

RESOLUTION NO. 033, SERIES 2020

A RESOLUTION REQUESTING THE OFFICE OF INTERNAL AUDIT OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT TO CONDUCT AN AUDIT OF THE ADMINISTRATION OF LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT HEALTH INSURANCE.

SPONSORED BY: PRESIDENT JAMES

WHEREAS, KRS § 67C.103 grants the Legislative Council of the Louisville/Jefferson County Metro Government (“Metro Council”) with the power to request the Office of Internal Audit (the “Internal Auditor”) to perform an audit concerning the affairs of Louisville/Jefferson County Metro Government (“Louisville Metro Government”);

WHEREAS, the Internal Auditor’s Policies and Procedures and IIA Standards require a formal request when Metro Council desires to define the scope and objective of an audit; and


WHEREAS, Metro Council, pursuant to KRS § 67C.103, formally requests the Internal Auditor to perform an audit regarding the administration of Louisville Metro Government’s Health Insurance with the recommended audit type, objective, and scope described in the attached engagement request form.

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AS FOLLOWS:

SECTION I: Metro Council formally requests the Internal Auditor to conduct an audit regarding the administration of Louisville Metro Government’s Health Insurance for a 12-month period occurring between January 1, 2019 through June 30, 2020, and as more particularly described in the attached engagement request form.

SECTION II: Upon completion, the Internal Auditor will report the findings to Metro Council.

SECTION III: This Resolution shall take effect upon its passage and approval.

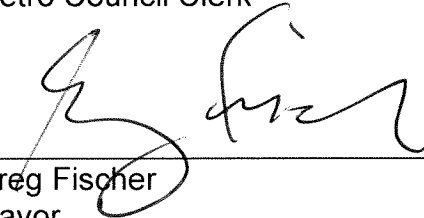


Sonya Harward
Metro Council Clerk

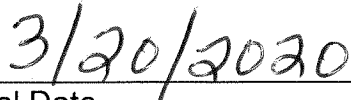


David James
President of the Council

PRO - TEM



Greg Fischer
Mayor

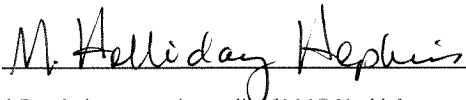


Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

LOUISVILLE METRO COUNCIL
ADOPTED
March 19, 2020

BY: 

R-038-20 Resolution requesting audit of LMG Health Insurance – mhh – 2-27-20



Louisville Metro Government Office of Internal Audit

The Office Of Internal Audit Engagement Request Form	
Date Request Submitted	2.6.2020
1. Requestor Name	David James, Metro Council President
<p><i>Please note: Internal Audit requests from Department Directors will be shared with the Mayor's Office and may be subject to approval from the Mayor's Office, if the request is intended to be from the Mayor's Office , as a whole.</i></p> <p><i>Internal Audit requests from Metro Council Members will be shared with the Metro Council President's Office and may be subject to approval from the President's Office or by way of a Resolution, if the request is intended to be from the Metro Council Office , as a whole.</i></p>	
2. Requestor Department	Metro Council
3. If your department is not listed in the department drop-down box, please provide your department name here.	
4. What Type of Engagement is Desired (see definitions below)?	Assurance
5. Is this request for a Financial Impact Analysis?	no
6. Department to be Reviewed	Human Resources
6a. Business Processes to be reviewed	Health Insurance Administration
7. Who is the Key Stakeholder for Process to be Reviewed?	Louisville Metro Government Employees, Human Resources, OMB -Risk Management
8. Time period to be Reviewed	12 Month period occurring between January 1, 2019 through June 30, 2020.
9. What Are Your Desired Objectives/Outcome of the Engagement? (The more information provided the better, as it will be helpful as we make a determination about the request.)	<p>Desired objectives for the audit include an assessment of the administration of the LMG's Health Insurance. This may include, but would not be limited to, assessing the adequacy of related policies and procedures, and the availability, adequacy, and compliance regarding third party administrator agreements. Additionally activity and corresponding supporting documentation related to third party administrator billing, claims processing, and member and dependent eligibility may be assessed.</p> <p>The final scope and objectives of the audit will be determined by the Internal Auditor. The final scope and objectives may include the aforementioned items and is not limited to those items.</p>
10. What is Your Anticipated Completion Date for This Request?	This audit would take approximately 6 to 8 months to complete.



Louisville Metro Government Office of Internal Audit

11. Comments	
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Louisville Metro Government Office of Internal Audit

Definitions of Core Services

-Assurance - Reviewing operations, policies, and procedures to ensure that the appropriate control structure is in place and that business risks are considered.

-Consulting - Providing services to help address specific issues and concerns, which may not necessarily be high-risk, but do add significant value to clients.

-Information Technology - Ensuring that electronic information is processed as intended, data integrity is maintained, and the control structure is assessed.

-Integrity - Investigating allegations regarding employee misconduct and / or non-violent criminal acts involving Metro Government resources.