

1. BET Audit Comm. Meeting Agenda 11-01-2022

Documents:

[BET AUDIT COMM MEETING AGENDA 11-01-2022.PDF](#)

1.I. SUB_TO_APP_BET Audit Comm. Meeting Minutes_10-06-2022

Documents:

[SUB_TO_APP_BET AUDIT COMM MEETING MINUTES_10-06-22.PDF](#)

2. SUB_TO_APP_BET Audit Comm. Meeting Minutes_11-01-2022

Documents:

[SUB_TO_APP_BET AUDIT COMM MEETING MINUTES_11-01-2022.PDF](#)



**TOWN OF GREENWICH
BOARD OF ESTIMATE & TAXATION**

AUDIT COMMITTEE MEETING

**Tuesday, November 1, 2022 – 10:30 A.M.
Mazza Room**

AGENDA

1. Approval of the BET Audit Committee Meeting Minutes of October 6, 2022
2. Internal Audit
 - Nathaniel Witherell Accounts Receivables and Billing Update
 - Town and Greenwich Public School Purchasing Audits Update
3. Risk Management
 - Special Events on Town Property Insurance Requirements and Process Update
4. Old Business
 - None
5. New Business
 - Proposed Audit of The Nathaniel Witherell Accounts Receivables and Billing Processes
6. Items for future BET Audit Committee Meetings
7. Executive Session – None
8. Adjournment

**TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION
AUDIT COMMITTEE MEETING MINUTES
Thursday, October 6, 2022
Cone Room**

Present

Committee: Harry Fisher, Chairman; William Drake (via telephone), Jeffrey S. Ramer
David Weisbrod

Staff: Megan Damato, Director of Risk Management; Brian Koczak, Assistant Chief;
Charles Lubowicki, Assistant Fire Chief; Joseph McHugh, Fire Chief; Peter
Mynarski, Comptroller

BET: Laura Erickson, Karen Fassuliotis, Miriam Kreuzer, Leslie Moriarty, Leslie
Tarkington

Guest: John Mastronardi, Executive Director, The Nathaniel Witherell; Nunzio Raimo,
Director of Financial Operations, The Nathaniel Witherell, Larry Simon, Board
Chairman, The Nathaniel Witherell; Sasha Vasquez, Business Services
Coordinator, The Nathaniel Witherell.

The meeting was called to order at 9:00 A.M.

1. Approval of the BET Audit Committee Meeting Minutes of June 7, 2022 and September 7, 2022

Mr. Ramer made a motion to approve the June 7, 2022 minutes, seconded by Mr. Weisbrod. The motion passed 3-0-1 (Fisher abstained).

Mr. Ramer made a motion to approve the September 7, 2022 minutes, seconded by Mr. Fisher (Weisbrod abstained). The motion passed 3-0-1.

2. Internal Audit

• Nathaniel Witherell Accounts Receivables, Billings and Write-offs Discussion

Mr. Simon started the discussions by stating that the Medicaid issue is with gap billing dating back 2 years from the date of service Coding correctly is the other issue with faulty billing practices. Mr. Raimo created a training policy which was requested by the Audit Committee at the September meeting, to be presented at this meeting, in addition to an RFP for Billing and Collections. Private-pay receivables outstanding and Medicaid patients are most difficult to recoup payments from. Mr. Raimo stated there aren't many ways to screen patients before admitting them to the facility and some applicants decline to participate in completing a Medicaid application.

The new training policy and plan is to fill the vacant role of the Billing Coordinator who would assist Ms. Vasquez with the outstanding receivables and handle billing. Mr. Simon mentioned TNW's interest in outsourcing training for this role by a third party, A&R Recoveries, for a rate of \$150 per hour. Mr. Simon added that he can try to negotiate to a lower rate for this training. The Accounts Receivable Policy and Plan was created to assist with the outstanding receivables and methods of collecting payment. Mr. Simon also mentioned that a third-party vendor, Health Dimensions Group (HDG), submitted a proposal

at a fixed price per month contract to handle their billing. Mr. Weisbrod asked what will be done to remedy the collectability issues. The current accounts receivables outstanding has now doubled since last year, currently at \$10 million. Mr. Ramer proposed that a review of the outstanding amounts that The Nathaniel Witherell wants written off should be presented to the Audit Committee in the November meeting.

