

TOWN OF MANSFIELD  
FINANCE COMMITTEE MEETING

Monday, February 10, 2014

Audrey P. Beck Building  
Conference Room B  
**6:00pm**

A G E N D A

1. Call to order
2. Approval of minutes for January 13, 2014 Meeting
3. Opportunity for Public Comment
4. Building Permit Fee for Educational Playcare LLC
5. Quarterly Financial Report dated December 31, 2013
6. Proposed Capital Improvement Program Closeouts/Adjustments
7. FY 2012/13 Response to Management Comments
8. Purchasing Activity with local (Mansfield) Merchants/Contractors
9. PA 13-60 Consolidation of Non-educational Services
10. Communications/Other Business/Future Agenda Items
11. Adjournment

TOWN OF MANSFIELD  
FINANCE COMMITTEE MEETING  
MINUTES OF JANUARY 13, 2014

Members Present: Bill Ryan (Chair), Paul Shapiro, Virginia Raymond

Other Council Members Present: Betsy Paterson (ex-officio), Alex Marcellino, Betty Wassmundt

Staff Present: Matt Hart, Cherie Trahan

Guests: Vanessa Rossitto, Blum, Shapiro & Co, P.C.

1. Meeting called to order at 6:30pm.
2. Minutes from 12/09/13 meeting approved.
3. Opportunity for Public Comment – None
4. Comprehensive Annual Financial Report (CAFR) and Annual Audit for FY 2012/13 -  
Vanessa Rossitto from Blum, Shapiro & Co presented the CAFR, State Single Audit, Federal Single Audit, Audit Communication letter and the Management Recommendations letter. She explained that the Town received an "Unmodified Opinion" which is the highest opinion you can receive (formerly called "unqualified opinion). Ms. Rossitto reviewed various statements and answered questions from the Committee. Ms. Rossitto and Cherie Trahan reviewed the management recommendations regarding the Revenue Collection and Assessors departments. Cherie will provide a written response with any subsequent actions to be taken for the next meeting.
5. Uniform Chart of Accounts – PA 11-57 and 13-247 – Cherie Trahan reviewed these two new public acts requiring the Office of Policy and Management (OPM) to develop and implement a uniform system of accounting for municipal revenues, and for municipal and education expenditures. This system will include financial and nonfinancial data from various sources. There will be a three-year phased in approach. Municipalities will be required to provide an electronic file of its general ledger to OPM. OPM will map or "crosswalk" this file to the UCOA in their Mapping Tool. Fiscal Year ended June 30, 2015 is the first year we will need to report this way and the mapping will happen at a high-level, ie the Functional level (General Gov't, Public Safety, Public Works, etc).
6. PA 13-60 - Consolidation of Non-education Services – Continued discussion on town recommendations to the Board of Education for sharing non-educational services. In addition to the previously discussed suggestion to look into a shared contract for labor counsel, Matt Hart suggested that one area to be considered could be expanded human resource service sharing. The Committee will discuss further at upcoming meetings.
7. Other business/future agenda items – Alex Marcellino requested that we look at our various purchases and contracts and see how much of those purchases are with Mansfield businesses. Due to the anomaly of work at Storrs Center, it would be helpful to see several prior year's data. Cherie will look into this and come back to the Committee with an estimate of the effort this would require.
8. Adjournment. The meeting adjourned at 7:22 pm.

**Motions:**

Motion to approve the December 9, 2013 minutes by Virginia Raymond. Seconded by Paul Shapiro. Motion so passed.

Motion to recommend acceptance of the Comprehensive Annual Financial Report as presented, by Paul Shapiro. Seconded by Virginia Raymond. Motion so passed.

Motion to adjourn.

Respectfully Submitted,  
Cherie Trahan, Director of Finance



**Town of Mansfield  
Agenda Item Summary**

**To:** Town Council  
**From:** Matt Hart, Town Manager *MWH*  
**CC:** Maria Capriola, Assistant Town Manager; Cynthia van Zelm, Executive Director, Mansfield Downtown Partnership  
**Date:** January 27, 2014  
**Re:** Building Permit Fee for Educational Playcare LLC

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**Subject Matter/Background**

Attached please find a communication from Educational Playcare LLC requesting a reduction in the building permit fee for its project in Storrs Center.

