

REPORT OF AUDIT FINDING FOLLOW-UP FOR THE YEAR ENDED 12/31/2025

Internal Audit Division
March 2026

AGENDA

Overview and Purpose of Follow-up

Executive Summary

Status of Audit Findings

Findings Closed by Department

Risk Ratings of Open Audit Findings and Next Steps

OVERVIEW & PURPOSE

Overview

- Report includes Internal Audit (IA) follow-up activities & management accomplishments through year ending December 31, 2025.

Charter 3-16.5

- IA is required to submit an annual report of audit activities to the F&P Committee regarding “the success or failure of previously-audited departments in implementing the recommendations of their audits.”

Status

- Implementation status is determined via updates and information provided by department management as well as test procedures performed by IA.

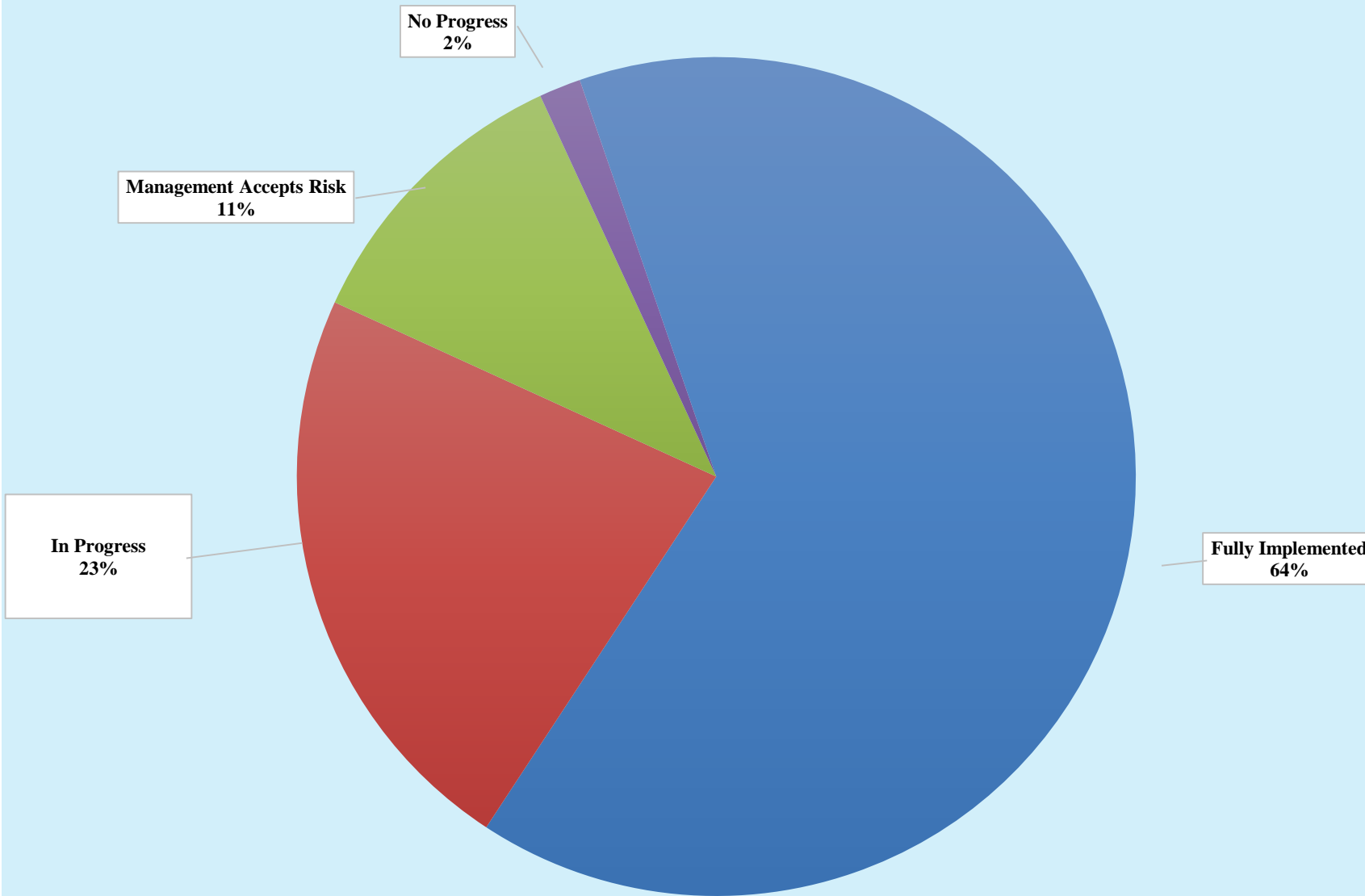
EXECUTIVE SUMMARY

62 findings issued between 2019 and 2025 were followed up on.