- **Review and Acceptance of the Department of Public Works Building Divisions Audit**

Mr. Drake made a motion, seconded by Mr. Weisbrod, to accept the Department of Public Works Building Divisions Audit, and the Committee voted 4-0-0. Motion carried.

- **Audit Plan – Ongoing Audits**

Mr. Mynarski told the Committee that the two Purchasing Audits, one at the Greenwich Public Schools and one on the Town side, are ongoing and scheduled to be completed by November or December in draft form.

3. Risk Management

- **Hamilton Avenue School Field – Damages and Repairs Update**

Ms. Damato indicated that the BOE has entered into a Memorandum of Understanding (MOU) for donated services for field repair. The services began last Saturday and should be completed prior to the winter season.

- **Polyfluoroalkyl Substances (aka PFAS) Discussion & Related McDonald's Fire – Chief McHugh and Assistant Chief Koczak, Greenwich Fire Department**

A discussion was had with the Fire Department concerning the risks associated with the foam containing PFAS that remains in tanks in the fire engines. Numerous barrels containing the foam with PFAS were disposed of through a state program early on after it was banned in October 2021.

The Fire Department mentioned its intention to seek appropriations for removal of the PFAS foam from the nine fire engines that still have it in their tanks.

Ms. Fassuliotis recommended that the Fire Department reach out to the Town's environmental lawyer as the state has given little guidance as to the acceptable procedures for disposal of the PFAS foam from the engines. It was also recommended that a team be put together to include the Environmental Lawyer, Risk Manager, Fire Department and any others believed to be relevant to see this through.

A discussion was also had about an accident spill at McDonald's of PFAS that resulted in additional costs for the Town. An investigation is being performed as to how the PFAS got into the water used at the aforementioned fire incident.

4. Old Business

- There was no old business discussed.

5. New Business

- This item was deferred.

6. **Items for future BET Audit Committee Meetings**

- No suggestions made.

7. **Executive Session – None**

8. **Adjournment**

Upon a motion by Mr. Ramer, seconded by Mr. Fisher, to adjourn the meeting at 11:21 A.M., and the Committee voted 4-0-0. Motion carried.

Shira Davis, Recording Secretary

Henry J. Fisher II, Chairman, Audit Committee

SUBJECT TO APPROVAL

**TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION
AUDIT COMMITTEE MEETING MINUTES
Tuesday, November 1, 2022
Mazza Room**

Present

Committee: Harry Fisher, Chairman; William Drake, Jeffrey S. Ramer, David Weisbrod

Staff: Megan Damato, Director of Risk Management; Peter Mynarski, Comptroller

BET: Laura Erickson, Dan Ozizmir, Leslie Tarkington

Guest: Larry Simon, Board Chairman, The Nathaniel Witherell

The meeting was called to order at 10:30 A.M.

1. Approval of the BET Audit Committee Meeting Minutes of October 6, 2022

Mr. Drake made a motion to approve the October 6, 2022 minutes, seconded by Mr. Ramer. The motion passed 4-0-0.

2. Internal Audit

• **Nathaniel Witherell Accounts Receivables and Billing Update**

Mr. Larry Simon was asked to update the committee in regard to progress on The Nathaniel Witherell (TNW) Accounts Receivable matter.

He reported that A&R Recoveries will be hired to assist with collecting on expiring Medicaid claims. Mr. Simon also disclosed that there was a significant problem with re-certifying Medicaid patient and stated that the Nathaniel Witherell Finance Department should have been doing this regularly but failed to do so for the past year. Mr. Simon also stated that TNW needs a policy to determine when to submit private pay patients to collection.

Adjustments done by PKF O'Connor Davies for the past fiscal year ending June 30, 2022, were sent to The Nathaniel Witherell ("TNW") but there appears to be a disparity affecting cash balances that needs further attention. RSM will be at the December meeting to discuss the Annual Comprehensive Financial Report (ACFR). Mr. Mynarski explained why the adjustments don't reconcile with cash. RSM auditors will be given this information as part of the audit. Mr. Weisbrod asked Mr. Simon to clarify his statement of there being "almost" no claims beyond 365 days, to which Mr. Simon stated he meant "very few" and these would have to be written off in the amount of approximately \$30,000. Ms. Erickson asked Mr. Mynarski if \$500,000 is an accurate estimate as an uncollectible amount, to which he replied he won't know for another week. Mr. Fisher asked Mr. Mynarski about satisfying the RSM auditors. Mr. Mynarski said there is a lack of internal control over at TNW. He explained that they must switch from their current software system Matrix to PointClickCare ("PCC") because of two-factor verification standards set forth by the Town's Risk Manager. PCC is well-known as an industry standard for billing software which is replacing Matrix. Mr. Mynarski stated that the auditors examine the Munis accounting software as opposed to the Matrix system. Mr. Simon stated they are preparing to go to contract with two outside vendors, Comprehensive Accounting Solutions ("CAS") and A&R Recoveries. A&R Recoveries will concentrate on Medicaid receivables that are nearing expiration. Mr. Simon

