



CITY OF HARTFORD

INTERNAL AUDIT DEPARTMENT

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The following audit reports and related recommendations have been discussed with new City management since our last IAC audit meeting on January 19, 2019:

Fiscal Year 2014 Statistics:

Internal Audit reviewed all open FY'2014 open recommendations (91 in total). We were able to eliminate 73 either because a subsequent audit was completed in a more recent fiscal year or these audits are due to be performed in either FY'2019 or FY'2020. The remaining 18 open recommendations pertain to Audit Reports 1403 & 1405 that were discussed at the January 2019 IAC meeting.

FY'2014 Conclusion:

It was determined that we will close all 11 recommendations from Audit Report 1405 as an audit is set to be performed in FY'2020. The remaining 7 items pertain to a CIP audit (Audit Report 1403) that the IAC requested to leave open.

Fiscal Year 2015 Statistics:

Internal Audit reviewed all open FY'2015 open recommendations (73 in total). We were able to eliminate 16 findings either because a subsequent audit was completed in a more recent fiscal year or these audits are due to be performed in either FY'2019 or FY'2020. The remaining 57 open recommendations pertain to several audit reports. We did not follow-up on any FY'2015 audit reports since our last IAC meeting.

FY'2015 Conclusion:

We have closed 5 recommendations from FY'2015, while 2 others are being disputed with City management. There are still 5 FY'2015 audit reports that have not been reviewed with City management.

Fiscal Year 2016 Statistics:

Internal Audit reviewed all open FY'2016 open recommendations (98 in total). These have been reviewed and still remain open. Below are reports we've discussed with City management since the last IAC meeting and their current statuses:

Audit Report 1602 (Tax Collector's Office Real Property Tax Accounts Collections and Cash Controls Audit): We met with N. Raich, Tax Collector and K. Campagna, Controller to discuss the status of each recommendation within this report. N. Raich informed us that the City is no longer doing blocks of new lien sales; however, options to buy new liens on previous lien sales still exist. Finance management believes all comments pertaining to them do not need any further review. In addition, she mentioned that the unallocated account balance has been greatly reduced to a manageable level. A new QDS report was provided illustrating security & access and their levels. We noted there were some nominal changes from our audit, but removal of user ID's to minimize risk still exists. We were informed that procedures have been documented; however, we have not yet received them for review. We believe due to the nature of the findings in this audit, many items are still ongoing and will take time to fully resolve, but we do see that gains are being made to address them.

Audit Report 1606 (Management & Budget Accounts and Operations): We met with L.A. Ralls, Finance Director; K. Campagna, Controller; and J. Lazauskas, Acting Director and Revenue Manager, Department of Management & Budget in regards to open items relating to documenting procedures. We noted that procedures were documented for intra-departmental transfers and periodic reviews of the MUNIS Budget module. This clears both recommendations that were in this report.

FY'2016 Conclusion:

We have closed 2 recommendations from FY'2016, while 12 others are ongoing to be resolved. There are still 12 FY'2016 audit reports that have not been reviewed with City management that account for the remaining 84 open audit recommendations.

Fiscal Year 2017 & 2018 Statistics:

Internal Audit has only entered in FY'2017 audit recommendations through Report # 1710 (39 in total) as Department of Management & Budget did not enter any of our audit recommendations into the spreadsheet for these fiscal years. Internal Audit will periodically update these fiscal years when time permits itself to do so with the hope of showing monthly progress until completed.

Fiscal Year 2019 Statistics:

Internal Audit has entered all recommendations for FY'2019 through Audit Report 1909. There are currently 19 audit recommendations, of which 16 are past due. We followed up on the following report with recommendations past due:

Audit Report 1905 (Hartford Parking Authority Parking Meter Operations and Revenue Audit): We discussed with M. Gomes, CEO, in regards to the open items noted in this report. Mr. Gomes provided a copy of documented procedures for the meter collection process performed by Republic. In addition, HPA began performing audits of Republic as per their agreement. Finally, Republic did an analysis of low performing meter kiosks to determine why the revenue is higher on some over others. It was determined that very few people park in certain areas of the City and that the meters were not collecting revenue as a result. In total, Mr. Gomes was able to sufficiently clear all 4 audit recommendations in this report.

FY'2019 Conclusion:

We have closed 5 of the 16 recommendations from FY'2019 that are past due. We agreed to provide HPS until April 30, 2019 to clear up the 6 audit recommendations that still need to be addressed. The remaining 5 recommendations are being worked on by City management.