

10/18/17

Subject: Follow-Up on 3/15/17 Auditor Letter
From: J. Otto, Brooklyn Board of Finance
To: Rick Ives, Patti Buell
cc: BoF Members, Ms. Genna, Mrs. Erickson

O'Connell, Pace and Company on 3/15/17 provided a list of questions, suggestions and comments arising from their audit of Brooklyn's '15-'16 financial records. The Board of Finance reviewed this letter at its 3/23/17 meeting and set some target dates for the General Government and the Board of Education to respond to selected items in the Auditor's letter. Subsequent events, including the resignation of the Finance Director and the search for a permanent replacement for the Interim Superintendent of Schools, as well as the BoF's preoccupation with the lack of a state budget and possible impacts on Brooklyn's financial situation have resulted in a lack of follow-up by the BoF on these topics. Summarized below is an excerpt from the 3/23/17 BoF Meeting Minutes showing the originally anticipated follow-up dates. Please review these dates and reply by the 11/15/17 BoF meeting date with responses to the matters raised or with new suggested target dates for responses.

Thank you in advance for your cooperation.

1. Personnel files at the School showed some deficiencies (unsigned stipend agreements, absence of drug testing records, written warnings with no referral up the management line, relocation of employee written warnings from Principal's offices to Superintendent's office). Target Date 5/15/17
2. Sign-off of large Journal Entries by Management (Finance Director began signing off; unknown status of this request following Mrs. Holmes resignation)
3. Conflict of Interest forms should be filed by members of all Town Boards and management employees. Target Date 10/1/17
4. Add ethical behavior statements to policy manuals. In Progress – No target date
5. Disclosure of relatives doing business with the Town or the BoE. Check personnel and ethics policies to see if this is covered. Target Date 5/15/17
6. Filing Personnel Records at School (Personnel Reviews filed in Superintendents office, not Principal's offices; No records of Sexual Harassment Training). Target Date 9/1/17
7. Update of School Emergency Plan. Target Date 5/15/17
8. No record of physical inventory of assets at school. See 10 below
9. Obtain Town Pension records and reports by 11/1/17 to avoid delay in completing next audit. Target Date for assurance of compliance 5/1/17 and for receipt of records 11/1/17.
10. Review fixed asset inventory vendor's new software for correctness and for accurate starting balance. No Target Date assigned
11. Review following fund balances for no change in balances from 2015 to 2016. Target Date 5/15/17
 - WPCA - Interest and Liens - \$24,447
 - Special Assessments - \$660
 - Deferred Revenue - \$54,138
 - Capital Non-Recurring Fund – Intergovernmental Receivable \$274,289
 - TAR Fund – Due to Other Funds - \$146,477
 - Special Education Grants Fund – Intergovernmental Receivables - \$1,000
 - Due to Other Funds - \$13,793
 - Unearned Revenue - \$24,649
12. Selectmen should determine whether to redefine capitalized cost limits or to establish a "Small Tool/Expendable Asset" List to keep track of assets not currently capitalized. Target Date 5/15/17
13. Selectmen to perform a risk assessment and, if warranted, establish procedures to minimize losses or defalcations. Consider including in policy a Supervisor's sign-off on the authorized disposal of assets. Target Date: 5/15/17
14. Consider adding credit checks and drug testing to pre-employment screening. In some cases negotiations with bargaining units will be required. Target Date 5/15/17
15. Update Employee Manual last updated in 2008. Target Date 5/15/17

16. Consider centralizing personnel records, particularly OSHA and Safety Training records. Target Date 5/15/17
17. Amend employee handbooks and bargaining unit agreements, at their next negotiation, to include language that deals with personal computer usage by town employees. Target Dates 5/15/17 and dates of next bargaining unit labor contract renewals
18. Employees who work in areas where CCTV is active should have filed a signed form acknowledging that they work in area that is under surveillance. Target Date 10/15/17
19. Consider providing a (used) fireproof safe or file cabinet in which to store Town employee personnel records, due to the absence of automatic sprinklers in the Town Hall. Target Date 5/15/17
20. Consider adopting explicit fund balance policies for restricted and unrestricted funds. Target Date for beginning discussions 9/15/17