

BOARD OF FINANCE AUDIT SUBCOMMITTEE MEETING
Tuesday, February 1, 2022
6:00 pm
Via Webex

A recording of this meeting can be found here: [Board of Finance 2-1-2022 Audit Sub Committee - YouTube](#)

DRAFT MINUTES

A meeting of the Board of Finance Audit Subcommittee was held at 6:00 p.m. on Tuesday, February 1, 2022, via Webex in Fairfield, Connecticut.

MEMBERS PRESENT: Lori Charlton, Mary LeClerc, John Mitola

OTHERS PRESENT: Purchasing Director Gerald Foley, CFO Jared Schmitt, Controller Caitlin Bosse

1. Call to Order-Lori Charlton called the meeting to order at 6:00 pm.
2. To hear, consider and approve 2022 officers
Lori Charlton made a motion to nominate Mary LeClerc as Chair of the BOF Audit Subcommittee, John Mitola as Vice Chair and Ms. Charlton as Secretary. John Mitola seconded the motion which carried unanimously.

The 2022 BOF Audit Subcommittee Officers:

Chair - Mary LeClerc

Vice Chair - John Mitola

Secretary - Lori Charlton

3. Review and discuss changes to independent auditor RFP
Purchasing Director Gerald Foley said he forwarded the draft RFP to the subcommittee. Chair Mary LeClerc opened the meeting for questions from the subcommittee members regarding the RFP. Ms. Charlton had questions about wording and procedures throughout the RFP that she did not think were applicable. Mr. Foley said he will compare this RFP to the contract for the current auditor to see what needs to be changed or updated. There were also questions from other committee members regarding the scoring process for hiring a firm. Mr. Foley explained the submissions are graded on what they present in their submissions. He said 65% of the score is based on qualifications and 35 % is price. Mr. Foley said based on the last bid, the people who will review and grade the submissions will be the three members of the Audit Subcommittee, Controller Caitlin Bosse, CFO Jared Schmitt, CAO Tom Bremer and Mr. Foley. He said once the submissions are graded, interviews are scheduled with potential firms and they are graded again based on the interview and it is narrowed down. Mr. Foley said last time there were only two submissions. Ms. Charlton suggested being proactive by reaching out to firms and letting them know this will be going out to bid.
Mr. Foley said it will be posted on the Town and State websites as well as the bid portal. He said he will also email different firms. Jared Schmitt said it can also be placed on the Government Financial Officers Association message board. Mr. Foley said the timeline is for the Board to approve the RFP by February 7, 2022 and have it posted and published by

February 10, 2022.

4. To hear, consider, and approve the draft meeting minutes of February 2, 2021, June 28, 2021, October 26, 2021, December 7, 2021 and January 4, 2022

Regarding the June 28, 2021, minutes, Jared Schmitt requested the last sentence in Item 2, *“The Purchasing Policy will be discussed at the first BOF meeting in September and voted on in the fall”*, be removed because he, specifically, did not say that.

Ms. Charlton made a motion to approve the minutes of June 28, 2021 as amended. Ms. LeClerc seconded the motion which carried 2-0-1 (John Mitola abstained as he was not on this subcommittee in June 2021.)

Ms. LeClerc made a motion to consider and approve the minutes of February 2, 2021, October 26, 2021, December 7, 2021 and January 4, 2022. Ms. Charlton seconded the motion which carried 2-0-1 (John Mitola abstained as he was not on this subcommittee in June 2021.)

5. Adjourn

Ms. LeClerc made a motion to adjourn the meeting at 7:19 pm. Ms. Charlton seconded the motion which carried unanimously.

Respectfully submitted,

Pru O'Brien
Recording Secretary

May 3, 2022

Board of Finance
C/O Lori Charlton
Chairman
Town of Fairfield, CT
725 Old Post Road
Fairfield, CT 06824

Thank you for choosing PKF O'Connor Davies to provide professional services to the Connecticut Green Bank. This letter sets forth our understanding of the terms and objectives of our engagement, and the nature and scope of the services we will provide to the **Town of Fairfield, CT** ("the Entity").

Audit objectives

We will audit the Entity's governmental activities, business-type activities, each major fund and the aggregate remaining fund information and the disclosures, which collectively comprise the basic financial statements of the Entity as of and for the year ended June 30, 2022 and issue our report thereon as soon as reasonably possible after completion of our work.

Accounting principles generally accepted in the United States of America ("US GAAP") provide for certain required supplementary information ("RSI"), such as management's discussion and analysis to supplement the Entity's financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Entity's RSI in accordance with auditing standards generally accepted in the United States of America ("US GAAS"). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by US GAAP and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis
- Budget and Actual Schedules
- Required Schedules and Notes for Pension Plans
- Required Schedules and Notes for Other Post-Employment Plans
- Schedules of Contributions and Proportionate Share of the Net Pension and OPEB Liability

We have also been engaged to report on supplementary information other than the RSI that accompanies the Entity's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with US GAAS, *Government Auditing Standards* issued by the Comptroller General of the United States ("GAGAS"), and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance") (if applicable), and we will provide an opinion on it in relation to the financial statements as a whole and our auditors' report will provide an opinion on such information in relation to the financial statements as a whole in a separate report accompanying our auditors report on the financial statements:

- Combining Fund Financial Statements and Schedules
- Schedule of Expenditures of Federal Awards
- Schedule of Expenditures of State Financial Assistance

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

- Introductory section
- Statistical section

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditors' report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS") will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct the audit in accordance with US GAAS, GAGAS, and Uniform Guidance (if applicable), and will include tests of accounting records, a determination of major programs in accordance with Uniform Guidance (if applicable), and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with US GAAS, GAGAS, and Uniform Guidance, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us even though the audit is properly planned and performed in accordance with US GAAS and GAGAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements and on those programs we have determined to be major programs (if applicable). However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting or misappropriation of assets and any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit (if applicable). We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

The objective for our audit also includes reporting on:

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with GAGAS.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with Uniform Guidance, Audits of States, Local Governments and Non-Profit Organizations.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Entity's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to GAGAS.

Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the Entity has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the "Uniform Guidance Compliance Supplement" for the types of compliance requirements that could have a direct and material effect on each of the Entity's major programs. The purpose of these procedures will be to express an opinion on the Entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to Uniform Guidance. As required by Uniform Guidance, we will also perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to prevent or detect material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to Uniform Guidance.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the **Town of Fairfield, CT's** ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts. We will also request written representations from your attorneys as part of the engagement, as considered necessary pursuant to US GAAS.

After our planning is complete, we will communicate to management and those charged with governance, the significant risk(s) of material misstatement identified in our audit planning.

Audit Procedures – Internal Control

We will obtain an understanding of the Entity and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements and the supplementary information, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to prevent and detect misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to GAGAS. An audit is also not designed to identify significant deficiencies or material weaknesses. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Entity's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report.

Reporting

We will issue a written report upon completion of our audit of the **Town of Fairfield, CT's** financial statements. Our report will be addressed to the Board of Finance. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

We will also provide a report (which does not include an opinion) on internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements as required by GAGAS.

The reports on internal control and compliance (if applicable) will each include a paragraph that states that the purpose of the report is solely to describe (1) the scope of testing of internal control over financial reporting and compliance and the result of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, (2) the scope of testing internal control over compliance for major programs and major program compliance and the result of that testing and to provide an opinion on compliance but not to provide an opinion on the effectiveness of internal control over compliance, and (3) that the report is an integral part of an audit performed in accordance with GAGAS in considering internal control over financial reporting and compliance and Uniform Guidance in considering internal control over compliance and major program compliance. The paragraph will also state that the report is not suitable for any other purpose.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarize our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audit.

We will also communicate with those charged with governance any (a) fraud involving senior management and other fraud that causes a material misstatement of the financial statements; (b) violations of laws or governmental regulations that come to our attention (unless they are clearly inconsequential); (c) disagreements with management and other serious difficulties encountered in performing the audit; and, (d) various matters related to the Entity's accounting policies and financial statements.

Other Services

We will perform the following services for you as necessary:

- Prepare the financial statements of the Entity in conformity with accounting principles generally accepted in the United States of America based on information provided by you.
- Preparation of the Schedule of Expenditures of State Financial Assistance
- Preparation of the Schedule of Expenditures of Federal Awards
- Preparation of the MD&A based upon the data provided by you

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements, including all disclosures, RSI and supplementary information, in conformity with accounting principles generally accepted in the United States of America.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements and supplementary information to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information.

Management's responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the RSI and supplementary information in accordance with US GAAP; (2) you believe the RSI and supplementary information, including its form and content, is fairly presented in accordance with US GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the RSI and supplementary information.

Management is responsible for management decisions and assuming all management responsibilities; for designating an individual with suitable skill, knowledge, and/or experience to oversee the preparation of the financial statements or other non-attest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is also responsible for identifying government award programs and understanding and complying with the compliance requirements, and for preparation of the following schedules as applicable:

- Schedule of expenditures of federal awards in accordance with the requirements of Uniform Guidance.
- Schedule of expenditures of state financial assistance in accordance with the requirements of State Single Audit Act.

As part of the audit, we will assist with preparation of your financial statements, schedules noted above and related notes. You agree to include our report on the schedules noted above in any document that contains, and indicates that we have reported on, the schedules. You also agree to include the audited financial statements with any presentation of the schedules noted above that includes our report thereon. You are responsible for making all management decisions and assuming all management responsibilities relating to the financial statements, schedules noted above and related notes, and for accepting full responsibility for such decisions.

Management is also responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the Entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Entity received in communications from employees, former employees, grantors, regulators or others. In addition, you are responsible for identifying and ensuring that the Entity complies with applicable laws, regulations, contracts, agreements and grants and for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report. Additionally, as required by Uniform Guidance (if applicable), it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

In order to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements, management is responsible for establishing and maintaining effective internal control, including internal control over compliance, and for evaluating and monitoring ongoing activities.