As provided in Section of 107-6 of the Building Construction Ordinance (see attached), the Town Council has the ability to contractually establish a reduced fee for certain "large" projects to more accurately reflect the cost to the Town of inspecting the project. This section is part of a series of amendments to the ordinance that went into effect in January 2013. Via a Building Permit Fee Fixing Agreement, the Council has to date approved a lower fee for Leyland Storrs LLC and EDR Storrs LLC for phases 1C and Market Square of Storrs Center.

**Financial Impact**

The anticipated building permit fee for the Educational Playcare project totals \$38,420.76, based on an estimated construction value of \$1,726,000 and the current fee of \$22 per \$1,000 of construction value. Staff's estimate of the cost to inspect the building from receipt of the application through the issuance of a certificate of occupancy is \$31,068, or \$18 per \$1,000 of construction value.

**Recommendation**

Staff recommends that the Council refer this item to the Finance Committee for review.

If the Town Council agrees with this recommendation, the following motion is in order:

*Move, effective January 27, 2014, to refer the request from Educational Playcare LLC for a reduction in the building permit fee for its project in Storrs Center to the Finance Committee, to review and to develop a recommendation for Council's consideration.*

**Attachments**

- 1) Educational Playcare LLC re Building Permit Fee for Storrs Center Project
- 2) Excerpts from Chapter 107, Mansfield Code of Ordinances



Box 129  
West Simsbury, CT 06092

Tel: 860-989-9302  
Fax: 860-651-4447

January 15, 2014

RE: Building Permit Fee for Educational Playcare LLC

Project location is Storrs Center

We are requesting a reduction in the permit fee for this project. The estimated value of the building is \$1,726,000. Of this amount, \$150,000 we have already received a permit at the full rate.

We are making this request because the original project budget has increased substantially. Numerous delays on many fronts have forced us to begin our project in the dead of winter thus increasing the site work and concrete work costs dramatically. The structural engineering and site engineering fees are substantially greater than what we have experienced in past projects. The requirements, especially the site development, are more complex than we anticipated. While we initially recognized the specific nature of the site might cause small issues, over time these issues have been substantial. Until final engineering was complete it wasn't possible for us to have known this. And lastly, as a result of delays by all parties (we had hoped to begin construction last March), over the past year building materials and labor costs have increased substantially.

We are struggling at this point to come close to our original budget for the project and meet the limits of the financing that has been approved by our lenders. Every little bit helps and we hope we might receive some assistance by way of reduced permit fees. We are still planning to construct a state-of-the art childcare facility which will make the citizens and workers in Mansfield proud.

Thank you for your consideration in this matter.

Respectfully submitted,

Jane Porterfield and Gerry Pastor

## Chapter 107. BUILDING CONSTRUCTION

### § 107-1. Legislative authority.

Pursuant to Chapters 541, 98 and 99 of the Connecticut General Statutes, as amended, the following penalties and schedule of fees are hereby established in accordance with the provisions of the State Building Code, Connecticut Fire Prevention Code and Connecticut Fire Safety Code, as amended.

### § 107-2. Schedule of fees.

- A. The fee for a building permit required under the provisions of the State Building Code, as amended, shall be at the rate of \$15.25 for each \$1,000 or fraction thereof of construction value, except as provided in Subsections B, C and D, below.
- B. The fee for a building permit required under the provisions of the State Building Code, and requiring plan review and/or inspection by the Fire Marshal pursuant to the Connecticut Fire Safety Code and/or Connecticut Fire Prevention Code, as amended, shall be at the rate of \$22 for each \$1,000 or fraction thereof of construction value.
- C. The fee for a permit for the demolition of a building or structure shall be at the rate of \$12.50 for each \$1,000 or fraction thereof of the cost of such demolition. A copy of the work contract shall be submitted for the purpose of determining permit fees, except that permit fees for demolition not requiring a licensed demolition contractor shall be based on the actual cost of the demolition activity.
- D. The fee for a building permit required under the provisions of the State Building Code, as amended, for one- and two-family residences, townhouses and associated accessory buildings to those structures shall be at a rate of \$13.25 for each \$1,000 or fraction thereof of construction value.
- E. A fee of \$25 for all permits required pursuant to Subsections A, C and D of this section shall be applied when the cost of the work is valued at less than or equal to \$1,000 of construction value. A fee of \$50 for all permits required pursuant to Subsection B of this section shall be applied when the cost of work is valued at less than or equal to \$1,000 of construction value.
- F. The fee for the inspection of any existing fuel-burning appliance is \$35 per unit, and must be submitted prior to the inspection. Applicants requesting an inspection shall apply to the Building Department.
- G. Except as provided under Subsection H of this section, all permit fees are due when an application is submitted to the Building Department.
- H. A nonrefundable plan review/administrative fee of \$350 per dwelling unit must be submitted with the application for all new permits submitted pursuant to Subsection B.

