



AUDIT SUMMARY

Materials Innovation and Recycling Authority

www.cga.ct.gov/apa

Fiscal Years Ended June 30, 2021 and 2022

ABOUT THE AGENCY



The mission of the Materials Innovation and Recycling Authority (MIRA) is to work for and in the best interest of the state's municipalities and residents in developing and implementing environmentally sound solutions and best practices for solid waste disposal and recycling management. MIRA provides solid waste management services to municipalities, regions, and persons within the state by receiving solid waste at MIRA facilities, recovering resources from solid waste, and generating revenues from the services sufficient for MIRA to operate on a self-sustaining basis.

MIRA is a quasi-public agency subject to the requirements within Section 1-120 of the General Statutes.

ABOUT THE AUDIT

We have audited certain operations of the Materials Innovation and Recycling Authority in fulfillment of our duties under Sections 1-122, 2-90 and 22a-263 of the Connecticut General Statutes. The scope of our audit included, but was not necessarily limited to, the fiscal years ended June 30, 2021 and 2022. The objectives of our audit were to evaluate the:

1. Authority's significant internal controls over compliance and its compliance with policies and procedures internal to the authority or promulgated by other state agencies, as well as certain legal provisions, including as applicable, but not limited to whether the authority has complied with its regulations concerning affirmative action, personnel practices, the purchase of goods and services, the use of surplus funds, and the distribution of loans, grants and other financial assistance;
2. Authority's internal controls over certain financial and management functions; and
3. Effectiveness, economy, efficiency, and equity of certain management practices and operations, including certain financial transactions.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

[Link to full report](#)



Our audit identified a need for improvement in practices and procedures that warrant management's attention.

NOTEWORTHY FINDING



Finding

1

In October 2022, the MIRA board approved \$1,044,980 in lump sum severance and COBRA health insurance payments to four executives. In our review of four executives' employment agreements, we found a condition providing severance pay at the employee's annual salary rate for one-year from the date of termination. In addition, the agreements included a year's COBRA reimbursement for the employee and their eligible dependents. This clearly exceeded the 16-week maximum in the employee handbook. MIRA cited its statutory authority and employee handbook language handbook which permits it to deviate from the policy. However, the authority did not provide written justification for this deviation.



Recommendation

MIRA should consider established policies when formulating employment agreements. The authority should document significant deviations from these policies and the reasons for these differences.

<p>2 prior audit RECOMMENDATIONS have been resolved</p>	<p>MIRA should prepare and submit its annual plan of operations to the Department of Energy and Environmental Protection for consistency with the statewide solid waste management plan as required by Section 22a-264 of the General Statutes.</p>	
	<p>MIRA should strengthen procurement procedures to ensure that it complies with its policies and procedures and sections 22a-268 and 22a-268a of the General Statutes.</p>	