Management's responsibilities also include identifying any significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the audit objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other engagements or studies. The Entity is also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

At the conclusion of the engagement, we will request from management written confirmation concerning representations made to us in connection with the audit. The representation letter, among other things, will confirm management's responsibility for: (1) the preparation of the financial statements in conformity with US GAAP, (2) the availability of financial records and related data, and (3) the completeness and availability of all minutes of board meetings. Management's representation letter will further confirm that: (1) the effects of any uncorrected misstatements aggregated by us during the engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole, and (2) we have been informed of, or that there were no incidences of, fraud involving management or those employees who have significant roles in the Entity's internal control. You will also be required to acknowledge in the management representation letter, when applicable, our assistance with preparation of the financial statements and related schedules, RSI and the schedule of expenditures of federal awards (if applicable) and that you have reviewed and approved the financial statements, aforementioned schedules and RSI, and related notes prior to their issuance and have accepted responsibility for them. We will place reliance on these representations in issuing our report.

Exempt Offering Documents

The financial statements are the property of the Entity and can be reproduced and distributed as management desires.

The Entity may wish to include our report on these financial statements in an exempt offering document. There are audit rules that govern whether the auditor is involved (has a responsibility to perform additional procedures outside of this audit engagement) or not with respect to the exempt offering document. For that reason, when our report is included in an exempt offering document, one of the following two options must be followed:

1. Any exempt offering document issued by the Entity with which we are not involved (as defined by AU-C Section 945) will clearly indicate in the exempt offering document we are not involved with the contents of such offering document using the following language:

PKF O'Connor Davies, LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. PKF O'Connor Davies, LLP also has not performed any procedures relating to this offering document.

2. Otherwise, any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent to use our report, will be a separate engagement and fee.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Engagement Administration

We understand that your accounting department personnel will assist us to the extent practicable in completing the audit. They will provide us with detailed trial balances, supporting schedules, and other information we deem necessary. A list of these schedules and other items of information will be furnished to you before we begin the audit. The timely and accurate completion of this information is an essential condition to our completion of the audit and the issuance of the audit report. We understand that your employees will locate any documents selected by us for testing.

It is expected that a portion of the audit will be conducted remotely. Management is responsible for ensuring that all electronically provided documents and records are complete and accurate reproductions of the original documents and records. For any part of the engagement performed on premises, management is responsible for ensuring that all applicable safeguards are in place in accordance with Centers for Disease Control guidance and any state and local regulations and guidelines. PKF O'Connor Davies holds the right to not perform work onsite if we consider the onsite conditions unsafe for any reason. Management, in coordination with PKF O'Connor Davies, is responsible to arrange for alternative methods for audit procedures that must be performed on the Company's or a third-party's premises.

We will provide copies of our reports to the Entity; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

We keep documents related to this engagement in accordance with our records retention policy and applicable regulations or for any additional period requested by the applicable cognizant agency. If we are aware that a federal (and/or state) awarding agency or the Entity is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We do not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies.

Hosting Services

In order to maintain our independence in accordance with the AICPA's Code of Professional Conduct, we cannot host or maintain any client information. You are expected to retain all financial and non-financial information including anything you upload to a portal and are responsible for downloading and retaining anything we upload in a timely manner. Portals are only meant as a method of transferring data, are not intended for the storage of client information, and may be deleted at any time. You are expected to maintain control over your accounting systems to include the licensing of applications and the hosting of said applications and data. We do not provide electronic security or back-up services for any of your data or records. Giving us access to your accounting system does not make us hosts of information contained within.

Electronic and other communication

During the course of the engagement, we may communicate with you or with Entity personnel via fax or e-mail. You should be aware that communication in those media may be unsafe to use and contains a risk of misdirection and/or interception by unintended third parties, or failed delivery or receipt. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of e-mail or other electronic transmissions, including any consequential, incidental, direct, indirect or special damages.

Access to working papers

During the course of this engagement, we will develop files of various documents, schedules and other related engagement information known as our working papers. As we are sure you can appreciate, these working papers may contain confidential information and our firm's proprietary data. You understand and agree that these working papers are, and will remain, our exclusive property. Except as discussed below, any requests for access to our working papers will be discussed with you before making them available to requesting parties:

- (1) Our firm, as well as other accounting firms, participates in a peer review program covering our audit and accounting practices. This program requires that once every three years we subject our system of quality control to an examination by another accounting firm. As part of this process, the other firm will review a sample of our work. It is possible that the work we perform for you may be selected for review. If it is, the other firm is bound by professional standards to keep all information confidential.
- (2) We may be requested to make certain working papers available to regulators pursuant to authority given to them by law, regulation or subpoena. Such regulators may include (i) a federal agency providing direct or indirect funding or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities; (ii) the American Institute of Certified Public Accountants; and (iii) the State Board of Accountancy. If requested, access to such working papers will be provided under the supervision of our personnel. Furthermore, upon request, we may provide photocopies of selected working papers to them. The regulator may intend, or decide, to distribute the photocopies or information contained therein to others, including other government agencies.

Liability

Any and all claims by the Entity arising under this engagement must be commenced by the Entity within one year following the date on which our firm delivered our report on the financial statements associated with this engagement, or the date the Entity is informed of the engagement's termination in the event our report is not delivered, for any reason.

You agree to indemnify our firm, its partners, principals and employees, to the fullest extent permitted by law for any expense, including compensation for our time at our standard billing rates and reimbursement for our out-of-pocket expenses and reasonable attorneys' fees, incurred in complying with or responding to any request (by subpoena or otherwise) for testimony, documents or other information concerning the Entity by any governmental agency or investigative body or by a party in any litigation or dispute other than litigation or disputes involving claims by the Entity against the firm. This indemnification will survive termination of this engagement.

Dispute resolution

Any claim or controversy ("dispute") arising out of or relating to this engagement, the services provided thereunder, or any other services provided by or on behalf of the firm or any of its subcontractors or agents to the Entity or at its request (including any dispute involving any person or entity for whose benefit the services in question are or were provided), shall first be submitted in good faith for mediation administered by the American Arbitration Association ("AAA") under its Mediation Rules. Each party shall bear its own costs in the mediation. Absent an agreement to the contrary, the fees and expenses of the mediator shall be shared equally by the parties.

If the dispute is not resolved by mediation within 90 days of its submission to the mediator, then, and only then, the parties shall submit the dispute for arbitration administered by the American Arbitration Association under its Professional Accounting and Related Services Dispute Resolution Rules (the "Rules"). The arbitration will be conducted before a single arbitrator selected from the AAA's Panel of Accounting Professionals and Attorneys and shall take place in Hartford, CT.

Any discovery sought in connection with the arbitration must be expressly approved by the arbitrator upon a showing of substantial need by the party seeking discovery. All aspects of the arbitration shall be treated as confidential. The parties and the arbitrator may disclose the existence, content or result of the arbitration only as expressly provided by the Rules.

The arbitrator shall issue his or her final award in a written and reasoned decision to be provided to each party. In his or her decision, the arbitrator will declare one party the prevailing party. The arbitrator shall have the power to award to the prevailing party reasonable legal fees associated with the arbitration and prior mediation. The arbitrator shall have no authority to award non-monetary or equitable relief of any sort. The arbitrator shall not have authority to award damages that are punitive in nature, or that are not measured by the prevailing party's actual compensatory loss.

The award reached as a result of the arbitration will be binding on the parties and confirmation of the arbitration award may be sought in any court having jurisdiction.

This engagement will be governed by the laws of the State of New York, without giving effect to any provisions relating to conflict of laws that would require the laws of another jurisdiction to apply.

Third-party service providers and subcontractors

From time to time and depending upon the circumstances, we may use third-party service providers or subcontractors to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose confidential client information to them. We enter into confidentiality agreements with third-party service providers and subcontractors, and we remain committed to maintaining the confidentiality and security of your information.

Employment of firm partner or professional employee

The Entity acknowledges that hiring current or former PKF O'Connor Davies personnel participating in the engagement may be perceived as compromising our objectivity, and depending on the applicable professional standards, impairing our independence in certain circumstances. Accordingly, prior to entering into any employment discussions, with such known individuals, you agree to discuss the potential employment, including any applicable independence ramifications, with the engagement partner responsible for the services.

In addition, during the term of this Engagement Letter and for a period of one (1) year after the services are completed, we both agree not to solicit, directly or indirectly, or hire the other's personnel participating in the engagement without express written consent. If this provision is violated, the violating party will pay the other party a fee equal to the hired person's annual salary in effect at the time of the violation to reimburse the estimated costs of hiring and training replacement personnel.

Fees and billing

Our fee for the financial statement audit services will be **\$125,960** (the "Fee") as follows:

Town	\$ 114,950
Parking Authority	<u>11,010</u>
Total	<u><u>\$ 125,960</u></u>

The Fee shall be payable to us in monthly installments as the work is performed, within 30 days of the invoice date.

The above estimated fee is quoted based upon the same scope and audit requirements as the prior year. Should any professional pronouncements issued by the GASB, the AICPA, the Federal or State governments, or should the number of major funds increase or should the number of Federal or State programs that are required to be tested increase significantly affect the audit hours, we would discuss possible fee changes with you prior to commencing the work.

Our fee is quoted with the understanding that the accounts and records will be properly and currently maintained and in balance prior to commencement of our year-end audit. This includes trial balances of all individual funds, bank reconciliations, balancing of subsidiary records with general ledger control accounts, adequate detail of receivables, payables, etc. and other account analysis. Should any unusual circumstances, originating from the Town or its personnel require an excessive amount of time on our part, we would consult with you regarding any possible additional charge for the time involved prior to commencing the work.

