

Intergovernmental Cooperation Authority for Harrisburg

Minutes of the Governing Board

Regular Meeting

December 15, 2021

Temple University Harrisburg, Strawberry Square, Harrisburg PA

hbgica.org

Members in Attendance	Ms. Audry Carter Mr. Douglas Hill Ms. Karla Hodge Ms. Kathy Speaker MacNett Mr. H. Ralph Vartan	A Quorum Was Recognized
Ex-Officio Members in Attendance	Mr. Mark Ryan Office of the Budget	
In Attendance	Ms. Anna Marie Sossong Independent Counsel Mr. Jeffrey Stonehill Authority Manager	
Meeting Begins		4:00 p.m.
Welcome by Audry Carter, Chair	Ms. Carter reminded the Board that Mr. Connelly had announced at the November meeting that it would be his last, and no one representing the Mayor would be able to attend the meeting.	
Approval of the minutes of October 27, 2021 and the minutes of November 17, 2021	Ms. Carter asked for a motion to approve both sets of minutes. Ms. Speaker MacNett asked a question to Ms. Sossong about a reference in the minutes. A motion to approve by Ms. Speaker MacNett. A second by Ms. Hill. Neil Grover, City of Harrisburg Solicitor, commented on the issue of the intergovernmental cooperation agreement.	Approved 4-0
Report by Audry Carter, Chair	Ms. Carter mentioned that this is the final scheduled meeting of 2021. She noted that the ICA Board was not able to significantly move the dial for the benefit of the citizen of Harrisburg. She noted the unwillingness of the current outgoing administration to engage in any matter of concern.	

	<p>asking him to move forward swiftly and with engaged public participation to identify and adopt a plan for the spending of the resources provided by the American Rescue Plan Act.</p> <p>Mr. Vartan asked about the new administration and the maintenance of the Mayor's Five-Year Plan.</p> <p>Mr. Stonehill explained that as noted in Act 124 of 2018, the new administration automatically reopens the Mayor's Five-Year Plan; however, the deadline, as mutually agreed upon by the parties, is for the submittal of the 2022 Five-Year Plan by April 30, 2022. Therefore, the plan would have required an update by that deadline regardless.</p> <p>The ICA Board will communicate with the new administration as to whether the ICA would wait until April 30, 2022, to receive a draft of an updated plan.</p> <p>Finally, a final 2022 budget will be readopted in February 2022.</p>	
<p>Authority Manager's Report</p>	<p>Mr. Stonehill reviewed the November 30, 2021, financial report.</p> <p>Mr. Stonehill presented the 2020-2021 audit of the ICA's financial activities to the Board.</p> <p>There were no findings.</p> <p>Mr. Stonehill noted that the ICA will be filing their annual report of ICA Board activities with the General Assembly by the December 31, 2021, deadline.</p> <p>A motion to authorize the Authority Manager to prepare the Annual Report, for the Chair to sign it, and to have it submitted to the Appropriation Committee Chairs of the General Assembly by Mr. Vartan.</p> <p>A second by Ms. Speaker MacNett.</p> <p>The motion passed.</p>	<p>Approved 5-0</p>
<p>Discussion on the Mayor's Transition</p>	<p>Ms. Carter reviewed appointments to incoming Mayor-elect Williams transition team including Mr. Dan Hartman, Transition Team C.E.O.</p> <p>She gave a brief overview of Mr. Hartman's activities during the transition.</p> <p>She noted he may stop by at the end of the ICA Board meeting.</p>	

Respectfully submitted:

J Stonehill

Jeffrey M. Stonehill, Authority Manager

Daniel Hartman Chd of Staff City of Harrisburg.

