

STATE OF CONNECTICUT HEALTH AND EDUCATIONAL FACILITIES AUTHORITY

Special Audit-Finance Committee Meeting

Minutes

October 17, 2018

The Audit-Finance Committee of the Board of Directors of the State of Connecticut Health and Educational Facilities Authority met in session on Wednesday, October 17, 2018 at 1:00 p.m.

The special meeting was called to order by Mr. Mark Varholak, Committee Chair, at 1:05 p.m. and, upon roll call, those present and absent were as follows:

PRESENT: Mark Varholak, Chair
Michael Angelini
John Biancamano
Christopher Martin, Designee for Denise Nappier, State Treasurer
Dr. Peter Lisi, Board Chair
Barbara Rubin

OTHER BOARD
MEMBERS PRESENT: Elizabeth Hammer

ALSO PRESENT: Jeanette W. Weldon, Executive Director
Denise Aguilera, General Counsel
JoAnne Mackewicz, Controller
Michael F. Morris, Managing Director
Kathy Owens, Administrative Assistant
Cynthia Peoples, Managing Director
Debra M. Pinney, Manager, Administrative Services
of the Connecticut Health and Educational Facilities Authority

APPROVAL OF MINUTES

Mr. Varholak requested a motion to approve the minutes of the September 18, 2018 special meeting of the Audit-Finance Committee. Mr. Biancamano moved to approve the minutes and Ms. Rubin seconded the motion.

Upon roll call, the “Ayes”, “Nays” and “Abstentions” were as follows:

AYES

Mark Varholak
John Biancamano
Dr. Peter Lisi
Christopher Martin
Barbara Rubin

NAYS

None

ABSTENTIONS

Michael Angelini¹

Network Architecture Rebuild Update

Ms. Peoples reported that the Hartford and colocation network architecture rebuilds are both complete. The data storage increased from 4.5TB to 15TB. She stated that converged services were separated for better efficiencies. Ms. Peoples added the network is no longer at end of life for hardware.

Ms. Peoples reported that the Authority’s websites are now all virtual and this was achieved by Mr. Rob Blake, Network Architect, before launching into the entire project. Ms. Peoples stated that the Authority has committed 100% of the funds for the hardware and software included in the proposal. The labor and budget proposal is 60% committed which is approximately 90% in total of the proposal. Management budgeted approximately \$266,000 and we have currently spent approximately \$240,000.

¹ Mr. Angelini was not present at the September 18, 2018 meeting.

There are remaining items that will be performed with some consultant input for firewall configuration upgrades. She added that Staff will also be working with the user management configuration and it will be done more so in-house with a consultant who will be providing some assistance with the environment. In-house there is also monitoring software configuration that needs to be completed, as well as training for the new platforms.

Internal Audit Engagement with BerryDunn – FY 2019

Ms. Peoples reported that since approving BerryDunn as the Internal Auditor, our preliminary discussions indicated they will work in December primarily on travel & entertainment reimbursements, payroll, bond covenants analysis and the tax-exempt equipment loan program audits. This information will be reported at the February 2019 Audit-Finance Committee Meeting. In addition, BerryDunn will conduct the Human Resources policies and procedures audit in February and will report on it at the April 2019 Combined Human Resources/Audit-Finance Committee Meeting.

Accounting & Financial Management Software Systems Under Review

Ms. Peoples reported that Staff is currently in the demonstration phase. A Request for Proposal (RFP) was sent out. We received four responses and moved three to the demonstration process. The RFP's were received from AccuFund which is installed and implemented by BlumShapiro; USL Financials, run and implemented by USL Financials, Inc., and Incode which is software installed by Tyler Technologies. All three have cloud and on premise platforms. CHEFA budgeted \$135,000 for this system based on Management's preliminary talks with two firms when they originally created the budget. Management and the Accounting Department

staff are currently conducting hands on demonstrations in order to get a better sense of how the systems work. Management hopes to make a decision within the next month.

Mr. Varholak asked if the Committee would be confident in Management making a decision on the accounting system without coming back to the Committee. The Committee concurred.

Mr. Varholak requested a motion to adjourn the meeting. Ms. Rubin moved to adjourn. Dr. Lisi seconded the motion.

Upon roll call, the “Ayes”, “Nays” and “Abstentions” were as follows:

AYES

Mark Varholak
Michael Angelini
John Biancamano
Dr. Peter Lisi
Christopher Martin
Barbara Rubin

NAYS

None

ABSTENTIONS

None

The meeting adjourned at 1:25 p.m.

Respectfully submitted,

Jeanette W. Weldon
Executive Director