In accordance with our firm policies, work may be suspended if your account becomes overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Our audit engagement for each year ends on delivery of our audit report covering that year. Requests for services other than those included in this engagement letter will be agreed upon separately.

All rights and obligations set forth herein shall become the rights and obligations of any successor firm to PKF O'Connor Davies, LLP by way of merger, acquisition or otherwise.

Joseph Centofanti is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

GAGAS require that we provide you with a copy of our most recent external peer review report, and any subsequent peer review reports received during the period of the contract. Our latest peer review report accompanies this letter.

The terms of this letter are subject to the completion of client acceptance in compliance with professional standards.

If this letter correctly expresses your understanding of the terms of our engagement, including our respective responsibilities, please sign the enclosed copy where indicated and return it to us.

By your execution of this Agreement, the undersigned represent and warrant that he or she is authorized on behalf of the entity or entities listed to bind and are in fact binding each such entity to the terms and conditions of this Agreement.

We are pleased to have this opportunity to serve you.

PKF O'Connor Davies, LLP

Attachment: Peer Review Report

The services and terms described in the foregoing letter are in accordance with our requirements and are acceptable to us.

Town of Fairfield, CT

BY: _____

TITLE: _____

DATE: _____

PKF O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

* * *

REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

June 16, 2020

To the Partners of PKF O'Connor Davies, LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of PKF O'Connor Davies, LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended December 31, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act, audits of employee benefit plans, audits of broker-dealers, and examinations of service organizations SOC 1 and SOC 2 engagements.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of PKF O'Connor Davies, LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended December 31, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. PKF O'Connor Davies, LLP has received a peer review rating of *pass*.

Davie Kaplan, CPA, P.C.

DAVIE KAPLAN, CPA, P.C.



Town of Fairfield

Sullivan Independence Hall
725 Old Post Road


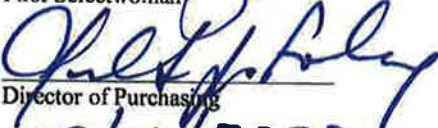
Fairfield, Connecticut 06824
Purchasing Department

(203) 256-3060
FAX (203) 256-3080

RFP #2022-123 Annual Auditing Services

TOWN OF FAIRFIELD
PURCHASING AUTHORITY
725 OLD POST ROAD
INDEPENDENCE HALL
FAIRFIELD, CT 06824.

SEALED BIDS are subject to the standard instructions set forth on the attached sheets. Any modifications must be specifically accepted by the Town of Fairfield, Purchasing Authority.


First Selectwoman

Director of Purchasing
02/11/2022
Date

Date Submitted March 3, 2022.

Bidder:

PKF O'Connor Davies, LLP
Doing Business As (Trade Name)

100 Great Meadow Road, Suite 207
Address

Wethersfield, CT 06109
Town, State, Zip

Mr. Joseph Centofanti, Partner
(Mr./Ms.) Name and Title, Printed


Signature

860-419-3402 860-257-1875
Telephone Fax

jcentofanti@pkfod.com
E-mail

Sealed proposals will be received by the Purchasing Authority at the office of the Director of Purchasing, First Floor, Independence Hall, 725 Old Post Road, Fairfield, Connecticut 06824, up to:

2:00 pm, Thursday, 3rd March, 2022

To provide labor, materials and all else necessary for Annual Auditing Services for the Town of Fairfield on behalf of the Finance Department Office as detailed in the attached specifications.

NOTES:

1. Proposers are to complete all requested data in the upper right corner of this page and must return this page and the Proposal page with their bid.
2. No proposal shall be accepted from, or contracts awarded to, any person/company who is in arrears to the Town of Fairfield upon debt, or contract or who has been within the prior five (5) years, a defaulter as surety or otherwise upon obligations to the Town of Fairfield.
3. Proposals are to be submitted in a sealed envelope and clearly marked "**BID #2022-123**" on the outside of the envelope, including all outer packaging, such as, DHL, FedEx, UPS, etc.
4. It is the sole responsibility of the Proposer to see that the proposal is received by the Fairfield Purchasing Department prior to the time and date noted above. Proposals are not to be submitted via email or fax.
5. Proposals are not to be submitted with plastic binders or covers, nor may the proposal contain any plastic inserts or pages.

**Proposal for Annual Auditing Services to:
Town of Fairfield, CT**

Bid # 2022-123

For the Years Ending June 30, 2022
through June 30, 2026

Date: March 3, 2022

Submitted by:

Joseph Centofanti, CPA, CFE, FCPA, CFF, CGFM
Partner
860-419-3402
jcentofanti@pkfod.com

PKF O'Connor Davies, LLP

100 Great Meadow Road
Wethersfield, CT 06109



**KNOW
GREATER
VALUE**

March 3, 2022

Selection Committee
Town of Fairfield
725 Old Post Road
Fairfield, CT 06824

PKF O'Connor Davies, LLP is pleased present this proposal to provide audit services for the Town of Fairfield, CT ("Town"). We have an understanding of the work to be performed based on our review of the request for proposal and our general knowledge of the requirements of the industry. We commit to performing the work within the time period noted in the request for proposal. We agree to the scope of services and will comply with all of the Town's requirements.

Our extensive credentials and experience providing accounting, auditing, advisory and forensic services to governmental entities for more than 60 years equips our specialists to navigate the regulatory requirements and industry pressures facing the Town today. Combining deep industry knowledge, not just from Connecticut, but from other states and the federal government where we have experience, and cross-functional insights and expertise by teaming with a number of other industry specialists in our firm, such as pension, actuarial and risk assessment specialists, we are ideally qualified to assist with all aspects of the Town's financial and management needs.

We are confident that our specific experience in auditing and advising Connecticut and its governmental entities for over 30 years, and the performance of Federal and Connecticut single audits, depth of resources and high level of partner involvement will provide valuable benefits to you.

While other accounting firms propose similar services, PKF O'Connor Davies believes that no other firm matches our level of service. We are the 27th largest firm in the country with a professional staff of over 1,200 including over 135 partners in 16 offices. We audit approximately 200 governmental clients in Connecticut, New York and New Jersey each year led by 11 full time partners specializing in governmental accounting and auditing and a trained full-time professional staff. This engagement would be staffed out of our Wethersfield office. The exceptional quality of our comprehensive professional services, proactive and responsive communications is integral to our success in the governmental arena.

Strong communication and coordination is important to us. We recognize that good communication and coordination are vital for a strong relationship, and we will go to extra lengths to ensure we are exceeding your expectations. Our ability to bring resources responsive to your needs is directly related to how well we listen.

Our team commits to continuous and open communication with you so that we can quickly identify and resolve any matters as they arise. Continuous communication means:

- Always being accessible (year round),
- Responding quickly to your phone calls and emails,
- Providing accurate and thorough answers to your questions in a timely manner,
- Providing the right resources for your specific issues,
- No surprises in findings or billings, and
- Planning through proactive discussion of emerging issues

We look forward to speaking with you and having the opportunity to answer any questions about our proposal or any other matter of concern. Please do not hesitate to contact us directly at 860-419-3402 or jcentofanti@pkfod.com.

Sincerely,



Joseph Centofanti, CPA, CFE, FCPA, CFF, CGFM
Partner

Table of Contents

1. General Requirements	1
2. Independence	3
3. License to Practice in Connecticut	3
4. Audit Approach	4
5. Firm Qualifications and Experience	12
6. Partner, Supervisory, Staff Qualifications and Experience	17
7. Prior Engagements with the Town of Fairfield	21
8. Similar Engagement with Other Government Entities	22
9. Identification of Anticipated Potential Audit Problems	24
10. Annual Comprehensive Financial Reports	24
Appendix A: Our Team	25
Appendix B: Peer Review	29

1. General Requirements

This proposal covers the following services of the Town of Fairfield ("Town") for the fiscal years ending June 30, 2022 through June 30, 2026.

Audit

We will perform the audit for the Town in accordance with generally accepted auditing standards, Government Auditing Standards, Uniform Guidance requirements and in conjunction and conformity with sections 4-230 through 4-236 of the Connecticut General Statutes (the State Single Audit Act).

It will include tests of accounting records and other procedures we consider necessary to express an opinion that the financial statements are fairly presented in all material respects.

The audit shall include examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. The audit shall also include evaluation of the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluation of the overall presentation of the financial statements.

The audit shall include assessment of internal controls, sufficient to assess the risks of material misstatement of financial statements, and to design the nature, timing and extent of further audit procedures. Tests of such controls shall be performed to test their effectiveness relevant to preventing and detecting errors.

At the completion of the audit we will issue the following reports, as required by generally accepted auditing standards, Government Auditing standards, Uniform Guidance, and the Connecticut General Statutes, including but not limited to the following:

- Annual Comprehensive Financial Report (hard copy and searchable pdf)
- A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
- A report on compliance and on internal control over financial reporting based on an audit performed in accordance with Government Auditing Standards.
- A report on compliance for each major federal program, internal control over compliance and on the Schedule of Expenditures of Federal Awards.
- A report on compliance for each major state program, internal control over compliance and on the Schedule of Expenditures of State Financial Assistance.
- Municipal Audit Questionnaire for Submission to the State Office of Policy and Management
- Federal Data Collection form
- Recommendations to Management (if applicable)
- EFS and related forms report for the Board of Education

The compliance report will include an opinion on compliance with specific requirements applicable to major federal and state financial assistance programs, a report on compliance with general requirements applicable to major and non-major federal and state financial assistance programs, and a report on compliance with laws and regulations applicable to non-major federal and state financial assistance program transactions tested.

We will communicate in a letter to the Board of Finance any reportable conditions or material weaknesses found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

We will immediately communicate in a written report, all irregularities and illegal acts or indications of illegal acts of which we become aware to the Chief Fiscal Officer, Chief Fiscal Officer and Business Services, Controller, First Selectman, and Chairman of the Board of Finance, in addition to any notice to grantors required by single audit legislation.