15 findings remain in open status.

87% of the findings had either full implementation of remediation or progress towards remediation by the end of 2025.

Status of All Audit Recommendations as of December 31, 2025

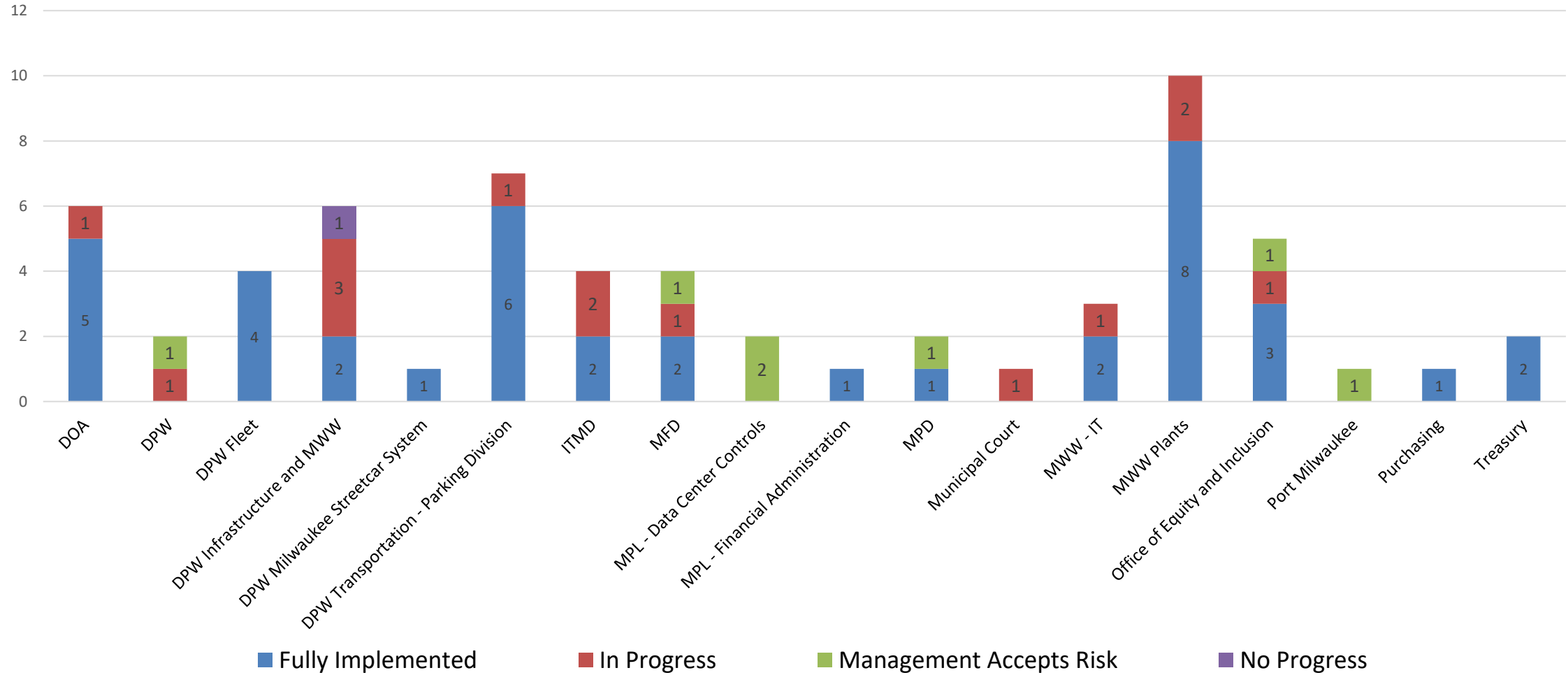


STATUS OF AUDIT FINDINGS

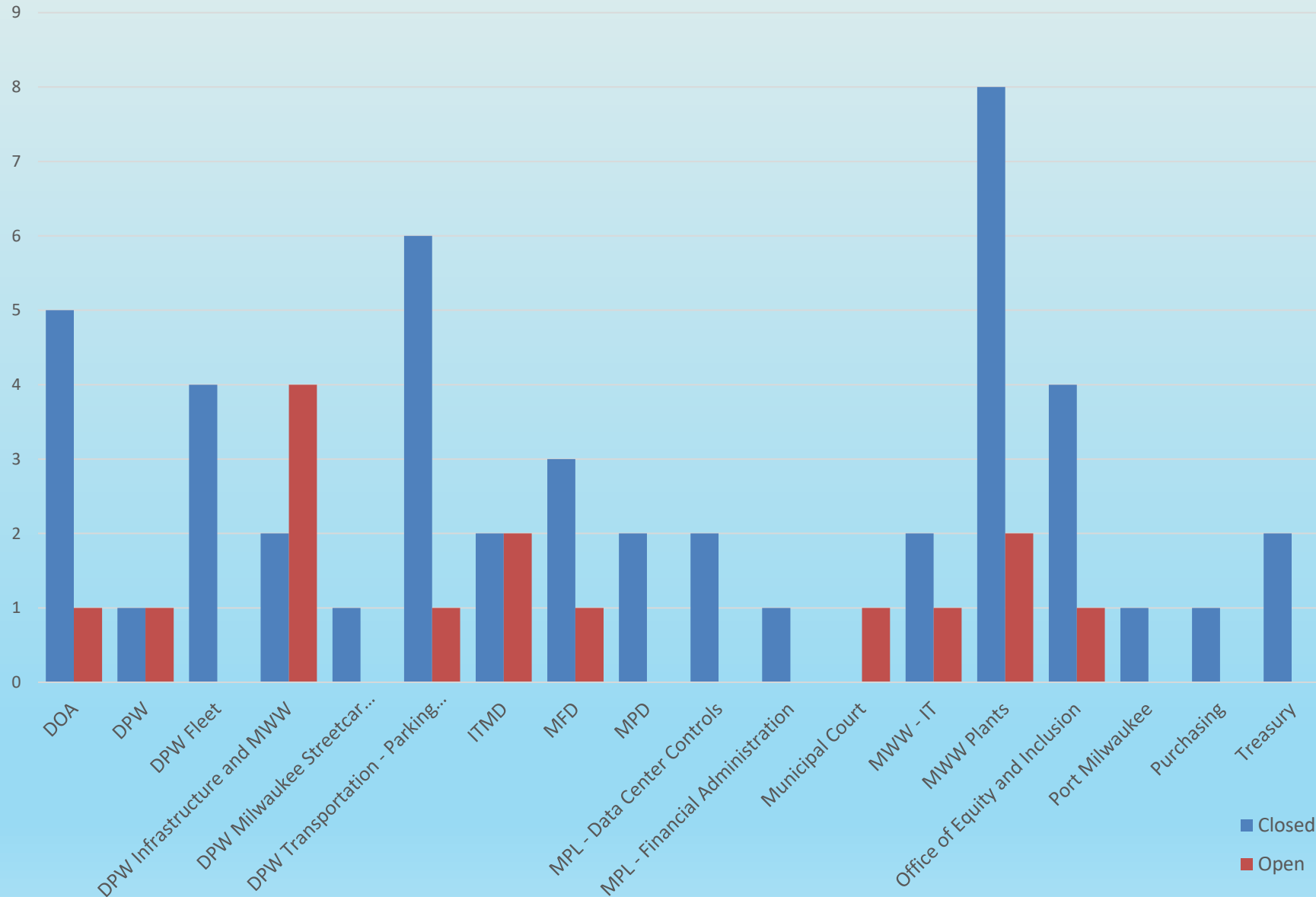
- 87% of findings were fully remediated or are in progress towards remediation.
- Management has either accepted the risk or insignificant progress has been made on the remediation of 13% of findings.

STATUS OF AUDIT FINDINGS BY DEPARTMENT

Status of All Recommendations by Department as of December 31, 2025



Findings Closed by Department in 2025



CLOSED STATUS TO TOTAL FINDINGS BY DEPARTMENT

Closed status refers to full implementation of the recommendation made by Internal Audit related to a specific finding in the published Audit Report.

Open status refers to an audit finding that has not been fully implemented by the department after receiving the final Audit Report.

RISK RATING OF OPEN FINDINGS AND NEXT STEPS

Risk rating of the 15 open findings:

- 4 are rated high
- 6 are rated medium
- 5 are rated low

1 out of the 4 high-risk open findings relate to IT, 1 relates to inventory and 2 relate to MWW Plants.

Internal Audit will follow up with departments on findings issued in 2026, as well as any pending open findings at year-end, and report to the Finance and Personnel Committee around this time next year.



THANK YOU

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