



# INTERNAL AUDIT UPDATE

October 10, 2016

# 2016 - Audit Plan

## •INTERNAL AUDIT PLAN

•The table below outlines the internal audit projects proposed to be included in the plan

No.	Project Title	Started	Completed	Project Overview
1.	Financial Policy Implementation Review	✓		Review the implementation of the financial policies and determine the compliance of the polices and underling procedures
2.	Procurement and Purchasing Audit	✓	✓	Test expenditures to comply with Procurement Policy, Expense Policy and related procedures
3.	Contract Management	✓	✓	Test contracts to determine compliance with the policies and procedures related to the Contract Process
4.	Privacy and Security Internal Audit	✓	Ongoing	Perform functions required by MARS-E security document
5.	2014-2015 Sub Recipient Close Out			Test sub grantee closeout procedures as required by federal grant regulations
6.	Employee Expenses	✓		Test employee expense for compliance with the Employee Handbook
7.	Fixed Assets	✓	✓	Review inventory list and review the audit of the fixed assets

# Internal Audit Update

## Completed Audits

#	Project Title	Findings Overview	Management Status
2	Procurement and Purchasing	<ul style="list-style-type: none"> <li>Update procedures to include new forms and processes.</li> </ul>	Purchasing and contracting procedures updated
3	Contract Management	<ul style="list-style-type: none"> <li>Design and implement training for the procurement and contract management procedures.</li> <li>Periodically update exclusions status check for current vendors.</li> <li>Develop and incorporate an intangible asset completion or certification of work form.</li> <li>Include explanation and sufficient documentation of work completed in contract language.</li> <li>Update procedures to address fixed operating costs that annually exceed board of director approval, i.e. telephone, utilities, supplies, etc.</li> </ul>	<p>Training developed - formal training to be completed by November 15, 2016</p> <p>Implementing scheduling process for periodic checking of exclusion status (adopt by October 31, 2016)</p> <p>New standard contract language adopted for new development work requiring documentation of deliverables</p> <p>New standard contract language adopted for new development work requiring documentation of deliverables</p> <p>Clarifying purchasing/contracting procedures for recurring office expenditures</p>
7	Fixed Assets	<ul style="list-style-type: none"> <li>Transfer inventory monitoring and tracking of IT assets to IT Vendor.</li> <li>Asset inventory database should reside on Box. New assets should be tagged prior to being transferred for configuration or distribution.</li> <li>IT Vendor purchases should to be adequately documented in accordance with contract requirements.</li> </ul>	<p>Transferred IT asset inventory monitoring and tracking to IT vendor</p> <p>Asset database stored on Box. Asset purchasing procedures updated to include tagging process.</p> <p>Asset purchasing procedures updated to include documentation/approvals of purchases made by 3rd parties on behalf of C4</p>

# External Audit Update

## Active Audits

Auditor or Agency	Engagement	Due	Status	Additional Information
OIG 07-14-02801	Limited Performance Audit	9/22/2016	Response stage	We received a draft report from the OIG. We sent our response to them on 9/21. We are waiting for the final report.
Kundinger, Corder & Engle, PC	Financial Audit		Planning stage	The annual financial statement audit and A-133 audit.
Office of the State Auditor	Performance Audit		Planning stage	Colorado Office of the State Auditor will be conducting a performance audit. The audit was a legislative request approved by the Legislative Audit Committee.
OIG A-07-16-02804	Limited Performance Audit		Planning stage	We received request to provide additional information regarding the establishment grant.

# External Audit Update (continued)

## Completed Audits

Auditor or Agency	Engagement	Report Date	Summary Information
BKD CPA's & Advisors	External Programmatic Audit	6/1/2016	There were 3 findings 1) Enrollment reconciliation process improvements. 2) Eligibility information verification for non financially assisted applicants. 3) Agents and Brokers record keeping improvements.
OIG A-09-16-01002	Inquiry from OIG regarding CMS's Oversight	N/A	C4HC has provided the OIG with all requested documentation and has answered their questions. The OIG is reviewing CMS's oversight of the State Based Marketplaces. The OIG requested information and documents regarding C4HC's interaction with CMS.
Committee on Energy & Commerce	Inquiry from the U.S. House of Representatives Committee on Energy Commerce Committee	9/14/2016	A joint hearing entitled "The Affordable Care Act on Shaky Ground: Outlook and Oversight" was held 9/14/2016.