The Board of Finance will be informed of each of the following:

- The auditors' responsibility under generally accepted auditing standards
- Significant accounting policies
- Management judgments and accounting estimates
- Significant audit adjustments
- Other information in documents containing audited financial statements
- Disagreements with management
- Management consultation with other accountants
- Major issues discussed with management prior to retention
- Difficulties encountered in performing the audit

Special Considerations

- We will assist you in preparing the Annual Comprehensive Financial Report.
- We will separately issue the Federal and State Single Audit reports.
- We will provide the Chief Fiscal Officer a draft of the report and all audit adjustments prior to issuance of the final report.
- We will provide the Town with information and analysis of the impact of any new GASB Statements, Federal or State regulation on the Town, including proforma statement presentations footnote disclosures or workpapers as appropriate. This will include any publication or seminars on these types of topics.
- We will be available year-round to respond to questions or provide other technical assistance to the Town as necessary, without any additional fee. These may include advising on implementation of new governmental accounting pronouncements and internal control procedure improvements. This includes the implementation of GASB 87 – Lease Accounting.

- We understand that our audit opinion will be included in the Town's official statement and we will provide the Town with any necessary consent and citation of expertise and any comfort letters.
- We commit to the timeline as noted in the request for proposal.

Work Papers

All working papers and reports will be retained by the Firm for a minimum of 7 years. Working papers will be made available, as required, in accordance with regulatory requirements and professional standards to the following:

- Town of Fairfield
- State of Connecticut
- Federal Single Audit Cognizant Agency
- U.S. General Accounting Office
- Parties designated by the State or Federal government or the Town of Fairfield as part of an audit quality review process
- Auditors of entities of which the Town is a sub-recipient of grant funds
- Successor auditors

2. Independence

The Firm is independent of the Town as defined by Generally Accepted Auditing Standards and the U.S. Comptroller General's Government Auditing Standards.

We have assessed our current and potential future relationship with the Town or any of its agencies for the past five (5) years. This includes assessing our Firm's relationship as well as assessing each of our Firm members' relationship with the Town.

We have served as auditor for the Town for the past five years. Please see **Section 7 – Prior Engagements with the Town of Fairfield** for a description of additional services performed. None of these services constitute a conflict of interest relative to performing the proposed audit.

In addition, we will give the Town written notice of any professional relationships entered into during the period of this agreement which might affect our actual or perceived independence.

3. License to Practice in Connecticut

The Firm is licensed with the State of Connecticut's Board of Accountancy to practice accounting, including auditing, in the State of Connecticut. PKF O'Connor Davies LLP's Firm permit number is 4920. All assigned key professional staff are properly qualified to practice in Connecticut.

4. Audit Approach

1. Proposed Approach

The primary purpose of our audit is to express an opinion on the basic financial statements taken as a whole. The audit is subject to the inherent risk that errors or irregularities may occur and not be detected. Our audit approach, in general, would typically be divided into the following segments: planning and interim fieldwork (including risk assessment), year-end fieldwork and reporting.

Engagement Phase	Audit Procedures
Planning and Interim Fieldwork	<ul style="list-style-type: none"> Pre-audit meeting with the Chief Fiscal Officer and Board of Finance (if desired) Submission of written audit plan and schedule for audit and list of client assistance schedules Conduct client planning meeting to gain an in-depth understanding of the organization Conduct pre-communication with those charged with governance Perform planning procedures including analytical reviews Initial review of grants for Single Audit testing Perform detailed transaction and Single Audit testing
Risk Assessment	<ul style="list-style-type: none"> Perform assessment for each audit area, including federal and state single audits Develop specific procedures by area based on assessment of controls and auditing procedures Develop sampling plans for testing
Year-End Fieldwork	<ul style="list-style-type: none"> Review and understand internally generated reports, supporting schedules, and reconciliations, etc. Gather evidential matter Perform substantive testing based on developed audit programs Make additional inquiries based on results of substantive testing Perform final analytics and determine final materiality
Reporting	<ul style="list-style-type: none"> Submission and review draft financial statement report, management recommendation letter and required communication letters with those charged with governance Issue final report and recommendations by December 15th Communicate and/or meet with the Board of Finance (if desired)

Planning and Interim Fieldwork

As detailed in the table above, our work plan and timing would begin with preliminary procedures in May. This includes completing our planning procedures, including risk assessment, detailed transaction testing, updating of internal controls and federal and state single audit testing.

Year-End Fieldwork

Once the Town has completed the majority of the close process and has finalized trial balances and related footnote information, we will begin the final fieldwork phase. This includes our audit procedures on the balance sheet accounts and the government wide financials statements. We also obtain and audit the footnote disclosures. At this time, we also complete the single audit testing and draft the report.

Reporting

In this phase, we complete the final audit procedures on the financial statements and footnotes. The draft financial statements are then completed, disclosure checklists are completed, the report and workpapers sent through the quality review and proofing process. A completed draft is sent to management for review. The final report will be presented to the Board of Finance (if desired).

2. Proposed Audit Segmentation and Timing of the Audit

The audit time is projected to be staffed with a partner, manager, in charge and one or two staff as follows:

Engagement Phase	Timing	Hours
Planning and Interim Fieldwork	June – July	192
Year-End Fieldwork	September – October	400
Reporting	November – December	150

Develop a Tailored Audit Program

Based upon our review of the current year's operations as well as the internal controls, we will tailor our audit program for the Town to obtain maximum audit efficiency. Specific procedures will be designed both from a compliance and substantive test point of view and will assist in determining the nature, timing and extent of our substantive tests.

Critical Audit Areas

Critical audit areas may relate to either financial statement amounts or financial statement disclosures. Factors that are used to determine critical audit areas include:

- Areas involving a high degree of judgment
- Areas requiring specialized skills
- Complex accounting applications
- Materiality

3. Audit and Other Software

PKF O'Connor Davies, LLP invests heavily into automation tools and technology to enable our professionals to be as efficient and effective as possible. Our focus on cutting edge workplace technology is a differentiator that delivers cost savings to our clients, streamlines work processes, enhances our ability to be responsive to client needs, and provides the ability to back up all work papers and permanent files.

- **CCH Engagement** is engagement document management software that essentially serves as an electronic binder to keep our documents for each active project well-organized. Using Engagement, our engagement teams can easily collaborate with team members and rapidly access documents for clients. It also contains a trial balance component that is used where efficient as part of developing the financial statements.
- We also employ a proprietary report document that develops the government wide and fund financial statements, related reconciliations and the MD&A analysis.

Remote Auditing

The COVID-19 pandemic has presented new challenges to both auditors and clients in the performance of audits on a remote basis. During this unprecedented time, PKF O'Connor Davies continues to provide outstanding service to our clients. In fact, our robust information systems technology has equipped our engagement teams to conduct audit engagements remotely and effectively. To this end, our ability to conduct remote audits is dependent upon each client's ability to transfer data and information electronically.

Technology supporting our remote work capabilities includes the following:

- **Virtual Private Network (VPN):** Engagement teams use VPN software to connect to our servers (hosted and cloud-based) as seamlessly as if they were working in the office, although none of the firm's software requires engagement team members to be in the office to access its full capabilities.
- **Client Portals:** Enable clients to upload business related documents safely and securely to share with the engagement team.
- **Microsoft Teams™ and/or Zoom™ Conferencing:** These software applications enable our engagement teams and clients to collaborate, meet "face-to-face" and proactively address any issues as they arise.
- **Digital Workpapers:** We operate in a paperless workpaper environment that allows engagement team members to generate workpapers and store data to support the audit engagement. Partners and managers can view and review the engagement as it progresses; based on their review, they can generate action items for team members to complete so that each engagement progresses smoothly.

- **Research Capabilities:** Each engagement team has access to cloud-based research tools that enable it to explore accounting and auditing-related issues as they arise.
- **Hardware:** In addition to laptops, engagement team members have portable printers, scanners and dual monitors that enable them to work remotely and efficiently.
- **Telephone and E-mail:** These forms of communication continue to be available to speed communication, interaction and collaboration.

4. Use of Analytical Procedures

During the planning stage of your audit, your engagement team will determine the nature, timing, and extent of the procedures for your audit. Generally, we utilize analytical procedures in the preliminary and final stages of the audit. We expect that some of your accounts will be analytically audited; the need for analysis will be based upon materiality levels.

5. Approach to Understand and Document the Internal Controls

The initial phase of the audit is the planning phase. Generally, the desired protection from loss through irregularities lies in an effective system of internal control, and therefore, our objective will be to evaluate the effectiveness of the internal control systems and submit recommendations for improvement. This review will also provide the basis for developing our program for the audit of the Town's financial statements.

Control systems, both automated and manual, are unique to each entity since they are developed by different individuals for different management related purposes. Consequently, procedures for the review of internal control cannot be standardized, but must be tailored for each entity. For this reason, our approach to the study and evaluation includes two stages - a preliminary review and an application analysis.

- In the preliminary review stage, we obtain an initial familiarization with the overall organization and with the accounting information system and from here we prepare our audit plan.
- In the application stage, we determine by analysis and inquiry the controls that have been established. We then "walk" selected transactions through the system to confirm that it is functioning as described. At this point, we document the system through the use of organization charts, flow charts and narrative descriptions.

Our next step is to make a tentative evaluation of the effectiveness of the systems of internal control to determine the degree of reliance which may be placed upon the systems. The final phase is to test the systems for the purpose of confirming, modifying or rejecting our initial evaluation. Our tests generally consist of items selected both judgmentally and statistically and encompass all major operations and funds. Our experience in the government field enables us to focus on specific areas so that we can perform a cost-effective audit.

