

**ASHFORD BOARD OF FINANCE
2014-2015 AUDIT PLANNING MEETING
JUNE 4, 2015, 3:30 P.M,
ASHFORD TOWN HALL**

MEMORANDUM OF RECORD

Present:

BOF: Cathryn Silver-Smith (Chairperson), Francine Hodovan, Recording Secretary

BOS: Michael Zambo (1st Selectman)

BOE: Kim Rourke (Vice-Chair)

Town Finance Department: Cheryl Baker (Treasurer), Maureen Barber (Accountant/CPA).

Ashford School Finance Department: Darcy Morgan, Lalaine San Diego

Mahoney Sabol & Company, LTD: Michael VanDeventer (Partner), Peter Bihuniak (Auditor)

Public: Don Neel (Candidate for Ashford School Business Manager position)

Ms. Silver-Smith started the meeting at 3:40 p.m., stating that its purpose is to come to an agreement on the Town's internal schedule for the providing information needed for the FYE 2015 audit, and distributed a chart depicting key deliverables and dates to all present. Vacation schedules were also provided for the purpose of working out a schedule that can be met.

Ms. Silver-Smith stated that the schedule needs to be aligned so that the auditors can begin their preliminary testing in June or July and fit the field testing into their schedule during the week of September 14, 2015. Ms. Roarke requested a copy of the audit Engagement Letter, which Ms. Silver-Smith will forward to her. Mr. VanDeventer noted that a copy was sent to Ashford School last month.

Ms. Silver-Smith also stated that individual deadlines agreed to for last year's audit were not met due to a number of factors. The delays created rework, time constraints, loss of vacation time and stress for those dependent on information from other departments in order to finish their work on time. She also pointed to communication issues that occurred, such as Ms. San Diego and Ms. Morgan being left off copy for the school reports sent to the auditor by the school's business manager. For the 2015 audit, all reports for the auditor must be emailed to Ms. Barber, who will review and forward them to the auditor and all audit participants involved in that particular step of the audit. Ms. Silver-Smith stated that she wants to be put on copy for requests for information between departments so that she is kept up-to-date and can assist in getting issues resolved quickly

The list of audit deliverables by phase and proposed due dates for each were reviewed.

Phase 1: Initial Reconciliation

- It is extremely important that Ms. Barber, Ms. Morgan and Ms. San Diego are working with the same reconciled figures from last year's audited Balance Sheet. Ms. Barber will provide a copy to Ms. Morgan and Ms. San Diego
- Ms. Morgan said that she can provide the AP to Ms. Baker as early as July 1st using the same excel format she used last year, including encumbered funds, purchase orders, and payroll accruals
- Ms. Baker offered to help the school finance department get set up to receive bank statements on-line, which will greatly speed up the reconciliation process. Ms. San Diego expects to have all paperwork to Ms. Baker before August 7th

Phase 2: CPA Review – Budgetary Basis

- Ms. San Diego stated that all documents required by August 13, 2015 will be provided by her and Ms. Morgan to Ms. Barber without exception
- Ms. Barber clarified that the General Ledger information is what she needs and not the ED001 or ED141 information. She also stated that she, in turn, will provide any adjustments to Ms. Morgan and Ms. San Diego by September 2, 2015
- It was also understood that the General Fund and Combined Funds (i.e., 150, 211, 212, etc.), as well as the BOE Grants accounts may have adjustments after 8/13. Final adjustment are due no later than 9/2

Phase 3: Government Wide Information

- Ms. Barber will send the list of the BOE Capital Assets (inventory, location, depreciation schedules, etc.) to Ms. San Diego
- Ms. Morgan said that she will have no problem getting the information updated based on last year's information
- Ms. San Diego agreed that all dates are reasonable and if it is possible to get any information to Ms. Barber before the deadline dates, she will be happy to do so
- Ms. Barber reminded Ms. San Diego that she will need the actuarial valuations for post-employee benefits, and she will write up the Capital Projects note of disclosure
- Ms. Barber will be working on the financial statements during the period of September 2 to September 14 in order to complete the finalized draft by no later than September 14th
- Ms. Morgan will send Ms. Barber the list of BOE encumbrances after June 30, 2015

Phase 4: Statements

- Ms. Barber will send all financial statements and any adjustments with explanations back to Ms. San Diego and Ms. Morgan to review
- She will also send the opening balances to Ms. Rourke so the BOE matches the Town's figures

Ms. Silver-Smith asked if there were any dates that need to be considered for BOE reviews/approvals of school information. Ms. Rourke stated that on June 17th there is a special meeting of the BOE and there will be another meeting during the summer in July. BOE Meeting dates are posted on the Ashford School website and there is a link on the Town's website to the BOE site.