The fee shall be \$250 for all permits submitted pursuant to Subsection D. The plan review/administrative fee will be subtracted from the total fee as calculated pursuant to the fee schedule set out in this section. The balance of the permit fee will be due upon the approval of the building permit.

- I. Construction value, used for the determination of all fees within this schedule, shall be determined by the Building Official pursuant to the State Building Code, as amended.

### § 107-3. Refunds.

- A. When a permit has been issued in accordance with the State Building Code and the owner/applicant abandons or discontinues the building project, or, if the permit is revoked by the Building Official, the owner/applicant can make a written request for a refund. That portion of the work actually completed shall be computed and any excess fee shall be returned, less a nonrefundable plan review/administrative fee equivalent to a minimum of \$50 or 15% of the cost of the permit, whichever is greater.
- B. When a permit application submitted under this section has been denied in accordance with the State Building Code, the owner/applicant can make a written request for a refund. Any excess fee shall be returned, less the nonrefundable plan review/administrative fee prescribed in § 107-2H. In all other cases, the refund shall be \$50 or 15% of the cost of the permit, whichever is greater.
- C. The Building Official will calculate the refund due to the owner/applicant and forward it to the Finance Department for processing.

### § 107-4. Penalties for offenses.

- A. Any person who violates any provision of the State Building Code shall be fined not less than \$200 nor more than \$1,000 or imprisoned not more than six months, or both, as provided in C.G.S. § 29-254a.
- B. Any person who shall continue any work in or about the structure after having been served with a stop-work order, except such work as that person is directed to perform to remove a violation or unsafe conditions, shall be liable to a fine of not less than \$200 nor more than \$1,000 or imprisoned not more than six months, or both, as provided in C.G.S. § 29-254a.
- C. Starting work prior to obtaining a building permit.
  - (1) A penalty of \$250 will be added to a permit fee for starting work without a permit.
  - (2) A penalty will not be assessed to emergency repair work.

### § 107-5. Agencies exempt from fees; education fee.

Agencies of the Town of Mansfield and the Mansfield Board of Education are required to comply with the provisions of the State Building Code, as amended, but shall not be required to pay any permit fees required under said State Building Code, any amendment thereto or under any Town ordinance relating thereto, except that the Building Official shall assess an education fee on each building permit application, including any application filed by an agency of the Town of Mansfield or the Mansfield Board of Education, as required by C.G.S. § 29-263 (b), as amended, and the regulations promulgated thereunder.

### § 107-6. Exception.

Except for the mandatory education fee noted in the preceding § 107-5, nothing in this chapter shall limit the authority of the Town Council as set forth in Town of Mansfield Charter § C303 to contractually establish any alternative schedule of fees for any large multifamily, commercial or mixed use construction project to reflect more accurately the cost to the Town of providing the services related to such fees.



**TOWN OF MANSFIELD**  
**OFFICE OF THE DIRECTOR OF FINANCE**

CHERIE TRAHAN, Director of Finance

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 FOUR SOUTH EAGLEVILLE ROAD  
 MANSFIELD, CT 06268-2599  
 (860) 429-3344  
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 E-Mail: trahanca@mansfieldct.org

TO: Matthew W. Hart, Town Manager  
 FROM: Cherie Trahan, Director of Finance  
 DATE: February 3, 2014  
 RE: Capital Projects Fund

Attached is an analysis of current and proposed Revenue and Expenditure Budgets for specific Capital Projects as of January 31, 2014. If adopted as presented, it will accomplish the following.

