. Election Administration Transfer (1) (d)– GPR Fund 100 – Appropriation 110 to meet federal requirements for the conduct of federal elections under P.L. 107-252, to be transferred to the appropriation account under par. (t).

8. Elections Administration (1) (e) – GPR Fund 100 – Appropriation 111 for the administration of chs. 5 to 10 and 12.

9. Recount Fees (1) (g)– PR Fund 100 Appropriation 120 – Revenue from candidates requesting a recount of ballots cast in an election.

10. Materials and Services (1) (h)– PR Fund 100 Appropriation 121 – Revenue from the sale of copies, forms, and manuals to individuals and organizations.

11. Gifts and Grants Fund (1) (jm)– PR Fund 100 Appropriation 123 – Account to receive funds from gifts, grants or bequests.

12. Federal Aid Account (1) (m) – PR-F Fund 100 Appropriation 140 – Account to receive funds from the federal government to administer elections, but not associated with HAVA funds.

13. Election Administration (1) (t) – SEG Fund 220 Appropriation 160 – From the election administration fund, the amounts in the schedule to meet federal requirements for the conduct of federal elections under P.L. 107-252. All moneys transferred from the appropriation account under par. (d) shall be credited to this appropriation account.

14. HAVA Interest Income Earnings - Fund 220 Appropriation 180 R – Monthly interest income earned on Fund 220 cash balances, which is properly allocated to each respective federal program by reporting category on a monthly basis.

15. Elections Security Grant -Fund 220 Appropriation 182 – The purpose of this award is to "improve the administration of elections for Federal office, including to enhance election technology and make election security improvements" to the systems, equipment and processes used in federal elections.

Systems and Tools

STAR

The Wisconsin Elections Commission (WEC) staff enters financial transactions into STAR (the state's accounting program). WEC uses a three-level line of approval, including an internal audit, before final payment is approved. Some staff may at times have multiple approval settings because of our agency's small size; however, they do not apply more than one approval for any given transaction.
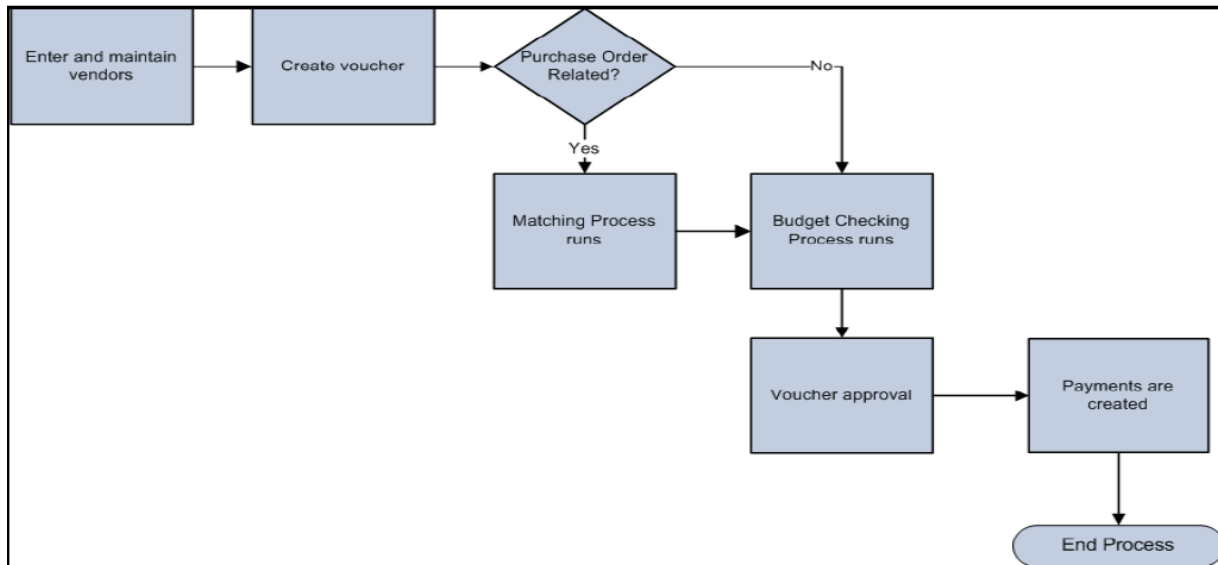
The STAR Payment Process is as follows:

: General Voucher Processing

Accounts Payable End-to-End Process

The Accounts Payable End-to-End process is as follows:

STAR Security Access is Set up as Follows:

Staff involved:
Accountant: Julia Billingham
Chief Financial Officer: currently Sharrie Hauge
Office Operations Associates: currently Tiffany Schwoerer and Amy McGregor
Elections Specialist (former Office Associate): currently Tony Bridges

Within STAR Finance Role Mapping (see section Finance Role Map); roles have been assigned to staff to process or approve vouchers. Roles are approved and granted by the Wisconsin Department of Administration, STAR Security Team.

