

*Town of New Fairfield*  
**Board of Finance**  
**4 Brush Hill Road**  
**New Fairfield, CT 06812**

**MINUTES**  
**BOF AUDIT SUBCOMMITTEE**  
**Monday, December 6, 2010**  
**5:30 PM**  
**Town Hall Annex Conference Room**

***Members present:***  
Wes Marsh  
Robert Klick  
Al Mardis

***Other Town Officials Present:***  
Jay Waterman, Finance Director

**Call To Order** Chairman Wes Marsh called the meeting to order at 5:41pm.

**Discussion of additional audit work**

Finance Director Jay Waterman presented the board with a spreadsheet of surrounding towns with a similar population to New Fairfield and what they pay for their audit firms. Mr. Waterman spoke of previous auditors used by New Fairfield going back to fiscal year 2002/2003. It was noted that the current audit firm of McGladrey and Pullen will hold the price for audit services at \$52,100 for next year.

Members of the subcommittee spoke of specific types of audits and which types of audits they would like to see. Types of audits discussed were forensic audits, cash audits and internal controls. It was decided that the subcommittee would like to focus on internal controls of cash accounts. It was decided to invite the current auditors to a subcommittee meeting to find out what would be entailed in increasing the scope of the audit. There was a discussion of the top five cash accounts. Jay Waterman will send a list of the cash accounts to the board members and will check with the partners at McGladrey and Pullen to see their availability for attending a subcommittee meeting. It is hopeful that this subcommittee meeting can be held prior to the next regular BOF meeting of Wednesday, Dec. 15<sup>th</sup>.

**Review of 2009/2010 audit management letter**

Finance Director Jay Waterman spoke of the 2009/2010 Audit Management Letter as prepared by the firm of McGladrey and Pullen. Mr. Waterman noted that three items were noted in the letter.

1. Control deficiencies- Vendor tests- It was recommended that the town review and remove vendors that the town is no longer doing business with.
2. Student Activities Fund- Check requests for student activity funds should be looked at more carefully.
3. Fixed Assets Program- The Capital asset software was not used properly and it was recommended that the town use the fixed asset program instead of Excel.

There was a discussion among the subcommittee members regarding a possible audit of Board of Education accounts. It was noted that the Disaster Recovery Plan was in good shape.

Mr. Waterman will provide copies of the draft audit once it is received so that the subcommittee can recommend its approval to the full BOF. The 2009/2010 audit must be approved by December 31, 2010.

**Adjournment**

Al Mardis made a motion to adjourn the meeting at 7:01pm. Robert Klick seconded the motion.

**Vote: 3-0-0 (Motion approved)**