Isaac Graybird Law Bureau "

STEPHEN EKEMA-AGBAW LAW BUREAU " "

Beverly Hutzel ACEP

Carol Bell The Bay

Patty Smith RTC

Summary of Bills Paid – Intergovernmental Cooperation Authority for Harrisburg

Report – January 26, 2022

• Digital Ocean <i>Website software licenses</i>	\$10.60	December 1, 2021
• Digital Ocean <i>Web Host</i>	\$5.72	December 1, 2021
• Startup Harrisburg <i>Virtual Office Monthly Subscription</i>	\$95.00	December 1, 2021
• NameCheap <i>Domain Address</i>	\$15.16	December 12, 2021
• MESH PA LLC <i>Authority Manager</i>	\$4,200.00	December 31, 2021
• Digital Ocean <i>Website software licenses</i>	\$10.60	January 1, 2022
• Digital Ocean <i>Web Host</i>	\$5.72	January 1, 2022
• Startup Harrisburg <i>Virtual Office Monthly Subscription</i>	\$95.00	January 1, 2022
• Factory 44 <i>Software Licenses</i>	\$300.00	January 1, 2022
• Johnson & Duffie <i>Independent General Counsel</i>	\$770.00	January 26, 2022
• MESH PA LLC <i>Authority Manager</i>	\$5,250.00	January 26, 2022
• PGABR <i>Insurance Counsel</i>	\$1,022.15	January 26, 2022

Starting balance: \$166,057.06

Ending balance: \$152,457.94

• Interest earnings Y-T-D	\$0
• Fees Y-T-D	\$0



Via Electronic Mail

January 12, 2022

Office of Mayor Wanda R.D. Williams
MLK Government Center
10 N. Second St.
Harrisburg, PA 17101

Chairwoman Audry Carter
Intergovernmental Cooperation Authority
922 North Third Street
Harrisburg, PA 17102

Dear Chairwoman Carter:

It is of my highest honor to announce Marita Kelley as the new Finance Director for the City of Harrisburg.

Per the Intergovernmental Cooperation Authorities Act for Cities of the Third Class of 2018, Marita Kelley is to serve as our ex officio, non-voting member of the Intergovernmental Cooperation Authority for Harrisburg (ICA).

Please direct all ICA meeting information and related correspondence to Marita Kelley at mkelley@harrisburgpa.gov.

The City of Harrisburg and my administration are looking very forward to working with the entire ICA team.

Sincerely,

Wanda R.D. Williams
Mayor

CC: Jeffrey Stonehill, Authority Manager
Hon. Danielle Bowers



MUNICIPALITIES FINANCIAL RECOVERY PROGRAM MONTHLY REPORT

Please complete Sections I and II and include any relevant attachments as requested

SECTION I

- | | |
|---|--|
| 1. Recovery Coordinator: C. Kim Bracey | 3. Municipality: City of Harrisburg |
| 2. Reported Month: December 2021 | 4. Submitted Date: 1/17/22 |

- | | |
|--|-------------------------|
| 5. Budgeted GF Revenues: 86,746,922 | 7. YTD %: 79.32% |
| 6. Budgeted GF Expenditures: 86,684,486 | 8. YTD %: 85.21% |

- | | |
|--|--|
| 9. YTD GF Revenue: 68,808,510 | 12. Beginning GF Cash Balance: 26,073,907 |
| 10. YTD GF Expenditures: 73,865,314 | 13. Monthly GF Revenue: 5,523,954 |
| 11. YTD GF Surplus/Deficit: (5,056,804) | 14. Monthly GF Expenditures: 4,535,721 |
| | 15. GF Surplus/Deficit: 988,233 |
| | 16. Ending GF Cash Balance: 27,062,140 |

- | | |
|--|---|
| 17. % Change in YTD Revenues: 5.51% | 18. % Change in YTD Expenditures: 20.13% |
|--|---|

Include back-up information for numbers 5 – 18.

SECTION II

1. Have there been any material variances between this year's and last year's financial results?

In the prior month of November 2021 the City did achieve the extraordinary debt service related payments totaling \$8,931,568, comprised of \$4,931,568 for the defeasance of the Harrisburg Redevelopment Authority Guaranteed Revenue Bonds, Series A-2 of 2005 and \$4,000,000 for paying down the City's bond insurance forbearance liability. When factoring out the effect of this significant debt service funding provided by the General Fund, the resulting increase for change in YTD expenditures becomes 5.60% which is much more reasonable and very consistent with the above noted increase of 5.51% for change in YTD revenues.