Some staff, such as the Accountant, may Process OR Approve, but may not Approve a Voucher they Processed.

STAR security levels for payments are set up as follows:

Staff	Security / Approval Levels
Office Operations Associate Accountant Elections Specialist	Processor
Accountant	Approve a voucher for Payment (if not also the processor on voucher)
Chief Financial Officer	Approve a voucher for Payment (may not Process any vouchers)

VendorNet
VendorNet is Wisconsin's electronic purchasing information system. VendorNet provides easy access to a wide variety of information of interest to vendors who wish to provide goods and services to the state, as well as state agencies and municipalities. Bidding and the time required to identify new vendors is minimized, while vendors are automatically notified of opportunities in their area of interest. VendorNet allows WEC staff to post bids and requests for services. VendorNet is also the source for mandatory contracts.

General information on how to do business with the state, along with names, addresses and telephone numbers of state agency procurement staff, and a summary of what the state buys and how much it spends is included within VendorNet. In addition, information on certified work centers, minority business enterprises, recycling, and affirmative action programs is available. VendorNet is available at: https://vendornet.wi.gov/

VendorNet security access is set up as follows:

Staff involved:
Office Operations Associate
Accountant
Chief Financial Officer

Staff	Security / Approval Level(s)
Office Operations Associates Accountant Chief Financial Officer	Ability to access all functions of VendorNet

STAR HCM (Payroll Time & Attendance)
STAR HCM is an online system in which employees report all time worked and/or leave time used for each bi-weekly pay period. Supervisors and managers then review and approve all time worked and leave time reported via administrative access to the system. See Appendix C – Position Numbers, Employee Names, and Classification Titles.

<u>Federal Time Reporting</u>
Timesheets are completed by all WEC employees who are either funded by federal grant money or work on federal projects. Timesheets are used to track hours spent on various federal grant projects and on non-federal tasks. These timesheets report each respective federal fund and the time period for which the employee is certifying he or she worked. Any employees who are split-funded between multiple funding sources must fill out a bi-weekly federal timesheet and indicate the actual hours worked on each assigned projects. These employees submit completed timesheet certifications at the end of each bi-weekly pay period. Timesheets are then reviewed by supervisors and a financial staff person. Adjusting payroll journal entries are calculated and posted quarterly, to account for the actual time worked by project when compared to each employee's funding string. Original timesheets for all employees are maintained by the financial staff. See Appendix C – Position Numbers, Employee Names, and Classification Titles.

Transaction Cycles

Purchasing Approval

<u>Explanation:</u> A good or service must go through a series of steps before it can be approved for purchase.

Risks:
- Unauthorized purchases.
- Purchasing items without sufficient approvals or authority.
- Approvals being applied on incorrect information.
- Purchases approved which violate state procurement policies and procedures.

See Appendix D-1 for the Purchasing Approval flowchart.

Accounts Payable

<u>Explanation:</u> Payment for purchase of goods or services and/or pre-approved credit issued by vendors when goods or services are purchased.

Risks:
- Paying a bill or invoice for which goods or services were never received nor rendered.
- An invoice is misplaced or lost before financial staff receives it.
- Delay in reconciling financial statements may allow incorrect payments to go unnoticed.

See Appendix D-2 for the Accounts Payable flowchart.

Cash Disbursements (Grants)

Explanation: Providing financial assistance to eligible recipients in accordance with terms of a grant agreement.

Risks:
- Recipient uses monies awarded for goods or services outside the scope of the grant terms and conditions.
- Recipient falsifies information on grant application.
- Recipient does not send back proof of proper expenditures when awarded a non-reimbursable grant.

See Appendix D-3 for the Cash Disbursements (Grants) flowchart.

Accounts Receivable & Cash Receipts

Explanation: Transactions for the billing of goods or services provided to customers, and the receipt of cash, checks, &/or ACH transfers for licenses and/or fees.