said they will need to make monthly or quarterly adjustments in MUNIS when patients go from Medicaid to private-pay. This fell apart because TNW is not a cash-based business. Mr. Mynarski stated that currently the General Fund is paying all of the TNW's bills and effectively "bailing them out", while the amount TNW owes the General Fund is over \$11 million. The Audit Committee and Mr. Simon were reminded that contracts of any type must go through the Town's Law Department, Risk Manager and Purchasing Department for review before any business can be conducted or payments issued. Mr. Weisbrod stated the single issue at this time of greatest concern is to collect on the receivables. Mr. Simon stated that he expects to meet this week with Comprehensive Accounting Solutions ("CAS") to determine if it is going to handle ongoing billing. Mr. Simon stated that the balance as of today's date for unpaid and expiring claims over 120 days old is \$6.5 million.

Mr. Ramer stated he would like to see at the December meeting of the Audit Committee, whether CAS is hired, whether the re-certification of Medicaid patients is resolved, and a report on the efforts of A&R to collect Medicaid accounts receivable.

- **Town and Greenwich Public School Purchasing Audits Update**

Mr. Mynarski stated that he met with CliftonLarsonAllen ("CLA") last week. They are working with Eugene Watts from the Purchasing Dept at the Greenwich Public School system, and previously worked with the former COO Sean O'Keefe, who no longer with the Greenwich Public Schools. He added that the auditors are also working with Renata Michalski of the Town's Purchasing Dept. The plan is to finish up both audits at the same time to be presented together. Mr. Mynarski stated the plan is to present these audits to the Committee in January 2023. He would also like to take a further look at grants and Grants Accounting in January 2023. Mr. Mynarski and Mr. Gieger, Budget Director, want to centralize accounting concerning grants, including the grants received by the Greenwich Public Schools.

3. Risk Management

- **Special Events on Town Property Insurance Requirements and Process Update**

Ms. Damato indicated that she met with Parks and Recreation, Health Department and BOE staff on October 18, 2022 to discuss making the special events process with respect to insurance requirements and production of documents more efficient for both staff and applicants.

The TULIP program (Tenant Use Liability Insurance Policy) was discussed briefly. This information will be passed along to applicants along with the link to apply online for special events policies to make it easier if they so choose.

A follow up meeting is to be held on November 15, 2022 with the same staff with reports back on various issues discussed. Mr. Ramer requested through the committee that Ms. Damato draft a risk management policy that addresses the issues discussed at the meetings mentioned previously.

The Hamilton Ave field was discussed a bit and Ms. Damato indicated that Blaize Levitan, BOE COO, emailed and let her know that all was moving along well with the repairs to the field and that once the grass goes dormant, services will pick up again in the spring.

4. Old Business

- There was no old business discussed.

5. New Business

- No new business to report.

6. Items for future BET Audit Committee Meetings

- **Proposed Audit of the TNW Accounts Receivables and Billing Processes**

Mr. Mynarski stated that there would be no value in having an audit done. There is nothing the auditors would tell us that isn't already known. Mr. Ramer asked Mr. Simon to provide an update at the December 7th meeting as to whether CAS has been hired and other updates such as status report of collections as of December 7th.

Mr. Ramer made a motion, seconded by Mr. Weisbrod, to continue this item to the next meeting, to engage CliftonLarsonAllen (CLA) to conduct an audit. The Committee voted 3-1-0. Mr. Drake voted to oppose the motion. Motion carried.

7. Adjournment

Upon a motion by Mr. Ramer, seconded by Mr. Weisbrod, to adjourn the meeting at 12:30 P.M., and the Committee voted 4-0-0. Motion carried.

Shira Davis, Recording Secretary

Henry J. Fisher II, Chairman, Audit Committee