2. Are current payments to creditors (debt service, MMO, Act 47 loan, vendor payments) up to date?

For the month of December 2021, the City did timely disburse the following related debt service payments:

- a. applicable General Fund funding to the Debt Service Fund for the quarterly debt obligation amount of \$96,534.90 to M&T Bank, relative to the previously financed streetlight LED upgrade/conversion project

3. Provide specific examples of progress on critical recommendations of the Plan.

Under the Commonwealth's Act 124, the Intergovernmental Cooperation Authority for Harrisburg (ICA) may enter into and implement an intergovernmental cooperation agreement. Such recently proposed revised agreement has now been accepted and approved by Harrisburg City Council via adopted ordinance, and the City now intends to execute this mutually approved agreement after the Commonwealth Court issues any final administrative orders for the City's orderly exit from the Municipalities Financial Recovery Act (Act 47), as administered by PA DCED.

4. List and briefly describe meetings and communication that support implementation of the Plan.

The City continued to meet regularly with its financial advisor to ensure Plan compliance. Additionally, the City will continue to maintain communications with PA DCED for providing responses to Act 47 quarterly status inquiries for related information requests.

5. Is there a capital improvement plan? Is the capital improvement plan being implemented?

Yes, such a plan continues to be part of the General Fund's adjusted 2021 budget for various City departments including such budgeted expenditures of \$953,707 for information technology, \$2,830,316 for parks, recreation, and facilities, \$816,725 for Police, \$1,377,310 for Fire, and \$835,578 for vehicle management. Respectively for these particular departments, actual year-to-date expenditures including related encumbrance balances total to \$771,982, \$1,641,676, \$510,316, \$1,373,711, and \$753,631.

6. Are there any outstanding audits or audit recommendations that need to be completed?

The City's annual financial audit, including applicable Single Audit procedures, for the year ended December 31, 2020 was fully completed prior to the end of fiscal year 2021. The related audit reports have an issuance date of December 28, 2021 including the annual comprehensive financial report package.

7. Provide additional observations and challenges.

- a. The City continues to manage operating expenses under the constraints of significant losses in parking system revenues.
- b. The City is currently working through the planning and preparation process for the development of a finalized operating budget for fiscal year 2022, keeping in mind some still uncertain relevant revenue streams affected by economic impacts from the occurring health pandemic and the effects of ongoing inflation occurrences within the U.S. and local economies.

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To Management and City Council
City of Harrisburg
Harrisburg, Pennsylvania

This letter includes comments and suggestions with respect to matters that came to our attention in connection with our audit of the financial statements of the City of Harrisburg (the City) as of and for the year ended December 31, 2020. These items are offered as constructive suggestions to be considered part of the ongoing process of modifying and improving the City's practices and procedures.

Inventorizing Capital Assets

There has been no physical inventory taken since 2005. In that year, each department head was provided with a list of capital assets for their department. The listing was to be reviewed for any obsolete or disposed assets. Replaced infrastructure assets are not being removed from the capital asset inventory unless the department head completes a disposal form.

It was also noted that the Accounting Manager is responsible for entering all capital asset additions in the Capital Assets System. The capital asset additions are based on the Accounting Manager's review of expenses recorded within the capital expenditure account within each fund. There is no review of the additions entered into the Capital Asset System by the Accounting Manager.

We strongly recommend that the City inventory its capital assets on an annual basis and update the disposals and additions accordingly in order to ensure the accuracy of the capital asset listing and depreciation. The additions and disposals updated in the Capital Asset System by the Accounting Manager should be reviewed. Each department should agree with the capital assets reported for their department. A complete capital asset inventory should be compared to the insurance policy to verify proper insurance coverage of capital assets.