Risks:
- A staff person receives a check or cash, and fraudulently deposits it into a personal bank account unbeknownst to management.
- NSF check is returned by bank.
- Customers are billed incorrectly.

See Appendix D-4 for the Accounts Receivable & Cash Receipts flowchart.

General Services Billing

Explanation: Reviewing and paying a general services billing (GSB) invoiced by the Department of Administration (DOA) when the Wisconsin Elections Commission uses DOA's resources or support on a monthly basis.

Risks:
- Financial staff fails to recognize an incorrect amount billed and it is paid.
- Billing errors are not immediately requested in writing; DOA does not give credit on the GSB, but will subsequently issue a paper refund check for any overbillings.
- Paying the bill for goods and services which were not rendered.

See Appendix D-5 for the General Services Billing flowchart.

Payroll

Explanation: The process of reviewing, approving, and paying for employee wages and recording the expense, along with reconciling federal & state withholdings & remittances.

Risks:
- Payments made to employees out of incorrect funding streams are not adjusted after the fact.
- Cash payments are made to employees for overtime hours worked, instead of compensatory time being earned, unless certain projects are pre-authorized for cash overtime to be paid out.
- Federal or state required withholdings are not timely withheld or remitted.

See Appendix C – Position Numbers, Employee Names, and Classification Titles, along with Appendix D-6 for the Payroll flowchart.

Travel Reimbursement for Employees

Explanation: Employees request reimbursement for travel expenses incurred while traveling on official State business, which are processed by the WEC financial staff and then reimbursed through the bi-weekly payroll system.

Risks:
- Employees fill out reimbursement forms incorrectly.
- Employees fail to follow State travel policies and procedures.
- Employees fail to submit all required paperwork to process reimbursement.
- Employees are taxed on reimbursements when they should not have been, or vice versa.

See Appendix C – Position Numbers, Employee Names, and Classification Titles, along with Appendix D-7 for the Travel Reimbursement for Employees flowchart.

Travel Reimbursement for Non-employees

Explanation: Non-employees working indirectly for the WEC may request reimbursement for travel expenses incurred while working on official State business and for the benefit of the WEC.

Risks:
- The non-employee receives invalid reimbursement from the state and/or municipality.
- The non-employee falsifies their travel costs.
- The non-employee receives duplicate reimbursements for the same travel costs.
- The non-employee is reimbursed for travel costs which are not in accordance with state guidelines.

See Appendix D-8 for the Travel Reimbursement for Non-employees flowchart.

Federal Project Timesheets & Payroll Adjusting Entry

Explanation: WEC employees working on multiple projects which include a federal grant are required to fill out federal project bi-weekly timesheets, to account for time spent on each project or grant and to maintain compliance with federal cost principles. WEC financial staff review federal project timesheets and adjust payroll cost quarterly, according to the projects which the employee worked on during those bi-weekly payrolls.

Risks:
- Employee does not fill out timesheets to account for time spent on federal and/or non-federal projects.
- Employee leaves the agency without completing a timesheet to account for time spent on federal and/or non-federal projects.
- Financial staff does not make quarterly accounting adjustments to federal funds for actual time worked on federal and/or non-federal projects.
- Employee completes the timesheet incorrectly, or is unable to account for time worked on federal projects.
- Employee or supervisor does not certify time worked, thereby disallowing federal labor costs.

See Appendix C – Position Numbers, Employee Names, and Classification Titles, along with Appendix D-9 for the Federal Project Timesheets & Payroll Adjusting Entry flowchart.

Recount for State Office

Explanation: Wisconsin statutes require the collection of fees from recount petitioners in certain situations. For State offices, the WEC is the filing officer and collects the filing fee from petitioners, if required. Wisconsin statutes require any fees collected to be distributed to the counties conducting the recount for the State office.

Risks:
- WEC election administration staff incorrectly calculates, or does not collect, the fee payable from the recount petitioner.
- Fees collected are not timely distributed to the proper county.

See Appendix D-10 for the Recount for State Office flowchart.
Control Activities

Control activities are the policies and procedures in place at the WEC which help ensure that necessary actions are taken to address risks identified to achieve our objectives. Relevant control activities in place at the WEC include:

Performance Reviews

Employees are to be formally evaluated on their work performance each year, based upon pre-established work standards reflecting their position description. These standards serve as the basis for ongoing communication between a supervisor and the employee throughout the year. A copy of all formal evaluations is maintained in the employee's official personnel file. See Appendix C – Position Numbers, Employee Names, and Classification Titles.