1. Officially close out completed projects:
  - 81103 Landscape Public Buildings
  - 81821 Fiber Connection to Fire Stations
  - 81822 Town Clerk Imaging/Management System
  - 82205 Boiler/Heat/Plumbing – Fire Stations
  - 82822 Forestry 307 Chassis Changeover
  - 82828 Replacement 78MF
  - 82831 Replacement 20MF
  - 83527 Hunting Lodge Road Walkway
  - 85104 Lions Club Park
  - 85808 Community Center Locker Room Ventilation
  - 86106 New Wells – Schools
  - 86284 MMS Heating Alterations
  - 86285 MMS Asbestos Removal
  - 86286 MMS Carpet Replacement
  
2. Increase/(Decrease) funding for the following projects:
  - 81103 Landscape Public Buildings (\$2)
  - 81821 Fiber Connection to Fire Stations (\$400)
  - 81822 Town Clerk Imaging/Management System (\$137)
  - 82205 Boiler/Heat/Plumbing – Fire Stations (\$10,151)
  - 82828 Replacement 78MF (\$26)
  - 83308 Town Walkways/Transp Enhancement \$39,366
  - 83527 Hunting Lodge Road Walkway (\$9,281)
  - 85808 Community Center Locker Room Ventilation \$7,917
  - 86106 New Wells – Schools \$72,656
  - 86284 MMS Heating Alterations (\$142,132)
  - 86285 MMS Asbestos Removal (\$20,441)
  - 86286 MMS Carpet Replacement (\$1,603)
  
3. Appropriate funding for the School Security Grant with State Support:
  - 86298 School Security Grant \$133,828

Appropriate funding for the North Eagleville Walkway with support from UCONN:  
 83531 North Eagleville Walkway \$245,540