6. Ability to Provide Suggestions for Improvements to Controls and Procedures

Upon completion of our review of internal controls, we prepare documents and recommendations indicating weaknesses or desired procedural changes which we then submit in the form of a separate management letter to the Board of Finance or other governing body. In addition to our review of the Town's controls, our significant experience with other governmental entities allows us to provide recommendations on controls and procedures based on circumstances we have encountered in other governments.

7. Approach to Determine Laws, Rules and Regulations for Testing

The Town, like many municipalities, is subject to various laws, rules and regulations promulgated at the National, State and local levels. As part of the audit process, we are charged with determining that these various requirements are being followed. Accordingly, our audit approach will include tests of locally generated laws and regulations (budgetary authorizations, investment policies) as well as those required by the State (statutes, Single Audit) and Federal (Uniform Grant Guidance compliance) governments. We will also ensure that the Town is in compliance with all applicable Governmental Accounting Standards Board pronouncements and that the financial statements are prepared in accordance with Generally Accepted Accounting Principles.

8. Approach to be Taken in Drawing Audit Samples

Our approach in drawing an audit sample depends on the purpose of the sample. If we are trying to test a balance to determine if it is materially misstated we might first stratify the sample to draw out the largest items, and thus the largest percentage of the total, and test 100% of them. We would then test the balance of the items through sampling.

If we are conducting tests of the internal control procedures, we would want every item, no matter the size, to have an equal chance of being selected. In this case we would make sure that all items are included before taking a random sample.

Whenever possible and practical our random audit samples are drawn using our ActiveData software that allows us to extract detailed information from your downloaded files.

Statistical Sampling and Sample Sizes

The extent of statistical sampling will be decided during the planning stages of our audit. Prerequisite to our final determination of audit sampling parameters is a review of your books and records of the prior auditor's work papers and of other information gathered. Our audit approach does not typically use statistical sampling as part of our audit testing; we generally use a nonstatistical audit sampling approach. AU 350 and AU-C 530 indicate that the two possible approaches to audit sampling are nonstatistical and statistical. Both of these approaches are capable of producing appropriate audit evidence, if properly applied.

The size of an audit sample is dependent upon the size and characteristics of the population being tested, the combined risk of material misstatement and detection risk assigned to other substantive procedures.

9. Anticipated Potential Audit Problems

We do not anticipate any audit problems at this time. It is our experience that most problems can be averted by good engagement planning and constant communication between the audit engagement team and client staff and leadership. We establish early in our relationship with our clients a two-way communication path which provides all parties the opportunity to discuss potential problems when they first become apparent. This “early warning” approach significantly reduces the risk that a small “issue” will turn into a larger “problem.”

10. Technical Review of Audit Reports

PKF O'Conner Davies' Quality Control policies and procedures require that municipal audit engagement reports and workpapers be reviewed by another municipal audit partner that is independent of the audit engagement personnel. Reports are reviewed by personnel located in Connecticut and other offices as the workflow necessitates.

11. Approach to Information Technology Security and Systems Audit

PKF O'Connor Davies has a dedicated IT audit staff. The staff consists of employees, all of whom are experts in the field of IT auditing and devote 100 percent of their time to SOC 1 (“Reports on the Processing of Transactions by Service Organizations”), providing IT Audit Support and cybersecurity services, compliance attestations, internal control assessments, and other non-attestation IT control work related to financial audits.

The IT Audit department functions as part of the engagement team in reviewing and evaluating the IT controls of the Town, when necessary.

The evaluation and review consists of interviews, reviews of policies and procedures the network diagram, understanding the current network structure including any third party access, and other security related areas.

The result of the evaluation will be information for the audit team required to properly plan our audit procedures and recommendations to the Town regarding and internal control weaknesses or areas where the Town could upgrade their policies and procedures to best practices.

We also have significant expertise in providing cybersecurity consulting services and would be happy to discuss with how we can help in this area as a separate engagement.

12. Service Delivery Plan

Communication in each phase of the audit is an important part of our service delivery.

Engagement Phase	Description
Planning and Interim Fieldwork	<ul style="list-style-type: none"> Pre-audit meeting with Board of Finance(if requested) and Chief Fiscal Officer Schedule preliminary fieldwork dates Planning meeting with management
Year-End Fieldwork	<ul style="list-style-type: none"> Provide request list and update throughout fieldwork Schedule year-end fieldwork dates based upon receipt of financial statement schedules and final trial balances Partner/manager involvement is consistent throughout the engagement process
Reporting	<ul style="list-style-type: none"> Review of draft of financial statement report and draft recommendation letter with management Provide audit adjustments to the Chief Fiscal Officer Issue the financial statement report, single audit report, and other communications Meet with the Board of Finance upon request to review the reports issued
Year Round	<ul style="list-style-type: none"> Technical questions Resource for new GASB statements impact Resource for operational questions/issues Resource for internal control related matters Other items

Proactive Planning and Audit Service Delivery Plan

Planning is critical to ensure a smooth and efficient audit. During this stage, your engagement team will determine the nature, timing, and extent of the procedures for your audit. The engagement partner will be active in the planning process. By identifying most potential problems before the audit, we are able to preemptively resolve issues that might otherwise impede the engagement. At PKF O'Connor Davies, we emphasize planning in order to ensure an audit engagement with a minimal level of disruption to the staff of the Town.

- The Town will benefit from the depth of knowledge and experience of our professionals
- A well-planned, well-controlled audit that employs communication and cooperation with your staff to produce a high-quality, efficient product
- Periodic meetings to proactively inform and engage your management team
- A process in which our partners, managers, and staff will be involved year-round, actively seeking and communicating ways to help enhance the management of operations and resolve issues as they arise

This approach will allow us to deliver timely audit reports and minimize delays. We believe that, in addition to the highest quality final product, nothing is more important than its timely delivery.

Ongoing Client Communication

We are dedicated to avoiding last minute “surprises” through a mindful, experience-driven engagement management approach; hence, we believe in frequent, open communication with our clients. The engagement partner, Joseph Centofanti and other key team members will conduct meetings with management throughout the entire audit engagement process to review the status of the engagement. We encourage inquiries from the Town throughout the engagement. We also encourage the same frequent and open communication with the Town’s Board of Finance. We welcome the chance to meet and discuss all aspects of our work at the Town and find that this open dialogue enhances our working relationship with the Town.

In addition to audit related communications, we are committed to keeping our clients informed and up-to-date on

- New standards that are issued
- Changes to Federal and State single audit regulations
- Current Industry Issues
- Cutting edge best practices

We are able to do this through attending a substantial number of trainings relating to governmental accounting and auditing including national, New England, and Connecticut GFOA meetings and conferences and the annual AICPA and CTCPA conferences. Additionally, Joseph Centofanti is a member of his Town’s Board of Finance and has the Town’s perspective on changes in laws and regulations, new grants, and budget issues as they occur.

5. Firm Qualifications and Experience

Organization and Size of Firm

PKF O'Connor Davies, LLP ("PKF O'Connor Davies") is a full service Certified Public Accounting and consulting firm that has a long history of serving clients both domestically and internationally and providing specialized professional services of the highest quality. Our firm is comprised of more than 1,200 professionals, including over 135 partners and 16 offices located throughout Connecticut, New York, New Jersey, Rhode Island, Massachusetts, Maryland and Florida.

The Town's audit will be staffed from the Wethersfield office with approximately two or three staff working in addition to the partner and manager. All staff are planned to be full-time employees.

While many public accounting firms venture into the governmental accounting arena, only a few possess a thorough knowledge of its complexities and only one has a concentration of technical resources which is unequaled in the Tri-State region. This technical knowledge of governmental accounting is not restricted to the partners, but pervades all levels of the Firm. The dissemination of this knowledge enhances the efficiency and effectiveness of the audit process.

The partners and professionals of PKF O'Connor Davies are experienced in a full range of services including financial audits, establishment of internal controls, tax compliance and planning, consolidated fiscal reports, internal control reviews, organizational and operational studies, merger and acquisition strategies, due diligence, investment performance evaluations, inventory cost accounting, profit enhancement studies, fraud and forensic accounting, pension plan compliance, portfolio best practices consulting, arrangement of financing, business valuations, business plan development, and information technology audits.

We have built strong relationships with our clients by being proactive, thorough and efficient. Partners take a hands-on role in the day-to-day management of engagements, ensuring a high degree of client service and cost effectiveness. The Firm's seasoned professional staff members apply a team approach to all engagements to provide its clients with the highest quality and most timely services available. The continuity of staffing and attention to client engagements makes the Firm stand out among its competitors.

Governmental Expertise

PKF O'Connor Davies provides accounting and consulting services to governmental entities at the local, state and federal levels through our Government Services Division. In addition, we serve a number of entities that receive federal, state and local contracts and grants, or that participate in cooperative agreements. Such clients include cities, towns, school districts, specialty districts, hospitals, higher educational institutions, state agencies and public authorities. A listing of our current government clients is included in the Similar Engagements section of this proposal. We believe that our many years of service to this list of clients demonstrates our capacity to understand and fulfill your requirements.

We have in excess of 65 full-time professionals in our Governmental Services Division who are involved with and dedicated to government audits on a year round basis. The Governmental Services Division is led by 11 full-time government partners and principals. Over the years, we have had extensive involvement with Connecticut public sector organizations on emerging issues. We have often been requested to provide our views on planned pronouncements.

Today's complex business environment necessitates specialization. The accounting and other professions are not immune. Accounting firms have always been organized by such disciplines as audit, tax and management advisory services. The current environment has resulted in the establishment of sub-specialty areas. Governmental accounting and auditing is clearly a specialty area. Its uniqueness is exemplified through the establishment and separate governing body, the Governmental Accounting Standards Board ("GASB").