Physical and Electronic Controls

Control activities in this area are divided into two main categories: physical controls and electronic controls. These activities encompass the security of WEC assets including adequate safeguards over access to assets and secured areas, authorization for access to computer programs and data files, and periodic comparisons with amounts shown on control records.

Physical Controls
- All WEC staff members are issued a photo ID card. See Appendix A - DOA Employee Handbook: Access Cards, Keys, and ID Cards Section.
- The WEC office is open to staff and to the public from 7:45am to 4:30pm weekdays. Staff may receive authorization for cards to access WEC offices outside these normal business hours from the Administrator (or designee) on an as-needed basis. See also Appendix F – Building Access Card Agreement.
- During office hours, WEC staff provides physical security and oversight of agency assets & resources.
- The WEC maintains secured storage areas for confidential records, such as locked file cabinets, secure safes, and a locked storage room for records and supplies outside the staff office.
- WEC adheres to the General Records Schedule for Fiscal and Accounting Related Records, as promulgated by the Wisconsin Department of Administration. See Appendix E - General Records Schedule for Fiscal and Accounting Related Records.
- Confidential records which aren't required to be retained are boxed and sealed for shipment to the State Records Center, to be destroyed in a confidential shredding process.

Electronic Controls
- Each WEC employee is assigned system logon credentials by the Department of Administration required to access state computer systems.
- Employee passwords for many state systems must be reset every 60 days.
- Users of the Statewide Voter Registration System (SVRS) /My Vote System must sign a confidentiality agreement and have their workstation certified before access to the system is granted.

Information Processing

Purchasing
Control activities are displayed in Appendix D-1 -- Purchasing Approval Flowchart
- Segregation of Duties:
  - ➤ Authorization: Purchases of goods and services are authorized by WEC supervisors. Staff in charge of compliance determines if a purchase is allowable and necessary.
  - ➤ Recordkeeping: Financial staff compiles and reviews information for approval. Purchasing paperwork is retained for future reference.
  - ➤ Custody: WEC staff other than the approver and program staff initiate the purchase in STAR.
- Purchasing is separate from either receiving goods or disbursing cash (unless a purchasing card is used).

Purchasing Card
Control activities are displayed in Appendix G -- Purchasing Card User Manual
- Segregation of Duties:
  - ➤ Authorization: Purchase of goods is authorized by WEC supervisors. Staff in charge of compliance determines if a purchase is allowable and necessary.
  - ➤ Recordkeeping: Financial staff compiles and reviews information for approval. Purchasing paperwork is retained for future reference.
  - ➤ Custody: Purchasing cardholder initiates the purchase either online, or by phone, or in person.

Accounts Payable
Control activities are displayed in Appendix D-2 -- Accounts Payable Flowchart
- Segregation of Duties:
  - ➤ Authorization: Review and approval of invoices and vouchers for completeness of supporting documents and proper authorizations is conducted.
  - ➤ Recordkeeping: Review and reconciling of payment information is performed on a monthly basis. Invoices and vouchers are retained by the financial staff.
  - ➤ Custody: Department of Administration generates paper checks or ACH transactions.
- The purchasing form, bill of lading, receiving report, purchase order, and/or requisition are matched prior to payment.

Cash Disbursements (Grants)
Control activities are displayed in Appendix D-3 -- Cash Disbursements (Grants) Flowchart
- Segregation of Duties:
  - ➤ Authorization: Supervisors review and approve disbursements as allowable and necessary.
  - ➤ Recordkeeping: Reviewing and reconciling payment information is performed on a monthly basis.

➢ Custody: DOA generates and mails out paper checks.
- The purchasing form, bill of lading, receiving report, purchase order, and/or requisition are matched prior to payment.

Accounts Receivable & Cash Receipts
Control activities are displayed in Appendix D-4 -- Accounts Receivable & Cash Receipts Flowchart
- Segregation of Duties:
    ➢ Authorization: The deposit approval for cash and paper checks is initiated by the WEC office and final approval is applied by DOA. E-pay electronic ACH deposits are processed by U.S. Bank and approved by DOA in STAR, without any intervention by WEC staff.
    ➢ Recordkeeping: Deposit information is entered into the STAR accounting system and tracked internally.. A processor records the deposit, which is then approved by the accountant in STAR. An internal audit is conducted by the Chief Financial Officer.
    ➢ Custody: Currency and coin are directly deposited at U.S. Bank, while paper check deposits are hand-delivered to the DOA drop box, who then deposits and posts these checks to the agency's cash ledger account. Only U.S. Bank has custody of e-payment ACH electronic deposits.
    ➢ NSF checks returned by the bank are recorded, investigated, and secondary payment is requested by WEC staff.