PROPOSED CAPITAL FUND BUDGET CHANGES  
January 31, 2014

| JOB #   | DESCRIPTION                                    | FUNDING SOURCE     | REVENUE BUDGET |                 |                |                          | OVER/ (UNDER) | EXPENDITURE BUDGET |                 |                |                | BALANCE TO SPEND (OVERSPENT) |
|---------|--|--------------------|----------------|-----------------|----------------|--------------------------|---------------|--------------------|-----------------|----------------|----------------|------------------------------|
|         |  |                    | CURRENT BUDGET | PROPOSED CHANGE | AMENDED BUDGET | ACTUAL REVENUES PROPOSED |               | CURRENT BUDGET     | PROPOSED CHANGE | AMENDED BUDGET | ACTUAL EXPEND. |                              |
| * 81103 | Landscape Public Buildings                     | CNR                | 10,000         | (2)             | 9,998          | 10,000                   | 2             | 10,000             | (2)             | 9,998          | 9,998          | -                            |
| * 81821 | Fiber Connection to Fire Stations              | CNR                | 50,000         | (400)           | 49,600         | 50,000                   | 400           | 50,000             | (400)           | 49,600         | 49,600         | -                            |
| * 81822 | Town Clerk Imaging/Mgmt System                 | CNR                | 20,000         | (137)           | 19,863         | 20,000                   | 137           | 20,000             | (137)           | 19,863         | 19,863         | -                            |
| * 82205 | Boiler/Heat/Plumbing - Fire Mgmt Services Fund | CNR                | 20,000         | (10,151)        | 9,849          | 20,000                   | 10,151        | 30,000             | -               | 30,000         | 30,000         | -                            |
|         |  |                    | 50,000         | (10,151)        | 39,849         | 50,000                   | 10,151        | 50,000             | (10,151)        | 39,849         | 39,849         | -                            |
| * 82822 | Forestry 307 Chassis Changeover                | CNR                | 30,000         | -               | 30,000         | 30,000                   | -             | 30,000             | -               | 30,000         | 30,000         | -                            |
| * 82828 | Replacement 78MF                               | CNR                | 33,000         | (26)            | 32,974         | 33,000                   | 26            | 33,000             | (26)            | 32,974         | 32,974         | -                            |
| * 82831 | Replacement 20MF                               | CNR                | 34,000         | -               | 34,000         | 34,000                   | -             | 34,000             | -               | 34,000         | 34,000         | -                            |
| 83308   | Town Walkways/Transp Enhanceme                 | State Support      | -              | 16,632          | 16,632         | 16,632                   | -             | -                  | -               | -              | -              | -                            |
|         | Bonds  |                    | 60,000         | -               | 60,000         | 60,000                   | -             | -                  | -               | -              | -              | -                            |
|         | Other  |                    | 13,453         | -               | 13,453         | 13,453                   | -             | -                  | -               | -              | -              | -                            |
|         | CNR  |                    | 716,000        | 9,281           | 725,281        | 716,000                  | (9,281)       | 776,000            | 39,366          | 815,366        | 808,072        | 7,284                        |
|         |  |                    | 776,000        | 39,366          | 815,366        | 806,085                  | (9,281)       | 776,000            | 39,366          | 815,366        | 808,072        | 7,284                        |
| * 83527 | Hunting Lodget Rd Walkway 0809                 | CNR                | 100,000        | (9,281)         | 90,719         | 100,000                  | 9,281         | 100,000            | (9,281)         | 90,719         | 90,719         | -                            |
| 83531   | North Eagleville Walkway                       | UCONN              | -              | 245,540         | 245,540        | -                        | (245,540)     | -                  | -               | 245,540        | -              | 245,540                      |
| * 85104 | Lions Club Park                                | Contributions      | 64,000         | -               | 64,000         | 64,000                   | -             | 64,000             | -               | 64,000         | 64,000         | -                            |
|         |  | CNR                | 502,000        | -               | 502,000        | 502,000                  | -             | 502,000            | -               | 502,000        | 502,000        | -                            |
|         |  |                    | 566,000        | -               | 566,000        | 566,000                  | -             | 566,000            | -               | 566,000        | 566,000        | -                            |
| * 85808 | Comm Center Locker Room Ventilati              | Bonds              | 20,000         | -               | 20,000         | 20,000                   | -             | 20,000             | -               | 20,000         | 20,000         | -                            |
|         |  | CNR                | -              | 7,917           | 7,917          | -                        | (7,917)       | -                  | 7,917           | 7,917          | 27,917         | -                            |
|         |  |                    | 20,000         | 7,917           | 27,917         | 20,000                   | (7,917)       | 20,000             | 7,917           | 27,917         | 27,917         | -                            |
| * 86106 | New Wells - Schools                            | State Support      | 864,270        | (13,449)        | 850,821        | 850,821                  | -             | 864,270            | (13,449)        | 850,821        | 850,821        | -                            |
|         |  | CNR                | 235,730        | 86,105          | 321,835        | 235,730                  | (86,105)      | 1,100,000          | 72,656          | 1,172,656      | 1,172,656      | -                            |
|         |  |                    | 1,100,000      | 72,656          | 1,172,656      | 1,086,551                | (86,105)      | 1,100,000          | 72,656          | 1,172,656      | 1,172,656      | -                            |
| * 86284 | MMS Healing Alterations                        | State Support      | 3,049,000      | (111,508)       | 2,937,492      | 2,937,492                | -             | 3,049,000          | (111,508)       | 2,937,492      | 2,937,492      | -                            |
|         |  | Bonds              | 1,025,000      | -               | 1,025,000      | 1,025,000                | -             | 1,025,000          | -               | 1,025,000      | 1,025,000      | -                            |
|         |  | Other              | 39,651         | -               | 39,651         | 39,651                   | -             | 39,651             | -               | 39,651         | 39,651         | -                            |
|         |  | GF/Board           | 100,000        | -               | 100,000        | 100,000                  | -             | 100,000            | -               | 100,000        | 100,000        | -                            |
|         |  | CNR                | 476,000        | (70,274)        | 405,726        | 476,000                  | 70,274        | 4,650,000          | (142,132)       | 4,507,868      | 4,507,868      | -                            |
|         |  |                    | 4,650,000      | (142,132)       | 4,507,868      | 4,578,143                | 70,274        | 4,650,000          | (142,132)       | 4,507,868      | 4,507,868      | -                            |
| * 86285 | MMS Asbestos Removal                           | State Support      | 65,000         | (20,441)        | 44,559         | 46,986                   | 2,427         | 65,000             | (20,441)        | 44,559         | 44,559         | -                            |
| * 86286 | MMS Carpet Replacement                         | State Support      | -              | 1,809           | 1,809          | 1,809                    | -             | -                  | 1,809           | 1,809          | 1,809          | -                            |
|         |  | CNR                | 25,000         | (3,412)         | 21,588         | 25,000                   | 3,412         | 25,000             | (1,803)         | 23,397         | 23,397         | -                            |
|         |  |                    | 25,000         | (1,603)         | 23,397         | 26,809                   | 3,412         | 25,000             | (1,603)         | 23,397         | 23,397         | -                            |
| 86298   | School Security Grant                          | State Support      | -              | 133,828         | 133,828        | -                        | (133,828)     | -                  | 133,828         | 133,828        | 133,828        | -                            |
|         |  |                    | -              | 133,828         | 133,828        | -                        | (133,828)     | -                  | 133,828         | 133,828        | 133,828        | -                            |
|         |  |                    | -              | 133,828         | 133,828        | -                        | (133,828)     | -                  | 133,828         | 133,828        | 133,828        | -                            |
|         |  |                    | -              | 133,828         | 133,828        | -                        | (133,828)     | -                  | 133,828         | 133,828        | 133,828        | -                            |
|         | Change in Funding:                             | Bonds              | -              | -               | -              | -                        | -             | -                  | -               | -              | -              | -                            |
|         |  | CNR                | 9,619          | -               | 9,619          | 9,619                    | -             | 9,619              | -               | 9,619          | 9,619          | -                            |
|         |  | Contributions      | -              | -               | -              | -                        | -             | -                  | -               | -              | -              | -                            |
|         |  | GF/Board           | -              | -               | -              | -                        | -             | -                  | -               | -              | -              | -                            |
|         |  | Mgmt Services Fund | -              | -               | -              | -                        | -             | -                  | -               | -              | -              | -                            |
|         |  | Other              | 53,104         | -               | 53,104         | 53,104                   | -             | 53,104             | -               | 53,104         | 53,104         | -                            |
|         |  | State Support      | 6,871          | -               | 6,871          | 6,871                    | -             | 6,871              | -               | 6,871          | 6,871          | -                            |
|         |  | UCONN              | 245,540        | -               | 245,540        | 245,540                  | -             | 245,540            | -               | 245,540        | 245,540        | -                            |
|         |  |                    | \$ 315,134     | -               | \$ 315,134     | \$ 315,134               | -             | \$ 315,134         | -               | \$ 315,134     | \$ 315,134     | -                            |