Single Audit and Uniform Grant Guidance Expertise

Ensuring compliance with Single Audit requirements applicable to the Town will be a part of our audit. We pride ourselves on our experience performing Single Audits as well as our efficiency in completing these audits in a manner that exceeds our clients' expectations.

The Firm has been performing Single Audits since their inception, and annually performs more than 250 of these types of audits. Our partners and staff have extensive knowledge of the requirements to perform these audits thoroughly and efficiently. PKF O'Connor Davies is a member of the Governmental Audit Quality Center, which provides the most current news and changes in auditing and reporting requirements for Yellow Book and Single Audits.

Our audit strategy is to perform a comprehensive audit that combines the standard financial audit simultaneously with the Federal and State Single Audits. All members of our proposed engagement team have extensive Single Audit experience.

The Singular Focus Only Specialists Can Deliver

Proactive, thorough and efficient— these are the qualities that equip our government services professionals to forge productive, long-lasting relationships with clients.

Our specialists deliver attentive, responsive service to government officials and managers on a continuous basis. As a result, our clients rely on us for exceptional and cost-effective service.

Each of our specialists participates in extensive, ongoing municipal finance training in order to stay abreast of the latest issues and trends. Many are actively involved in various national and local professional organizations as well as numerous government and accounting organizations, including:

- GFOA - Government Finance Officers Association:
 - National, Connecticut, New York, New Jersey and Canada Chapters
- ASBO - Association of School Business Officials
- AICPA - American Institute of Certified Public Accountants
- CTCPA - Connecticut State Society of Certified Public Accountants
- NYSSCPA - New York State Society of Certified Public Accountants
- NJCPA - New Jersey Society of Certified Public Accountants

Trusted by a Diverse Constituency

Our client base extends throughout the state and surrounding states and includes:

- Towns
- Cities
- State Agencies
- Components of the State
- Public Authorities
- School Districts
- Specialty Districts
- Hospitals and Nursing Homes
- Educational Institutions

In-Depth Industry Expertise

Our partners and specialist professionals possess significant experience in serving the public sector, which equips them to tailor services to address specific concerns and objectives, including:

Audit

- Audits of governmental entities
- Federal and State Single Audits
- Operational Audits
- Forensic auditing
- Internal auditing
- GASB standards implementation guidance

Advisory Services

- Internal control evaluation and design, including financial and operational controls
- Development of policies and procedures
- Business process improvement
- Strategic and operational assessments
- Data analytics, including cost savings
- Performance management studies
- Risk management and reporting
- Fraud risk assessment
- Fraud investigations
- Forensic accounting
- Litigation consulting
- Chart of accounts development
- Capital asset review and software conversion
- Bookkeeping services (non audit clients)
- Annual Comprehensive Financial Reports preparation and review
- Audit preparation services
- Federal and State regulation interpretation
- Government finance training seminars
- Agreed upon procedures
- Indirect cost rate calculations and cost allocation plans

Information Technology Consulting

- IT application feasibility studies
- Systems and software design and implementation

The Wethersfield office can provide all of the above audit and advisory services.

What to Expect from PKF O'Connor Davies

We understand that competing accounting firms may promise similar approaches. However, we believe that no other firm can match PKF O'Connor Davies' experience, energy and enthusiasm for consistently providing the same level of high-quality service to the Town. The quality of our professional services is the reason for our success in the state.

- ✓ **Focus** – You will benefit from a team that has served a broad base of state and local government clients – throughout Connecticut and in surrounding states – and can focus on your particular business issues.
- ✓ **Proactive Communication** – Our strategy of year-round communication and accessibility will ensure that any other service issues are identified early and addressed promptly, ensuring timely completion of all engagement deliverables. In addition, we host industry events on a regular basis for both our clients and other industry executives.
- ✓ **Industry Commitment** – We support our clients and professionals with training and communications as well as thought leadership for on:
 - Risk Management
 - Controls
 - Technology
 - Compliance
- ✓ **Expertise Assisting Clients in an Increasingly Complex Regulatory Climate** – At PKF O'Connor Davies, our senior professionals are recognized in the accounting and financial management fields for their proficiency and detailed knowledge of state and federal regulations. Our specialists often conduct seminars and serve on conference panels covering regulatory subjects for professionals from other accounting firms and institutions. These same specialists have regular contact with various government agencies and they have significant knowledge of the application of relevant requirements.
- ✓ **Communicating with Our Clients** – Our Firm produces a number of publications to assist clients in staying abreast of accounting and regulatory topics and other current issues of interest. Please see the [“Insights”](#) section of our website for a listing of recent publications. Sign up to receive monthly newsletters by visiting the [Newsletter Subscribe](#) page on our website www.pkfod.com.

What Sets PKF O'Connor Davies Apart

- ✓ **Greater Service Value** – On the previous pages, we provide a description of our Qualifications for this specific engagement. You will also find a listing of the full complement of Assurance, Accounting, Audit, Tax and Business Advisory services we offer. Our expertise is profound, diverse and deep and our clients are the beneficiaries of an outstanding breadth of support.
- ✓ **Greater Business Value** – But there's more. At PKF O'Connor Davies, we know it's not only *what* we provide that defines us, it's *how* we provide it and *who* delivers it that make all the difference. Our services are delivered by seasoned specialists working side-by-side with clients to deliver insights and solve challenges in real time. Our professionals communicate and collaborate with each other and our clients more often.

Peer Review and Inspections

Annual Inspection

Our Quality Control Department randomly selects one representative client assignment from each partner's client list and examines all the documentation, work papers and reports associated with it. The detailed written findings are discussed with the respective partner. Our last office inspection was conducted in 2021 for 2020 reports. No material weaknesses were uncovered.

Triennial Peer Review

As a member of the AICPA Center for Audit Quality, the Firm has undergone triennial AICPA Quality Control Reviews covering audits, reviews and compilations conducted by all our offices for many years, which specifically include audits of government entities. It has passed all such reviews with unqualified reports. Our most recent review was conducted in June 2020 for the period ended December 31, 2019. The Firm's peer review report is available on the AICPA website (www.aicpa.org) and is attached to this proposal as **Appendix B**.

Triennial PCAOB Inspection

The Firm is a registered public accounting firm with the Public Company Accounting Oversight Board (PCAOB) which requires that our SEC practice be reviewed triennially. The last inspection was conducted in 2016. Reports from the PCAOB on their inspections can be found on the PCAOB website (www.pcaobus.org).

Regulatory Reviews

We have not had any regulatory reviews or disciplinary action taken or pending against the firm in the past three years.

6. Partner, Supervisory, Staff Qualifications and Experience

We have selected an experienced group of individuals to serve you. We are confident that their collective expertise will be extremely valuable in satisfying your requirements. They are technical experts, trusted advisors, industry leaders and business strategists.

Member	CT CPA License	Role	Responsibility
Joseph Centofanti	Yes	Engagement Partner	Joe will serve as the engagement partner for the Town and will assume overall responsibility for ensuring the completion of all audit services. He will coordinate the efforts of all PKF O'Connor Davies, LLP professionals participating on this assignment and ensure that our services are delivered in an integrated, cost-effective, and timely manner.
Katherine Patnaude	Yes	Senior Manager	Katherine will be responsible for coordinating the efforts of our staff throughout fieldwork and managing on-site audit procedures. She will be available to answer your questions.
Thomas DeMayo	N/A	Principal	Tom will be responsible for the review and updating of documentation of IT general controls to assist with the evaluation of the control environment and audit planning. He will also be available to provide other IT support as necessary.

The audit will be staffed from the Wethersfield, Connecticut office and the team will include the incharge auditor and two staff in addition to the partner and manager.

All members of the engagement team have experience in both Federal and State single audits as well as the GFOA certificate program requirements.

Per Firm policy and licensing requirement, all staff assigned to municipal audits have the CPE required by the State of Connecticut and the GAO Yellow Book. All staff have specific training related to governmental accounting and auditing.

On the pages of **Appendix A**, you will find descriptions of the expertise and career backgrounds of the members of your engagement team, including the specific experiences and capabilities that qualify each to serve you. Your engagement team will be available to you for consultation throughout the year.

Quality of Firm Management and Staff

Our team approach has equipped us to build strong relationships with our clients by being proactive, thorough and efficient.

- Partners are involved in the day-to-day management of engagements, ensuring a high degree of client service and cost effectiveness.
- The continuity of staffing and attention to detail in all client engagements makes PKF O'Connor Davies stand out among its peer firms.
- We do not anticipate using any contracted support staff in providing the requested services.

Staff Continuity

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons, with the express prior written permission of the Town. However, in either case, the Town retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

Equal Employment Opportunity, Affirmative Action, Diversity and Inclusion

At PKF O'Connor Davies, our top priority is to deliver the highest levels of knowledge, experience, insight and service to our clients. To achieve this requires a talented and cohesive workforce – along with a diverse and inclusive work culture. Together, these dynamic forces drive innovation, develop leaders, promote forward-thinking and equip us to meet every client challenge successfully.

Our exceptionally strong Equal Opportunity Employer (EEO) policy is embraced and promoted by our senior leadership. To ensure access to a diverse candidate pool, we recruit and hire through campus and professional associations, job boards, diversity recruiters and associations such as:

- National Association of Black Accountants (NABA)
- ASCEND Pan-Asian Leaders
- Association of Latino Professionals for America (ALPFA)
- Association of Filipino American Accountants (AFAA)

On an ongoing basis, our internal Diversity, Equity and Inclusion Council defines relevant goals, establishes the framework for achieving them, educates our employees and provides tools for implementation.

In addition, effective January 1, 2022, our new Diversity, Equity and Inclusion Manager will work closely with the Chief Human Resources Officer, Executive Committee and Co-Chairs of the Diversity, Equity and Inclusion Council to focus on diversity initiatives and strategic goals. We have developed affirmative action programs for women, minorities, individuals with disabilities and covered veterans.