General Services Billing
Control activities are displayed in Appendix D-5 -- General Services Billing Flowchart
- Segregation of Duties:
    ➢ Authorization: GSB charges are verified against fleet approval forms & mileage rates, printing & mailing information, and/or other supporting documentation, to confirm the agency services were approved.
    ➢ Recordkeeping: Transaction information is automatically loaded into the STAR accounting system, tracked internally, and reconciled monthly to internal accounting files.
    ➢ Custody: The individuals confirming services were rendered are separate from the individuals receiving the benefits of the services.

Payroll
Control activities are displayed in Appendix D-6 -- Payroll Flowchart
- Segregation of Duties:
    ➢ Authorization: Management reviews and approves work hours recorded by staff.
    ➢ Recordkeeping: Staff records hours into STAR. Supervisors approve hours and send hours to the DOA payroll office electronically. Financial staff records payroll from the STAR transaction, initiated by DOA after management approval.
    ➢ Custody: Payroll checks are generated at DOA and directly deposited into the employee's bank account. Pay stubs are no longer distributed.

- Each bi-weekly payroll register is reviewed by a financial staff member, separate from the manager who requests employee payroll funding additions, changes, and deletions. See also Appendix C – Position Numbers, Employee Names, and Classification Titles.

Travel Reimbursement for Employees
Control activities are displayed in Appendix D-7 – Travel Reimbursement for Employees Flowchart
- Segregation of Duties:
   - ➢ Authorization: Supervisors review and approve employee travel reimbursement requests.
   - ➢ Recordkeeping: Travel reimbursements for costs incurred by staff are submitted by staff and then reviewed by financial staff for accuracy and completeness.
   - ➢ Custody: Travel expenses incurred by agency employees are processed by a financial staff member. Travel reimbursements are completed by DOA staff and added to an employee's paycheck. Financial staff members file and retain reimbursement requests and supporting documentation.
- All travel costs incurred by the agency and travel reimbursements are reviewed by more than one individual, to ensure that these costs are allowable and in accordance with State travel policies and procedures. See also Appendix C – Position Numbers, Employee Names, and Classification Titles.

Travel Reimbursement for Non-Employees
Control activities are displayed in Appendix D-8 – Travel Reimbursement for Non-Employees Flowchart
- Segregation of Duties:
   - ➢ Authorization: Supervisors review and approve non-employee travel reimbursement requests.
   - ➢ Recordkeeping: Travel reimbursements for costs incurred by non-employee individuals are submitted by the non-employee and reviewed by financial staff for accurate and complete documentation. If the information does not comply with applicable policies and guidelines, the staff notifies the non-employee and attempts to resolve the issue.
   - ➢ Custody: Travel expenses incurred by non-employees are processed by a financial staff member and related reimbursement checks are generated by DOA.
- All travel costs incurred by the agency and travel reimbursements are reviewed by more than one individual, to ensure that these costs are allowable and in accordance with State travel policies and procedures.

Federal Project Bi-Weekly Timesheets
Control activities are displayed in Appendix D-9 -- Federal Project Timesheets Flowchart –
- Segregation of Duties:
  - ➢ Authorization: Supervisors review and certify (sign) employee timesheets on a bi-weekly basis.
  - ➢ Recordkeeping: Timesheets are reviewed on a daily basis and any non-compliance is communicated to management each morning. A quarterly adjustment is calculated and booked, to true up the actual federal hours worked by project for each employee.
  - ➢ Custody: After an employee's timesheet has been submitted by the employee and certified by the supervisor, it is given to the financial staff for recording and filing.

  See also Appendix C – Position Numbers, Employee Names, and Classification Titles.

Recount for State Office
Control activities are displayed in Appendix D-10 -- Recount for State Office Flowchart
- Segregation of Duties:
  - ➢ Authorization: WEC Election Administration staff determines whether a fee is required, depending upon the closeness of each political race. Payment to counties for the cost of a recount is authorized by multiple financial team members and by DOA.
  - ➢ Recordkeeping: Financial staff maintains original payment documentation, along with a breakdown of counties which qualify for payment.
  - ➢ Custody: Financial staff maintains documentation on payment and authorizes DOA to make payments.