Mr. Van Deventer stated that he expects that there will be some bumps in the road but it is the hope of Mahoney and Sabol that with this new schedule these will be minimal and that everything will go as smoothly as possible. Ms. Morgan reiterated her understanding that the schedule must be adhered to and Mr. Van Deventer said that the list of items required for the audit will be sent to Ashford School ahead of time to give Ms. Morgan and Ms. San Diego ample time to prepare all the documents and gather all the information.

Ms. Silver-Smith reminded everyone that, last year some of the required items were presented in a format that either required updates or additional time to retrieve information from. It was pointed out that accrued payroll needs to be separated from actual payroll and 1099 income needs to be separated from regular payroll.

It was asked if there should be another meeting of this group in the next 4 to 6 weeks and Ms. San Diego responded that she feels that it is not necessary since work flow will now be tracked with copies of all communications being sent to all parties involved.

Ms. Silver-Smith will update the Information Management flow chart with the new dates and have it posted on the Town website. She also stated that the online schedule will be updated to reflect status at the anticipated end of each phase.

Selectman Zambo said that he felt that this was a good meeting and he wishes everyone a nice summer.

Ms. Silver-Smith closed the meeting at 4:45 p.m.

Respectfully submitted,

Cathryn Silver-Smith (Chair) for BOF Recording Secretary

attachment:

FYE 2015 Audit - Financial Information Management Status (6/4/2015)

TOWN OF ASHFORD

FYE 2015 Audit - Financial Information Management Status (as of 6/4/2015)

PHASE	DELIVERABLE	DESCRIPTION/COMMENTS	FROM	TO	DUE DATE	FINISH DATE
1 - Initial Reconciliation						
These items must be reconciled between and within the 2 offices prior to any information being forwarded to the auditors or M. Barber.	Fund Balance	The opening fund balance of every fund needs to agree to last years financial statement	C. Baker, L. SanDiego/ D. Morgan	L. SanDiego/ D. Morgan, C. Baker	prior to 6/30/15	
	Due to/From funds Reconciled	Cafeteria to GF	D. Morgan	C. Baker	8/7/15	
	Due to/From funds Reconciled	Cafeteria to Student Activity	D. Morgan	C. Baker	8/7/15	
	Due to/From funds Reconciled	Student Activity to GF	D. Morgan	D. Morgan	8/7/15	
	Due to/From funds Reconciled	Student Activity to Scholarship	L. SanDiego	C. Baker	8/7/15	
	Due to/From funds Reconciled	Grants to GF	L. SanDiego	C. Baker	8/7/15	
	Due to/From funds Reconciled	Town Funds to GF	C. Baker	C. Baker	8/7/15	
	BOE/GF Expenses	BOE/Town reconciliation of total BOE expenditures	L. SanDiego	C. Baker	8/7/15	
	BOE/GF Balance Sheet	Balance Sheet Detail Reports from BMSI and access to supporting documentation	D. Morgan	C. Baker	8/7/15	
	BOE Receivables	Review July receipts for accounts receivable, especially between cafeteria and GF	D. Morgan/ L. SanDiego	C. Baker	8/7/15	
	BOE AP/Encumbrance Review	Review delivery dates to determine if an encumbrance or AP	D. Morgan	C. Baker	8/7/15	
	BOE Accrued Payroll/AP review	Review accrued payroll amounts and reclass 1099 payments to AP	L. SanDiego	C. Baker	8/7/15	
	Cafeteria Fund Balance Sheet	AR, AP and deferred and prepaid revenue should be adjusted	K. Samperi	L. SanDiego	8/7/15	

TOWN OF ASHFORD

FYE 2015 Audit - Financial Information Management Status (as of 6/4/2015)