# Town of Mansfield Department of Finance

**To:** Finance Committee  
**From:** Cherie Trahan, Director *CT*  
**Date:** February 10, 2014  
**Re:** Response to Auditor's Recommendations to Management, Dated 12/18/13

The following is a recap of the recommendations provided to management after the FY2012/13 financial audit, along with my responses and action plan. The communication from Blum, Shapiro was distributed at your January, 2014 meeting, but is also attached here for your reference.

**Segregation of Duties Recommendation:**

*We recommend that control processes and procedures be reviewed within the Revenue Collection Division of the Department of Finance and the Assessor's office to ensure that controls are being performed by individuals independent of the process under review, that documentation of this review is retained, and that when employees leave employment with the Division their access to restricted files is removed.*

**Response & Action Plan:**

It is good practice to periodically review all internal controls. We will complete a full review of our procedures, looking specifically at the adequacy of the controls in place and our compliance with these procedures. The auditor's noted a couple of specific segregation of duties issues that our report will specifically address. I will provide a written summary of our findings and revised procedures, where necessary, no later than your April, 2014 meeting.

I expect further discussions with our auditors will be helpful. As this division is staffed by two full time employees and one part time employee, given the volume of collections, it is necessary for all employees to have access to cash collections. A number of balancing processes are in place however we will review the entire process and discuss improvements with the auditors.

All employees do have unique usernames and passwords for the collections system at their desks. However, the processing of payments at the counter is done under two logins – Counter 1 and Counter 2, also giving all employees access to the cash drawer. There are some logistical issues to work out to assign a specific counter computer and drawer to a specific employee, but we will investigate some options.