Information & Communication

Information

STAR – State Transforming Agency Resources (STAR) Accounting and Reporting Tool

STAR is an enterprise-wide system designed to provide better consistency among state agencies, as well as modernization of the State's IT Infrastructure. The comprehensive system allows the state to manage its finance, budget, procurement, business intelligence and human resources functions.

The first release began in July 2015 and was completed in October 2015, with the implementation of Finance and Procurement functionality. The second release began in December 2015 with the implementation of Human Capital Management (HCM) functionality for administrative and self-service users. All state agencies must process their accounting transactions through this system, as it is used to produce the statewide fiscal year financial statements. All financial transactions are entered into STAR.

Strengths:
- Processes and contains all of the agency's financial transactions and information.
- Monitored by the Department of Administration.
- Extensive manuals and a telephone helpline are available for technical assistance.
- Uses multi-level approval settings for segregation of financial staff duties while processing transactions.
- Multiple tables organize information on a fiscal year and calendar year basis.

Weaknesses:
- Difficult to learn new functionality.
- Not user-friendly; difficult to understand input screens which pose a risk of user error.
- Difficult to access old transactions electronically.

Tasks to Minimize Weaknesses, Changes, or Improvements:
- Rely on STAR Support and/or State Controller's Office for technical assistance.
- Checks and balances through the use of multiple reviewers and approval layers.

VendorNet

VendorNet is Wisconsin's electronic purchasing information system. VendorNet provides easy access to a wide variety of information of interest to vendors who wish to provide goods and services to the state as well as state agencies and municipalities. Bidding and the time required to identify new vendors is minimized while vendors are automatically notified of opportunities in their area of interest. VendorNet allows WEC staff to post bids and requests for services. VendorNet is also the source for mandatory contracts.

Strengths:
- When properly used, VendorNet ensures state purchasing rules are followed.

- Clearinghouse of purchasing information.
- Updated frequently and immediately, as changes to contracts are made.

Weaknesses:
- Information can sometimes be difficult to locate.
- Information can sometimes be difficult to understand and interpret.

Tasks to Minimize Weaknesses, Changes, or Improvements:
- Training classes by DOA.
- Use DOA support and technical assistance when necessary.

Communication

This process involves providing an understanding to staff about their individual roles and responsibilities as they pertain to the internal control plan. Communication can be written, verbal, or through the actions of management and other personnel. Not only is communication essential within the agency, but also with external sources.

The following are methods used for communicating the roles, responsibilities, and significant matters relating to the internal controls plan within the agency:
- Financial Staff are given an internal control plan for review when starting employment.
- Staff and Elections Division meetings.
- Training sessions.
- Memorandums.
- Management ensures the internal control plan is followed.
- Emails.

The following are methods used for communicating the issues, resolutions, and significant matters relating to the internal controls plan outside the agency:
- When communicating with clerks, the agency follows a communication protocol of procedures and policies before sending information to a group of customers.
- Public Information Officer reviews communications prior to sending out.
- When working with vendors on significant procurements or with auditors, the agency uses a single point of contact for all communications.

Monitoring

Monitoring is a process by which the WEC assesses the performance quality of the internal control structure over time. WEC management regularly monitors, audits, and reconciles the processes in place, to maintain sound internal controls for the agency. Monitoring of the internal control plan provides the WEC with reasonable assurance that control objectives are being met.

Monitoring Plan:
Management will periodically assess the performance quality of the internal control plan, focusing on the design and operation of the controls to ensure they are operating as intended. If corrective action is necessary, it will be in a timely manner. Establishing and maintaining internal control is the responsibility of management. The monitoring process will include steps such as:

1. Consistent and ongoing monitoring activities, built into both regular and commonly-recurring activities.
2. Occasional internal audits of the strengths and weaknesses of internal controls.
3. Evaluation of communications from entities outside the agency.
4. Focus on evaluation of the quality and performance of internal controls.

Procedures for responding to findings and recommendations reported by auditors:

1. In a timely manner, management will perform an evaluation of the findings and recommendations.
2. Management will develop a proper response to resolve the concerns.
3. The response will be direct to the findings and recommendations.
4. The response will be clear and concise.
5. Any specific or unique positions will be addressed and identified.
6. If action is necessary for implementation of the response, a timeline will be produced with reasonable deadlines for implementation.