Management's Response: The City concurs and will work to develop and implement a more formalized approach for a periodic inventory of its capital assets. The City notes for the 2020 audit, the Accounting Manager did include the new Staff Accountant in assisting with capital asset additions to the fixed assets system as well as related journal entries to the general ledger.

Sanitation and Disposal Account Adjustment Process

During our audit, we noted that the City has established processes for account adjustments, including credit, debits, write-offs, and the waiving of certain penalties and interest in certain instances. We noted that much of the process is “as understood” City personnel rather than through written standard procedures. The adjustment procedures have thresholds for authorizations required (less than or greater than \$200). Additionally, any adjustments entered require a note or comment with an explanation for documentation purposes, otherwise the system will not accept the input of the adjustment. Delinquent write-offs would be approved by the Law Bureau before being entered into the system.

Management should establish written standard operating procedures for the adjustments of accounts (credit or debit), the waiving of penalties and interest, or write-off of accounts. These procedures should include the use of standard forms, the determination of authorizations required for certain actions, and the creation of monthly adjustment reports which should be reviewed and approved by the Public Works Director and be reviewed by Controller and Treasurer’s offices.

Management’s Response: The City concurs with this recommendation in that it has recently drafted a proposed applicable account adjustments policy (including write-offs) which still needs to be formalized and reviewed for finalization by proper parties including the Business Administrator, City Treasurer, and City Controller. In relation, report reviews of such occurring adjustments (including write-offs) should then be provided on a monthly basis to the Public Works Director, City Treasurer, and City Controller.

Establishing Procedures for Follow up of Delinquent Sanitation and Disposal Accounts

There are no written standard procedures in place for the follow-up on delinquent sanitation and disposal accounts, nor is there a written standard procedure for the determination of accounts that are to be written off as uncollectible. The City started a process for evaluating delinquent accounts and write offs during 2019. We recommend that procedures be established, written and implemented for follow up of delinquent accounts and for the determination of accounts that are to be written off as uncollectible and include the reviewed by Controller and Treasurer’s offices as part of the standard operating procedures.

Management’s Response: The City concurs with this recommendation in that it has recently drafted a proposed applicable account adjustments policy (including write-offs) which still needs to be formalized and reviewed for finalization by proper parties including the Business Administrator, City Treasurer, and City Controller. In relation, report reviews of such occurring adjustments (including write-offs) should then be provided on a monthly basis to the Public Works Director, City Treasurer, and City Controller.

Mercantile Tax Collections

Harrisburg City Code Chapter 5-715.6 and 5-715.9 identifies the City Treasurer as being responsible for the collection of the Business Privilege and Mercantile Tax including all taxes, fines, and penalties imposed. This is consistent with PA Third Class City Code Section 11402.1. Currently mercantile tax is collected by the tax and enforcement office rather than the City Treasurer. Under guidance in the Pennsylvania Tax Collector’s Manual, Act 511 taxes, including mercantile, parking, and amusement taxes, local municipalities do have available the authorization to provide their own arrangements for collecting such levied taxes under this Act, often through municipal licensing agencies. We recommend the City evaluate the process that produces the highest level of internal controls, transparency, and independent oversight.

Management Response: Currently new software is being selected allowing for the centralization of such payment processing including an envisioned flow path of such receipts being directly received by Treasury for ultimate deposit handling. New software will allow greater flexibility, increased efficiency, improved cash controls and many benefits to both the government and public at large. The Administration is committed to building such a centralized system for the processing and deposit of these receipts and not to molding new software to systems currently in place.

Reconciling Shared Services Revenue and Expense; Invoicing Other Post-Employment Expenses for Water and Sewer Retirees; Resolution of Matters under Agreement.