We strongly believe in rewarding merit; encouraging diversity; and, in the case of both applicants and employees, applying all terms and conditions of employment, compensation, advancement and promotion without regard to race, color, religion, national origin, sex, age, disability, genetic information, pregnancy, veteran status or any other consideration made unlawful by applicable law.

The Women's Initiative Network ("WIN") at PKF O'Connor Davies was established in 2017. A top priority has been, and will remain, to continue to attract, retain and advance talented women by maintaining a supportive culture that fosters professional growth and leadership opportunities.

We are honored to have earned external recognition for our commitment to a diverse and inclusive workplace and corporate culture:

- In 2021, Vault ranked PKF O'Connor Davies #2 for Best Internships for Racial, Ethnic and LGBTQ Diversity and #23 for Best Internships for Employment Prospects.
- For the sixth consecutive year, our Firm appears on Vault's Accounting 50 List of Top Accounting Employers to Work for in North America, achieving #15 overall in 2022.

Internally, the Firms hosts a variety of events and activities highlighting and celebrating our commitment to diversity, equity and inclusion, including:

- Chinese New Year Celebration
- Black History Month
- International Women's Day Celebration
- Diversity Month
- Juneteenth
- LGBTQ Pride Breakfast
- International Day of Friendship/Compliment Day
- National Women's Day Speaker Event
- Hispanic Heritage Month
- Employee Culture Celebration
- Veteran's Day
- Campus Recruiting
- Experienced Recruiting
- Unconscious Bias Training

Employee Continuing Education and Involvement

In order to comply with Government Auditing Standards, each member of the professional staff must participate in a minimum of 40 hours of continuing professional education per year. Within this, each professional staff member participates in a minimum of 24 hours of governmental training every two years. Accordingly, each professional is expected to learn and apply new practice methodology, thereby increasing performance levels on all engagements.

The Firm's staff training programs provide regular internal training on emerging, difficult, or high risk issues in governmental accounting and auditing standards as well as Federal and State Single Audit standards. In addition, members of the Firm attend all-day seminars by the American Institute of Certified Public Accountants ("AICPA"), Government Finance Officers Association ("GFOA") and the Connecticut and New York State Societies covering a wide range of relevant topics for governmental auditing, accounting and Federal and State Single Audits.

PKF O'Connor Davies also has representation on the various committees of the GFOA, AICPA, the Connecticut Society of CPAs ("CTCPA") including the CTCPA's Government Accounting and Auditing Committee, Accounting and Auditing Committee, and the Pension Committee and the AICPA's Government Performance and Accountability Committee. Our partners and staff are also involved with the national and Connecticut branches of the GFOA that are oriented to the auditing and accounting issues affecting government entities. This participation keeps the Firm closely involved with emerging or contentious issues, which are of concern to our clients.

In addition to these technical trainings, the Firm offers a number of programs to promote employee growth, including:

- Career Advisor Program – All employees are partnered with a Career Advisor who supports their advisees through ongoing coaching and development.
- WIN: Women's Initiative Network – The program creates and facilitates development and networking opportunities for women within the Firm.
- Future Leaders Program – The program is designed to identify and train those individuals that we believe have the ability to be a future leader of the Firm. The training and interactive learning experience combines peer discussion, best-practice sharing, skill-building activities, and multi-media delivery of essential knowledge based on an industry leading traditional training program.

7. Prior Engagements with the Town of Fairfield

Within the last five years, PKF O'Connor Davies has performed the following engagements for the Town:

Auditing Services

- Annual financial statement audit, including Federal and State Single Audits and the EFS procedures for the Board of Education, beginning with fiscal year 2017
- Audit of the Fairfield Parking Authority, beginning with fiscal year 2019, as a result of a merger

Management Advisory Services

- Review of the Town's purchasing policy and procedure manual and recommendations for changes
- Review of the Town's Public Works Department and provide recommendations. This included reviews of
 - Internal controls and related accounting policies and procedures
 - Revenue and expenditure detail transactions
 - Financially relevant operational policies and procedures
- Review of investment policies for the Town's 401a and 457 Plans and provide recommendations
- Development of grant policies and procedures
- Review of the contract for professional services for the FairTV Broadcast System

8. Similar Engagements with Other Government Entities

Client Listing

PKF O'Connor Davies has a long history of serving governmental entities and currently has over 250 such entities on our client list. Below is a listing of the Connecticut local government client we served for the year ended June 30, 2021.

Current Connecticut Clients	
Town of Berlin *	Borough of Naugatuck
Town of Bethel	Town of New Canaan *
Town of Chester	Town of New Fairfield
Town of Clinton *	City of New London
Town of Colchester	Town of North Haven *
Town of Cromwell *	Town of Redding *
Town of East Hampton *	Borough of Stonington
Town of East Haven	Town of Stonington
Town of Easton	Town of Thomaston *
Town of Fairfield *	Town of Trumbull *
Town of Farmington	Town of Woodbury
Town of Monroe *	
Population over 20,000	
* Received GFOA Certificate of Excellence	

The following are the five most significant active Connecticut government audits similar to your Town served by our office last year.

Connecticut Governmental Clients - Audit Services	
Government: Date: Engagement Partner: Total Hours: Client Contact: Phone:	Town of New Canaan, Connecticut Years Ended June 30, 2012 to present Joseph Centofanti 600 Lunda Asmani, CFO (during June 30, 2021 audit period) 203-854-4063
Government: Date: Engagement Partner: Total Hours: Client Contact: Phone:	Town of Bethel, Connecticut Years Ended June 30, 2017 to present Joseph Centofanti 600 Brad Heering, Comptroller 203-794-8512
Government: Date: Engagement Partner: Total Hours: Client Contact: Phone:	Town of Berlin, Connecticut Years Ended June 30, 2016 to present Joseph Centofanti 500 Kevin Delaney, Finance Director 860-828-7044
Government: Date: Engagement Partner: Total Hours: Client Contact: Phone:	Town of North Haven, Connecticut Years Ended June 30, 2018 to present Joseph Centofanti 500 Michael Freda, First Selectman 203-239-5321 x680
Government: Date: Engagement Partner: Total Hours: Client Contact: Phone:	Town of Farmington, Connecticut Years Ended June 30, 2019 to present Joseph Centofanti 500 Joseph Swetcky, Director of Finance 860-675-2335

9. Identification of Anticipated Potential Audit Problems

We do not anticipate any audit problems at this time. It is our experience that most problems can be averted by good engagement planning and constant communication between the audit engagement team and client staff and leadership. We establish early in our relationship with our clients a two-way communication path which provides all parties the opportunity to discuss potential problems when they first become apparent. This “early warning” approach significantly reduces the risk that a small “issue” will turn into a larger “problem.”

10. Annual Comprehensive Financial Reports

Two Connecticut municipalities for which we have issued an Annual Comprehensive Financial Report within the last year and for which the GFOA Certificate of Achievement for Excellence in Financial Reporting has been received include:

- Town of Fairfield
- Town of New Canaan

Local government annual financial reports are also available on the State of Connecticut's OPM Electronic Audit Reporting System (EARS) website at:

<https://www.appsvcs.opm.ct.gov/auditing/public/report.aspx>

Appendix A: Our Team

Joseph Centofanti, CPA, CFE, FCPA, CFF, CGFM, CITP, CRISC



Joseph Centofanti, CPA, CFE, FCPA, CFF, CGFM, CITP, CRISC, is a partner with PKF O'Connor Davies, LLP.

He has over 30 years of experience in providing audit services to all sizes of municipal entities.

Joe also has significant experience performing various types of consulting engagements for governments, not-for-profits and commercial entities, including internal auditing, operational audits, internal control evaluation and design consulting, fraud prevention/risk assessments, and fraud investigations.

Joe lends his expertise as a frequent lecturer on fraud prevention and government accounting and reporting and as a source of information for members of local media on fraud-related topics. Joe has also served as an adjunct professor of governmental accounting and auditing within the UCONN's graduate program.

He was elected as a member and current chairman, of the Town of Haddam, Board of Finance. Joe is the former President and Vice President and current Training Director of the Connecticut Association of Certified Fraud Examiners. Joe is a member of the Connecticut Society of CPAs and serves on the Government Accounting and Auditing Committee. He is also a member of the Government Finance Officers Associations of the United States, Canada and Connecticut.

Joe is a graduate of Bentley University (College) Bachelor of Science degree in Accounting and an Associate Degree in management.

As a testament to his professionalism and commitment to his clients, Joe has earned the following professional designations and is a member of the following organizations:

CPA – Certified Public Accountant by the American Institute of CPAs
CFE – Certified Fraud Examiner by the Association of Certified Fraud Examiners
FCPA – Forensic Certified Public Accountant by the Forensic CPA society
CFF – Certified in Financial Forensics by the American Institute of CPAs
CGFM – Certified Government Financial Manager by Association of Government Accountants
CITP – Certified Information Technology Professional by the American Institute of CPAs
CRISC – Certified in Risk and Information Systems Control by the Information Systems Audit and Control Association

Thomas DeMayo, CISSP, CIPP, CPT, MCSE, CEH, CHFI, CCFE



Thomas DeMayo is a Principal and the Director of IT Risk Advisory Services with the Firm. He has extensive experience with a wide-range of systems used by commercial, not-for-profit, governmental, healthcare, and higher education entities.

Tom is the Firm's lead IT Auditor and is responsible for the implementation and design of the Firm's IT audit programs and testing procedures. In addition, he assists clients in the evaluation, conversion and implementation of systems and consults in the areas of IT governance, information security and privacy and IT compliance achievement and management. He specializes in the areas of PCI-DSS compliance, SOX 404 IT Controls, HIPPA, COBIT, and ISO 27001. Tom has helped many organizations achieve their compliance obligations through intensive and meaningful gap analysis' and risk assessments.

