

A diverse family of four is shown laughing joyfully together on a couch. The mother, on the left, has her arm around the daughter. The father, on the right, wears glasses and has his arm around the son. Both children are laughing heartily. The scene is set against a background of light-colored curtains.

Audit Committee Meeting

June 13, 2024

Audit Committee Meeting Agenda

- A. Call to Order and Introductions
- B. Public Comment.....3
- C. Review and Approval of Minutes.....4
- D. Introduction of New Auditors.....5
- E. FY 2024 Financial and Programmatic Audits.....6-16
- F. 2023 State-Based Marketplace Annual Reporting Tool (SMART) and State Audit FY 2020 and 2021 and New Audit for FY 2022 and 2023
- G. State Audit Report FY 2020 and 2021, and New Audit for FY 2022 and 2023...17-18
- H. Adjournment.....19

Mission: To decrease the number of uninsured residents, improve the quality of healthcare and reduce health disparities through an innovative, competitive marketplace that empowers consumers to choose the health coverage that give them the best value.

Vision: Provide Connecticut residents with access to the most equitable, simple and affordable health insurance products to foster healthier communities.

Public Comment

Vote:

Review and Approval of Minutes

- November 8, 2023

Introduction of New Auditors

FY 2024 Financial and Programmatic Audits

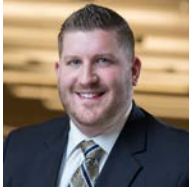


Access Health CT
Audit Committee Presentation

June 13, 2024



Your Engagement Team



Thomas Goldfuss, CPA
Partner

tgoldfuss@WAdvising.com
860.524.4489



Lisa Wills, CPA
Partner

lwills@WAdvising.com
860.524.4412



Edward Sullivan, CPA
Partner

esullivan@WAdvising.com
860.524.4446

- **Role:** Engagement Partner
 - More than 16 years of public accounting with a focus on nonprofit and quasi-public entities
 - Member of Government Finance Officers Association
- **Role:** Concurring Review Partner
 - More than 30 years of experience in public accounting specializing in nonprofit and governmental audits
 - Nonprofit Practice Leader of the Firm
- **Role:** Consulting Partner
 - Over 30 years of experience serving nonprofit, quasi-public entities, and governmental entities
 - Previously served as Engagement Partner for Access Health CT





Your Engagement Team



Jean Callan, CPA
Senior Manager

jcallan@WAdvising.com
860.524.4447

- **Role:** Engagement Senior Manager
- Over 25 years of experience auditing and advising governmental and nonprofit organizations
- Previously served as Engagement Manager for Access Health CT



Chris Wisneski
IT Manager

cwisneski@WAdvising.com
860.524.4434

- **Role:** IT Specialist
- More than 20 years of IT experience with a specialty in IT controls and Cyber Security.
- Career focus on governmental organizations, and nonprofit organizations





Introduction – Whittlesey PC

- ▶ Largest Connecticut-Based Firm
- ▶ 6th Largest Regional Firm in New England
- ▶ 2020 – 2024 Hartford Reader’s Poll – “Best Accountant or CPA”
- ▶ 2022 and 2023 Inside Public Accounting’s “Best of the Best Firms”
- ▶ Significant Quasi-Public, Governmental and Nonprofit Experience
- ▶ Member of Allinial Global network of CPA Firms
- ▶ Full-service accounting, advisory and technology





Objectives and Impact

- ▶ Perform a thorough and efficient audit in accordance with *Government Auditing Standards*
- ▶ Provide reasonable assurance that material misstatements will be detected resulting from our audit procedures
- ▶ Proactively identify issues
- ▶ Suggest enhancements to internal controls, if identified
- ▶ Available for in-person meetings
- ▶ Review financial statements and other information and offer commentary of trends or unusual items
- ▶ Consult with management on accounting and implementation issues related to new accounting standards





Expectation of Management

- ▶ Ensure compliance with all laws and regulations
- ▶ Make all financial records and related information available to us
- ▶ Provide management representations at the end of the audit
- ▶ Adjust financial statements for audit adjustments (if any)
- ▶ Promote honest and ethical behavior throughout the organization
- ▶ Communicate with us on all significant matters that may have a potential impact on the financial statements



Expectation of the Audit Committee

- ▶ Provide a message to the organization regarding ethics – “Tone at the Top”
- ▶ Communicate with us on any actual or suspected wrongdoing that has been brought to the committee’s attention and investigate
- ▶ Provide feedback on the scope of our planned audit work

Initial Audit Timing

Task	Apr	May	June	July	Aug	Sept	Oct
Internal planning, prepare workpapers, roll-forward work, review of fiscal year board and sub-committee minutes and prepare/send the engagement letter	✓						
Follow up on the status of any prior-year comments or questioned costs	✓						
Planning meetings and communication to governance including conference		✓					
Preliminary/interim audit work and internal control testing, prepare and send request lists		✓	✓				
Fieldwork				✓	✓	✓	
Review of financial statements and MD&A						✓	✓
Prepare our audit reports and communication letters for finalization prior to November 1							✓



Audit Scope

- ▶ **Top Down and Risk Based Approach** – We perform risk assessments to determine the extent of testing across all financial statement line items. We then focus our audit effort on higher risk areas and perform limited testing in the lower risk areas.
- ▶ **Materiality** – We consider the materiality of a particular financial statement line item or transaction in determining our extent of testing.
- ▶ **Use of the Work of Others** – In order to execute an efficient audit, we plan to use the work of others (internal audit) where possible
- ▶ **Analytical Review Procedures** – Throughout the audit we perform analytical review procedures to identify areas that might require additional testing and to serve as our primary audit tool in certain low risk areas.
- ▶ **Substantive Testing** – The bulk of our audit work (confirmations, general ledger account reconciliations, invoices, etc.) falls into this category. We do most of our substantive testing based on year-end account balances.
- ▶ Our approach is designed to meet our internal quality standards, regulatory expectations and pass our periodic external quality control reviews.



Fraud Risk Considerations

Throughout the audit we will remain cognizant of fraud risk. Our audit approach includes gaining an understanding of controls designed to prevent, deter and detect fraud. We will also assess the impact of the “tone at the top” on fraud risks.

We will inquire of management, the Finance & Audit Committee and the internal audit function related to:

- ▶ Views about the risks of fraud
- ▶ Knowledge of any actual, suspected or alleged fraud
- ▶ Finance & Audit committee oversight role for identifying and responding to fraud risks
- ▶ Communications from regulators and third parties regarding fraud and/or violations of laws and regulations
- ▶ Whistle-blower matters
- ▶ Finance & Audit committees’ continuing responsibility to inform us of any fraud-related matters.

2023 State-Based Marketplace Annual Reporting Tool (SMART)

State Audit FY 2020 and 2021 and New Audit for FY 2022 and 2023

Federal and State Audits

- **State-Based Marketplace Annual Reporting Tool 2023 SMART**
- **State of CT Auditors of Public Accounts**
 - **Report for FY 20 and 21**
 - **New audit beginning for FY 22 and 23**

Adjournment

Next Meeting: November 14, 2024