The City incurred certain revenues and expenditures under the Shared Service Agreement and the Transition Agreement with Capital Region Water (CRW). We noted the following items:

- Per the shared services agreement, within 60 days after the end of each term, the parties are required to reconcile the actual costs for providing services to CRW to the costs in the budget provided pursuant to the shared services schedule. The City and CRW are to then reduce or increase the payments for the services based on actual costs. The City and CRW continue to negotiate the actual costs related to these shared services for the years ended December 31, 2013 through 2016. No additional shared services costs were incurred during the years ended December 31, 2017, 2018, 2019, and 2020.
- Per the transition agreement, CRW assumed responsibility for all costs for other postemployment benefit costs for Water and Sewer retirees. Costs are to be invoiced by the City to CRW on a monthly basis and paid within 30 days of receipt of the invoice. The City invoiced CRW timely for other post-employment costs; however, the invoices did not include all other post-employment costs incurred by the City and did not reflect pension withholding amounts that are used to offset these costs.

We recommend that the City review the Shared Services Agreement and Transition Agreement and ensure that all items in the agreements are being followed and invoiced appropriately. The City should further endeavor to bring this matter to closure as soon as reasonably possible.

Management's Response: The City will continue to separately track such CRW water and sewer retiree other post-employment benefit costs and related offsetting revenue received throughout the year, via consistent accounting entries to specific accounts utilized for year-end reconciliation purposes.

Fiduciary Funds

During the audit, it was noted that the City's fiduciary funds are not retained within the general ledger. Inclusion of these funds would allow the City to have quick access to the fund's activity at any given point in time. We suggest these funds be retained within the general ledger.

Management Response: The City concurs as the Finance Department is currently in the process of planning the implementation of such accounting process for the Police Pension Plan and will also give same consideration to tax collection activity associated with the Harrisburg School District. The Accounting Manager has in mind the new Staff Accountant to be involved with achieving this recommended utilization of the general ledger.

Cash and Investments

During the review of cash accounts during the audit, various items here noted:

- Although the City reconciles cash and investment accounts monthly, the general ledger does not present the cash and investment accounts separately.

- The City does not utilize a standard bank reconciliation for each account held by the City.

We suggest the City:

- Report the cash and investment accounts separately in the general ledger, either throughout the year, or by year end, in order to accurately reflect the balances for financial reporting.
- Utilize a standard bank reconciliation to provide consistency and a clear reconciliation for each bank account held by the City.

Management Response: For the 2020 audit, the Accounting Manager did develop supporting workpapers for investment balance reporting within the financial statements but still opted not to record on the books such reclassification entries due to the concern of creating cash account reconciliation issues for Treasury. Such additional reclassification entries will be further developed as part of the City's 2021 audit preparation.

Other Post-Employment Benefits Allocation Methodology

Annually there is another post-employment benefits liability which must be allocated amongst funds, based on the number of employees. During the audit it was noted that this allocation is occurring by considering the overall change in the liability and then allocating a percentage of that change to each fund. This allocation method can produce a different ending liability within a fund than what would be calculated if the allocation percentage were applied to the overall ending liability. We suggest the City review this calculation and consider allocation based on what percentage of the overall liability should be represented within each fund.

Management Response: The City concurs and will work to revisit this OPEB allocation process as part of the next audit preparation phase for the 2021 year and will give further consideration to calculating this liability as being more reflective of the actual applicable employee ratio rate within the involved funds.

Signature Stamps

During the audit, it was noted that signature stamps utilized during check signing are old and do not always create a clear signature when the stamp is applied. We suggest a new stamps be purchased in any case were a clear signature is not consistently created.

Management Response: The City Treasurer's office is aware of the sometimes-unclear appearance of the Treasurer's signature stamp on bank provided canceled check images and is currently in the process of considering the purchase of new related software and involved system and will opt to wait for the implementation of such to occur prior to further upgrading its existing check signing equipment.

Payroll Action Forms

During the audit, it was noted that when an employee is covered under a collective bargaining agreement, their annual payroll action form is not always signed for approval by the department head. Although the form is approved by other parties, we suggest the department head review and approve the form, as the form includes pay rate and pay allocations, including changes in pay cost allocations.

Management Response: The Accounting Manager did discuss this audit observation in more detail with the Human Resources Director who agrees with extending a review for ensuring signed approval by the department head appears on a payroll action form.