It is an IT department responsibility to inactivity all terminated employees' access to computer systems. I believe this was done timely however, I will investigate further. Anyone who has left the employ of this Town department should not have access to physical files post-employment either.

I will review and discuss the process of generating Certificates of Correction with the Assessor, specifically as it relates to the approval and posting process. A written summary of my findings and revised procedures where necessary, will be provided to you no later than your April, 2014 meeting.

**Other Recommendations:**

*During our audit, we gathered additional recommendations that represent best practices for the industry. Some of the key recommendations are noted below:*

- *We recommend that the allowance for doubtful accounts be reviewed across all funds of the Town of Mansfield, Connecticut, and that any necessary adjustments are processed with the accounting system.*
- *We recommend that the Town of Mansfield, Connecticut develop a written bid policy and develop procedures to document review of this bid policy to ensure compliance herein.*

**Response and Action Plan:**

We agree that the above recommendations are best practice. The allowance for doubtful accounts is reviewed for adjustments each year, however, we currently do not have a process for documenting this review. We will develop a procedure for review and documentation to be included in our yearend closing.

We currently do not have a written bid policy, but we do have purchasing procedures that define when it is necessary to go out to bid and when a best value purchasing method can be used. This process is documented. I have done some preliminary research on a written bid policy and we will move forward on this initiative.

# BlumShapiro

Accounting | Tax | Business Consulting

To the Members of the Town Council  
Town of Mansfield, Connecticut

In planning and performing our audit of the financial statements of the Town of Mansfield, Connecticut, as of and for the year ended June 30, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered the Town of Mansfield, Connecticut's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Mansfield, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Mansfield, Connecticut's internal control.

We noted the following matters involving the internal control over financial reporting and its operation that we offer as constructive suggestions for your consideration as part of the ongoing process of modifying and improving accounting controls and administrative practices.

## Segregation of Duties

During our audit, we noted segregation of duties issues within the Revenue Collection Division of the Department of Finance (the Division) and the Assessor's office:

- The employees within the Division each have access to cash collections, the ability to post entries to the accounting system, and access to the secured safe where collected cash and checks are stored.
- Employees within the Division do not have unique usernames and passwords for the POS system.
- When employees of the Division leave the employ of the Town of Mansfield, Connecticut, their access to restricted files is not sufficiently limited to mitigate the risk of theft.
- The employees within the Assessor's office can process, generate and adjust Certificate's of Correction without subsequent review and approval before the adjustments become live in the assessing system.

**Recommendation** - We recommend that control processes and procedures be reviewed within the Revenue Collection Division of the Department of Finance and the Assessor's office to ensure that controls are being performed by individuals independent of the process under review, that documentation of this review is retained, and that when employees leave employment with the Division their access to restricted files is removed.

### Other Recommendations

During our audit, we gathered additional recommendations that represent best practices for the industry. Some of the key recommendations are noted below:

- We recommend that the allowance for doubtful accounts be reviewed across all funds of the Town of Mansfield, Connecticut, and that any necessary adjustments are processed within the accounting system.
- We recommend that the Town of Mansfield, Connecticut, develop a written bid policy and develop procedures to document review of this bid policy to ensure compliance therein.

This letter should be read in conjunction with our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated December 18, 2013.

This communication is intended solely for the information and use of management, Members of the Town Council, others within the organization, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties.

*Blum, Shapiro & Company, P.C.*

West Hartford, Connecticut  
December 18, 2013



**Town of Mansfield  
Agenda Item Summary**

**To:** Town Council  
**From:** Matthew Hart, Town Manager  
**CC:** Maria Capriola, Assistant Town Manager; Cherie Trahan, Director of Finance  
**Date:** February 10, 2014  
**Re:** Financial Statements Dated December 31, 2013

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**Subject Matter/Background**

Enclosed please find the second quarter financial statements for the period ending December 31, 2013. The Finance Committee will review this item at its February 10<sup>th</sup> meeting.

**Recommendation**

If the Finance Committee recommends acceptance of the financial statements, the following motion is in order:

*Move, effective February 10, 2014, to accept the Financial Statements dated December 31, 2013.*

**Attachments**

1) Financial Statements Dated December 31, 2013