

**Internal Audit Commission
Meeting Minutes
December 18, 2019
2:00 p.m.**

Attending Members: Kyle J. Bergquist, Chairman, Internal Audit Commission
Bruce Rubenstein, Internal Audit Commission Member
Edmund M. See, Internal Audit Commission Member
Craig S. Trujillo, Chief Auditor and Secretary to the Internal Audit Commission

Guests: Joe Caruso, Deputy Chief Auditor
Rebecca Lurye, Hartford Courant Reporter

The meeting was held in the Internal Audit Conference Room #304 at 550 Main Street, Hartford, CT. The topics of discussion, for the most part, followed the items on the agenda, which was prepared jointly by the Chief Auditor and the Internal Audit Commission (IAC) members and filed with the Town and City Clerk prior to the meeting.

1. The meeting was called to order by IAC Chairman Mr. Bergquist at 2:00PM.
2. Mr. Bergquist took roll call. The individuals in attendance are noted above.
3. The minutes from the November 2019 IAC meeting were deemed to represent the proceedings. IAC member See made a motion to accept the minutes, seconded by IAC Mr. Bergquist and unanimously approved.
4. The Internal Audit Department (IAD) Activity Report for the month of November 2019 was noted. A brief discussion as to the Greater Hartford Pro Am ensued. Mr. Trujillo informed the IAC that we recommended the amounts past due be referred to Corporation Counsel for further collection efforts but could not confirm if management did so. Mr. Caruso indicated that HPS facilities management said that they will refer all other old receivables to Corp. Counsel.
5. There was a review and discussion of audit reports issued since the November 2019 IAC meeting:
 - a. City of Hartford Department of Health & Human Services Medicaid Reimbursements and Revenue Accounts and Operations Audit Report 2007 – Mr. Bergquist thought that the background section of the report could have been more informative then asked about the permit receivable balance in the background section of the report. Mr. Caruso noted that the balance needs to be reviewed by HHS management. IAC then asked about the waiving of permit late fees. Mr. Caruso noted that there is a process in place, but it is not documented. Mr. Caruso noted the Municipal Code states that the HHS Director has the discretion to waive permit late fees if it's in the best interest of the City. Mr. Caruso recommended to management that all waived late fees be documented, including the signature of the HHS Director noted that Medicaid Reimbursements are not currently being billed to the State or private insurers due to staffing vacancies. HHS management is looking into hiring a consultant to help develop a process and assist temporarily with billing. Mr. Caruso noted that nail salons and barbershops are not being inspected as required per the Municipal Code ordinance passed in 2017 but said that HHS management is working

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to implement this process. Delays have occurred due to staffing issues and changes in the software.

6. Mr. Caruso noted the following audits in-process: MHIS Landline Cost Operations; Hartford Public Schools Payroll Accounts and Operations; Hartford Public Schools Employee Healthcare Contribution Operations; Corporation Counsel Settlement Expense and Revenue Accounts and Operations; DPW Fleet Management Operations; and Department of Development Services Housing Loan Administration Operations.
7. There are currently no open special review requests or investigations.
8. Mr. Caruso noted that progress continues to be made on following up on audit recommendations. Since the last IAC meeting, Standard Operating Procedures for eight recommendations related to the Department of Development Services have been documented. The HPS Facilities Operations are now billing through MUNIS and applying payments to the customer receivable accounts. Mr. Caruso noted that one audit is on the schedule and two audits are in process that will address related audit recommendations from prior audits.
9. Mr. Caruso informed the IAC that the purchase order (PO) sent last month to the IAD automated work paper vendor needed to be revised because it did not contain the federal government contract number on the PO as required to piggy back on the Federal contract pricing. A revised PO was sent to the vendor.
10. Under new business, Mr. Bergquist believed that the issue with the Hartford Courant not getting the audit facts correct in a recent article could have been handled differently. Mr. Bergquist said that the IAD department should work collaboratively with the media to make sure the facts correct in their reporting to the public. C. Trujillo informed the IAC that it was their responsibility to get the facts correct and not the IAD. After further conversation, it was agreed that the Chief Auditor would use his discretion going forward when interacting with the media. Mr. Bergquist reflected on his past two years as IAC Chairman and suggested a 360 review of the department's accomplishments and noted changes since the former Chief Auditor's retirement. IAC member Mr. Rubenstein mentioned that he believes a great deal of change for the better has occurred during Mr. Bergquist's last two years as Chairman. Mr. Rubenstein mentioned that the public believes Internal Audit is a very effective department and looks after the taxpayer's best interests. IAC member Mr. See mentioned the main issue he sees is that of undocumented procedures within the City departments is prevalent.
11. The next IAC meeting is scheduled for January 15, 2020 at 2:00PM. in the IAD conference room # 304. The meeting was adjourned at 3:12PM. after a motion made by IAC member Rubenstein, seconded by IAC member See and unanimously approved.

Respectfully submitted by Craig S. Trujillo – Chief Auditor, City of Hartford