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Obtaining Required Signatures on Manual Checks

The City maintains manual checkbooks for the Central Depository, Fire Escrow, and Payroll accounts. These checkbooks are in the custody of the Treasurer's Office. Currently, the Treasurer is the only signer for the Central Depository and Fire Escrow accounts. Per Section 1704(a) of the City Code, the City Controller is to countersign all documents authorizing payment of moneys out of the City treasury when satisfied of the legality of the payment. We recommend that the City comply with the City Code and add the Controller as an authorized signer on the Central Depository and Fire Escrow accounts, and that the Controller's office review, approve, and sign all checks written from these accounts.

Management's Response: The City has, in the past, collectively discussed this recommendation with both the Offices of the City Treasurer and the City Controller. Both offices are in agreement with dual signature control being applicable to the disbursement of appropriated City funds or otherwise approved City funds, e.g., grant funds. The Controller views the second signature as implying a level of pre-audit review has occurred allowing for advance knowledge awareness and understanding of the involved transaction. Such awareness or understanding enables or conveys satisfaction of the legality of the payment as also referenced in the City Code, and this understanding is not present relative to the disbursements from the Central Depository and Fire Escrow accounts including the significant disbursements occurring throughout the year of Harrisburg School District taxes which the City collects on behalf of the School District.

Converting Vacation Carryover Balances for Firefighters

According to the City's vacation policy, at year-end, Firefighter's accrued vacation is to be converted to holiday pay. During our audit, it was noted that Firefighter's compensated absences included accrued vacation balances at December 31, 2020 that had not been converted to holiday time. We suggest that the City follow its policy as it relates to accrued vacation for firefighters.

Management Response: In 2014, the vacation leave earning rates for new hires changed from 12 to 8 days, with the implementation of the amendments to the Collective Bargaining Agreement approved in late 2013. However, the leave system calculation program continued to credit the new hires with the prior earning rate. Upon discovering this error, the City was unable to convert the vacation carryover balances until IT was able to make adjustments to the program; the involved adjustments have yet to be completed but remain on the City's list of currently ongoing projects with a related focus of migrating the mainframe personnel system to a new system. The conversion will be addressed as part of such migration to a new system.

Developing Formal Program and System Change Control Policies and Procedures

The Bureau of Information Technology (IT) performs program development, operating system maintenance, and application software maintenance on the City's IT systems. IT management maintains close oversight over the change control process, but more formalized documentation is recommended to reduce the risk of unauthorized changes being made to the City's IT systems. The risk of unauthorized changes being made to information technology systems and programs could result in processing errors and system down-time. We recommend that a comprehensive written policy be developed that outlines all the procedures and documentation required for changes to the City's IT systems and programs. The policy should follow the system development life cycle methodology to include the following:

- Preparation of written requests.
- Approval of the request by management.
- Required documentation standards.

Developing Formal Program and System Change Control Policies and Procedures (Continued)

- Testing of the changes, follow-up of discrepancies, and participation and approval by users.
- Procedures for integrating the changes into the production environment from a separate test environment.

We also recommend that documentation be maintained by the City to support any changes made to programs and systems. This documentation should include retention of all documents as noted above and should be maintained for each change made.

Management's Response: The City concurs with the recommendation and will implement a change control process. Due to other priorities, the formal development of a process has been delayed. During the year, the strategy and focus has been to move away from custom developed systems and migrate to industry standard commercial off-the-shelf (COTS) systems. Because of this, system changes have been kept to a minimum, and will continue to be kept to a minimum, knowing that the current systems will ultimately be retired.

Providing IT Employee Training

There is currently limited training scheduled for IT employees. It is important for IT staff to be trained on the hardware and software changes occurring in the City's computer environment. If the IT staff is not trained properly, this could result in vulnerabilities, poor employee performance, and down-time. We recommend that a training schedule be established for all IT staff as the budget permits.