PHASE	DELIVERABLE	DESCRIPTION/COMMENTS	FROM	TO	DUE DATE	FINISH DATE
2 - CPA Review - Budgetary Basis						
<p>Electronic copies of these reports are required. (Support for detail does not need to be electronic, just accessible.)</p> <p>Once the documentation has been reviewed, reports will flow directly from M. Barber to the auditors with concerned parties on copy.</p>	General Fund	General Fund (110) and Combined funds (150,211,212,217,226) Balance Sheet and Revenue and Expenditure Detail - <i>draft</i> <i>Note: Final adjustments due 9/2</i>	C. Baker	M. Barber	8/13/15	
	Tax Collector	Tax Collectors Report	L. Gagne	M. Barber	8/13/15	
	Library	Balance Sheet and Revenue and Expenditure Detail and access to support	G. Nagy	M. Barber	8/13/15	
	BOE -Grants	Balance Sheet & Income & Expense Detail Reports from BMSI and access to supporting documentation - <i>draft</i> <i>Note: Final adjustments due 9/2</i>	L. SanDiego	M. Barber	8/13/15	
	Small Cities	Balance Sheet and Revenue and Expenditure Detail and access to support	C. Baker	M. Barber	8/13/15	
	Capital Projects	Balance Sheet and Revenue and Expenditure Detail and access to support	C. Baker B.	M. Barber	8/13/15	
	Pension	Pension Balance Sheet and Rev/Exp from BMSI	C. Baker	M. Barber	8/13/15	
	Pension	Access to Investment Statements	C. Baker	M. Barber	8/13/15	
	Scholarships	General ledger detail, Balance Sheet and Income Statement from Quickbooks	D. Morgan	M. Barber	8/13/15	
	Scholarships	Combining Excel sheet	D. Morgan	M. Barber	8/13/15	
	Scholarships	Access to Investment Statements	D. Morgan	M. Barber	8/13/15	
	Cafeteria	General ledger detail, Balance Sheet and Income Statement from Quickbooks	K. Samperi	M. Barber	8/13/15	
	Cafeteria	AR support	K. Samperi	M. Barber	8/13/15	
	Cafeteria	AP support	K. Samperi	M. Barber	8/13/15	
Cafeteria (updated list of assets)	Deferred revenue (prepayments) (report out of POS system)	K. Samperi	M. Barber	8/13/15		

TOWN OF ASHFORD

FYE 2015 Audit - Financial Information Management Status (as of 6/4/2015)

PHASE	DELIVERABLE	DESCRIPTION/COMMENTS	FROM	TO	DUE DATE	FINISH DATE
	Special Revenue Funds (Animal, Historical Records, Recreation, Youth Svcs, TC Special)	Balance Sheet and Revenue and Expenditure Detail reports from BMSI	C. Baker	M. Barber	8/13/15	
	Band and Library Fund	Balance Sheet and Rev/Exp detail from BMSI	C. Baker	M. Barber	8/13/15	
	Cemetery Fund	Balance Sheet and Rev/Exp from BMSI	C. Baker	M. Barber	8/13/15	
	Student Activity	General ledger detail, Balance Sheet and Income Statement from Quickbooks - BS/IS can be aggregate	D. Morgan	M. Barber	8/13/15	
	Town Agency Funds	Balance Sheet and Rev/Expenses from BMSI and detail	C. Baker	M. Barber	8/13/15	
Phase 3 - Government Wide Information						
	BOE Capital Assets	Ensure list from last year is updated with IT assets	D. Morgan	M. Barber	9/2/15	
	Town Capital Assets	Updated list from system	M. Zambo	M. Barber	9/2/15	
	BOE Compensated Absences	Updated schedule	L. SanDiego	M. Barber	9/2/15	
	Town Compensated Absences	Updated schedule	C. Baker	M. Barber	9/2/15	
	Tax Collector	60 days collection	L. Gagne	M. Barber	9/2/15	
	BOE -Grants	ED141's for All Education Grants	L. SanDiego	M. Barber	9/2/15	
	BOE - Grants	ED001 (<i>certified 9/1</i>)	L. SanDiego	M. Barber	9/2/15	
	Capital Projects	Note disclosure	M. Zambo/ C. Baker	M. Barber	9/2/15	
Phase 4 - Statements						
	School Funds to be reported on Financial Statements	For review by School	M. Barber	L. SanDiego, D. Morgan	9/12/15	
	Financial Statements	Including supporting reports	M. Barber	Auditor, BOF Chair	9/14/15	