

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: August 14, 2025

To: Marcelia Nicholson, Chairwoman, Milwaukee County Board of Supervisors
Jack Eckblad, Chair, Committee on Audit

From: Jennifer Folliard, Director of Audits, Audit Services Division, Office of the
Comptroller

Subject: From the Director of Audits, Audit Services Division, Office of the
Comptroller, providing a confidential informational report on an information
technology internal control recommendation associated with the external
audit of Milwaukee County's annual financial statements

File Type: Informational Report

REQUEST

This report is for informational purposes. However, to avoid disclosing potential Milwaukee County information technology vulnerabilities or system architecture publicly, discussion of this item is requested to take place in closed session. [In prior years, this was noticed under Section 19.85(1)(d), Wisconsin State Statutes.]

POLICY

The Audit Service Division (ASD) conducts performance audits which provide elected officials and County management with an objective, third-party analysis of their operations to help them improve performance, reduce costs, and make informed data-driven decisions. ASD also manages the contract with an external CPA firm for the annual audit of Milwaukee County's financial statements and other audit services. ASD's performance audit duties are defined in s. 59.255(2)(i), Wis. Stats. and Section 34.09 of the Milwaukee County Code of General Ordinances, which describes the responsibility to supervise the annual audit of the County's financial statements.

| | |
|----------------------------------------------|--------------|
| Wisconsin State Statutes: | 59.255(2)(i) |
| Milwaukee County Code of General Ordinances: | 34.09 |

BACKGROUND

In support of its audit of Milwaukee County's annual financial statements, the County's external CPA firm of Baker Tilly conducts an information technology (IT) risk assessment of the County's key financial systems. As a product of this work, Baker Tilly offers recommendations when it identifies areas where IT controls should be strengthened.

There were no new IT recommendations from Baker Tilly associated with its audit of the County's 2024 annual financial statements. We also monitor and report on the progress

of IT related recommendations from Baker Tilly that have not been fully implemented from prior years. Currently, there is only one recommendation that remains outstanding from a prior year, and it is limited to a single financial application.

We intend to facilitate IMSD management's status report on its progress toward resolving the recommendation for the September 2026 committee meeting cycle coinciding with the County's annual financial statement audit submission.

| | |
|-------------------------------------------------------|-----------------------------------------------------------------------------------------|
| Related File No's: | 19-250, 19-713, 20-479, 20-944, 21-615, 21-1126, 22-969, 23-334, 24-729, 24-732, 24-901 |
| Associated File No's (Including Transfer Packets): | None |
| Previous Action Date(s): | |

ALIGNMENT TO STRATEGIC PLAN

Describe how the item aligns to the objectives in the [strategic plan](#):

3B: Enhance the County's fiscal health and sustainability

While the County's Audit Services Division performs work related to many of the County's Strategic Plan objectives, the Division's work in managing the contract with the County's external auditors to provide countywide audit services, including the performance of an IT risk assessment, enhances the County's fiscal health and sustainability.

FISCAL EFFECT

None

VIRTUAL MEETING INVITES

Jennifer Folliard, Director of Audits
Molly Pahl, Deputy Director of Audits
Paul Grant, Audit Compliance Manager
Jacqueline Bobo, Chief Information Officer, DAS-IMSD
Matt Johnson, Deputy Chief Information Officer, DAS-IMSD
Paul Frantz, Principal, Baker Tilly US, LLP
Michelle Walter, Senior Manager, Baker Tilly US, LLP

PREPARED BY:

Paul Grant, Audit Compliance Manager

APPROVED BY:

Jennifer Folliard, Director of Audits

ATTACHMENTS:

None

cc: Liz Sumner, Milwaukee County Comptroller
Audit Committee Members
David Crowley, Milwaukee County Executive
Aaron Hertzberg, Director, Department of Administrative Services
Jacqueline Bobo, Chief Information Officer, DAS - IMSD
Matt Johnson, Deputy Chief Financial Officer, DAS - IMSD
Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors
Steve Cady, Research & Policy Director, Office of the Comptroller
Jane Geyer, Research Analyst, Office of the Comptroller
Janelle Jensen, Legislative Services Division Manager, Office of the Milwaukee County Clerk
Ethan Masarik, Committee Coordinator, Office of the Milwaukee County Clerk