Management's Response: The City concurs with the recommendation. The City has evaluated the skills of the current staff members and identified several training areas that should be addressed. Both technical skills and soft skills have been identified. Options for training have been evaluated, including online, classroom, and internal knowledge transfer. A formal training schedule has not yet been developed. Cross training of existing systems and technologies, among current staff members, has been started and will continue, so that all City systems can be supported during the absence of a staff member.

Developing a Technology Disaster Recovery Plan – Network Servers

An information technology disaster recovery plan describes the procedures necessary to recover from an abnormal disruption in computerized operations. The objectives of disaster recovery are to ensure that the City's information technology personnel are sufficiently prepared and trained in the event of a disaster; to minimize the effects upon the City's other operations; and to establish an alternate means of restoring normal information technology operations within a short period of time. The scope of a disaster recovery plan should cover the following issues:

- Identification of critical information technology systems relevant to the daily operations of the City
- An assessment of the vulnerability and security of each critical information technology system
- Disaster declaration and notification procedures and assignment of responsibilities to personnel
- Procedures for restoration of critical information technology systems
- Back-up and storage procedures for critical information technology systems
- Any required testing of the plan's disaster recovery procedures to ensure that the plan will function as intended.
- An inventory of all critical information technology assets
- A list of employee and vendor contacts

Developing a Technology Disaster Recovery Plan – Network Servers (Continued)

There is no written disaster recovery plan for the City's network servers. In addition, although a written disaster recovery plan exists for the City's mainframe computer systems, the plan has not been tested since November 2009. In addition, in January 2012, the City terminated its "Hot Site" contract which provided a disaster recovery site along with a set amount of time each year to test the mainframe recovery. Even though the contract was terminated, a recovery site is still available to the City, but arrangements would need to be made to utilize the site each time an event occurs.

We recommend that the City prepare a written disaster recovery plan that covers the network servers under the City's control and that the plan for both systems be tested periodically.

Management's Response: The City is currently backing up all Mainframe systems and data to virtual tapes and replicating them to a Data Center in Omaha, Nebraska, for disaster recovery purposes. The City purchased a vacant M&T bank building within City limits during 2021. We intend to utilize available space within the building to house our disaster recovery equipment and ultimately replicate our full open systems environment to that equipment, so as to make available a redundant facility which can be utilized in the event of a disaster within City Hall. We anticipate disaster recovery capabilities for the open systems environment to be completed in 2022.

Restoring Backups Periodically

IT system backups are not periodically restored. To ensure that files are being properly backed up, we recommend that backups be periodically restored.

Management's Response: Now that our mainframe virtual tape server solution is complete, we will work on being able to restore the backups at the Data Center in Omaha, Nebraska. We anticipate being able to restore that environment in 2022. Once we have another Data Center facility in place for the open systems environment, we will be able to restore those systems and provide redundancy at that location.

Creating a Policy for Use of the Virtual Private Network (VPN)

Some City employees are provided access to the City's network and City applications on their home computers. The City does not require the use of an anti-malware system on these home computers. This increases the risk of a breach of network information. We recommend that the City formalize a policy requiring that each employee who accesses City information on a home computer have some form of anti-malware installed on the computer being used to access City information. This policy should be signed by each employee prior to access being granted to the system.

Management's Response: The City concurs with this recommendation. Our internal policies address the use of home computers to access the VPN via software available to those eligible employees. Using this software to establish the VPN connection ensures the connection to the City network is secure and encrypts the transmission of data across this network. The policies require the employee to maintain up-to-date anti-virus and firewall software on their home computer in order to use the VPN software. The City maintains up-to-date anti-virus and firewall software on all City owned desktop computers, laptops, and servers.

This letter is intended solely for the information and use of management, City Council, and others within the Organization, and is not intended to be, and should not be, used by anyone other than these specified parties. We appreciate serving the City of Harrisburg and would be happy to assist you in addressing and implementing any of the suggestions in this letter.

Camp Hill, Pennsylvania
December XX, 2021

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