Tom has written several articles on various IT related matters, is a frequent presenter on information technology topics including for the Connecticut Conference of Municipalities ("CCM"), and is an instructor with the Firm's continuing professional education program. He has also served as an IT expert witness in a court proceeding.

Tom is well versed in educating organizations on how to keep the cyber criminals out of your organization. Tom's strongest attribute is the ability to communicate technical deficiencies to non-technical individuals, thus allowing management to make meaningful decisions for remediation.

Tom's accreditations include:

- CISSP – Certified Information Systems Security Professional
- CIPP/US – Certified Information Privacy Professional
- CPT – Certified Penetration Tester
- MCSE – Microsoft Certified Systems Engineer
- CEH – Certified Ethical Hacker
- CHFI - Certified Hacking Forensic Investigator
- CCFE - Certified Computer Forensics Examiner

Katherine M. Patnaude, CPA, MSA



Katherine Patnaude is a Senior Manager at PKF O'Connor Davies with over ten years of experience in Governmental Auditing and Accounting.

She is responsible for providing audit, review, agreed-upon procedures, and consulting services for a wide variety of municipal entities including cities, towns, boroughs, and districts.

Katherine received national attention when she was one of 38 rising stars in the accounting profession to be selected to participate in the AICPA's Leadership Academy for Young Professionals. Additionally, Katherine was awarded with the "New and Young Professionals to Watch" award in December 2014 as an emerging leader in the accounting profession in Connecticut.

Katherine is a member of the Association of Certified Professional Accountants ("AICPA") and serves on Government Performance and Accountability Committee.

Katherine is a member of the Connecticut Society of Certified Public Accountants ("CTCPA") and has served on the following Boards/Committees:

- Board of Directors (2019 – 2021)
- Advisory Council (2015 – 2019)
- Governmental Accounting and Auditing Committee (2013 – present), past Chair
- Accounting Scholarship Foundation (2014 – 2018), past Chair
- New and Young Professional's Cabinet (2013 – 2017), past Chair

She is also a member of the Government Finance Officers Association of Connecticut.

Katherine is a graduate of the University of Connecticut with a Master of Science degree in Accounting and of Eastern Connecticut State University with a Bachelor of Science degree in Accounting.

Appendix B: Peer Review



REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

June 16, 2020

To the Partners of PKF O'Connor Davies, LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of PKF O'Connor Davies, LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended December 31, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act, audits of employee benefit plans, audits of broker-dealers, and examinations of service organizations SOC 1 and SOC 2 engagements.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of PKF O'Connor Davies, LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended December 31, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. PKF O'Connor Davies, LLP has received a peer review rating of *pass*.

David Kaplan, CPA, P.C.

DAVID KAPLAN, CPA, P.C.

**Fee Proposal for Annual Auditing Services to:
Town of Fairfield, CT**

Bid # 2022-123

For the Years Ending June 30, 2022
through June 30, 2026

Date: March 3, 2022

Submitted by:

Joseph Centofanti, CPA, CFE, FCPA, CFF, CGFM
Partner
860-419-3402
jcentofanti@pkfod.com



**KNOW
GREATER
VALUE**

PKF O'Connor Davies, LLP

100 Great Meadow Road
Wethersfield, CT 06109
860-257-1870

Proposed Fees

a. Schedule of Professional Fees and Expenses

For the Annual Audit of 2022

Classifications	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	60	\$ 350	\$ 310	\$ 18,600
Managers	172	250	220	37,840
Supervisory Staff	220	175	155	34,100
Staff	280	125	124	34,720
Administrative Staff	<u>10</u>	75	70	<u>700</u>
Subtotal	<u>742</u>			125,960
Out-of-pocket expenses				-
Meals and lodging				-
Transportation				-
Other				<u>-</u>
Total all-inclusive maximum price for 2022 audit				<u>\$ 125,960</u>

Note: Includes hours and fee for Parking Authority audit (all years).

See **Section d** for a discussion of the increase in fees.

For the Annual Audit of 2023

Classifications	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	60	\$ 355	\$ 320	\$ 19,200
Managers	172	255	225	38,700
Supervisory Staff	220	180	160	35,200
Staff	280	130	128	35,840
Administrative Staff	10	80	73	730
Subtotal	742			129,670
Out-of-pocket expenses				-
Meals and lodging				-
Transportation				-
Other				-
Total all-inclusive maximum price for 2023 audit				\$ 129,670

For the Annual Audit of 2024

Classifications	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	60	\$ 360	\$ 325	\$ 19,500
Managers	172	260	230	39,560
Supervisory Staff	220	185	165	36,300
Staff	280	135	134	37,520
Administrative Staff	10	80	75	750
Subtotal	742			133,630
Out-of-pocket expenses				-
Meals and lodging				-
Transportation				-
Other				-
Total all-inclusive maximum price for 2024 audit				\$ 133,630

For the Annual Audit of 2025

Classifications	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	60	\$ 365	\$ 330	\$ 19,800
Managers	172	265	235	40,420
Supervisory Staff	220	190	170	37,400
Staff	280	140	140	39,200
Administrative Staff	10	85	80	800
Subtotal	<u>742</u>			137,620
Out-of-pocket expenses				-
Meals and lodging				-
Transportation				-
Other				-
Total all-inclusive maximum price for 2025 audit				<u>\$ 137,620</u>

For the Annual Audit of 2026

Classifications	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	60	\$ 370	\$ 335	\$ 20,100
Managers	172	270	240	41,280
Supervisory Staff	220	195	175	38,500
Staff	280	145	145	40,600
Administrative Staff	10	85	85	850
Subtotal	<u>742</u>			141,330
Out-of-pocket expenses				-
Meals and lodging				-
Transportation				-
Other				-
Total all-inclusive maximum price for 2026 audit				<u>\$ 141,330</u>

b. Rates and method used to charge for special requests, reports or the broadening of the scope of work

Our fee contemplates routine consultation regarding accounting, auditing and other matters that may not be directly related to the audit. In fact, we encourage regular communication with our clients. This provides us with the opportunity to address questions, concerns or issues when they first appear. For this reason, our fees include reasonable discussions, during the time we are engaged as auditors.

Our fee for time charges for additional services will be billed at our standard rates subject to our mutual agreement of the work to be performed and the estimated cost.

Our government rates for services outside the scope of the annual audit are follows:

	<u>Rate per Hour</u>
Partners	\$350
Managers	\$250
Senior Accountants	\$175
Staff Accountants	\$125
Administrative Support	\$ 75

If additional services are needed from us, we can generally provide you with a separate estimate of the time necessary for the additional engagement to give you an idea in advance of the fees to expect.

From time to time, however, you may request that we perform services that are above and beyond the scope of the audit process, which may require the use of specialized staff and consultants. Such special services would be billed separately. We will, of course, discuss the objectives of all such projects and provide you with an estimate of the related fees before beginning any work. Further, we will provide updated estimates of time and fees should the scope of the project change before its completion.

We believe the key to fees for services is clear communication of what you will receive, when you will receive it, and how much it will cost. Whether it is through the financial and operational focus of our audit, our year-round service philosophy, or a special consulting assignment, you can always be assured we are committed to quality service that provides demonstrable value.

c. Proposed schedule of billing dates

Our fees will be billed as work progresses on a monthly basis and are payable on presentation. We would expect all invoices for services to be paid within 30 days of receipt.

d. Additional information regarding proposed fee and expenses

Our fee is quoted with the understanding that the accounts and records will be properly and currently maintained and in balance prior to commencement of our year-end audit. This includes trial balances of all individual funds, bank reconciliations, balancing of subsidiary records with general ledger control accounts, adequate detail of receivables, payables, etc. and other account analysis. Should any unusual circumstances, originating from the Town or its personnel require an excessive amount of time on our part, we would consult with you regarding any possible additional charge for the time involved prior to commencing the work.

Should any professional pronouncements issued by the GASB, the AICPA, the Federal or State governments, or should the number of major funds increases or should the number of Federal or State programs that are required to be tested increase significantly affect the audit hours, we would discuss possible fee changes with you prior to commencing the work.

The fees have been increased from the prior year based upon the additional EFS procedures introduced in fiscal year 2020, the parking authority separate audit fee and the significant increase in inflation. A comparison of the 2021 fees to the fees in this proposal is as follows:

	Year Ending June 30,					
	2021	2022	2023	2024	2025	2026
Audit Fee	\$ 105,915	\$ 111,240	\$ 114,510	\$ 117,995	\$ 121,500	\$ 124,755
Additional EFS Fee	3,600	3,710	3,820	3,930	4,050	4,170
Parking Authority Fee	16,525	11,010	11,340	11,705	12,070	12,405
Total Audit Fee	<u>\$ 126,040</u>	<u>\$ 125,960</u>	<u>\$ 129,670</u>	<u>\$ 133,630</u>	<u>\$ 137,620</u>	<u>\$ 141,330</u>

- The additional EFS fee was billed directly to the Board of Education
- The Parking Authority fee was billed directly to the Parking Authority fund
- Actual fee decrease compared to the prior year totaled \$80. This is due to a decrease in the hours necessary to complete the Parking Authority audit now that it is combined with the audit of the Town.
- The inflation adjustment for 2022 is 5%. For subsequent fiscal years we have returned the inflation rate to 3%.

Not to Exceed Price for Proposed Service Schedule Summary

	Year Ending June 30,				
	2022	2023	2024	2025	2026
Basic Reports to Be Issued					
As specified in the RFP	\$ 125,960	\$ 129,670	\$ 133,630	\$ 137,620	\$ 141,330

I hereby certify that the undersigned is fully authorized to represent the Firm stated below and is duly empowered to submit the figures listed in response to the Town of Fairfield request for proposal for annual auditing services, and if selected is duly authorized by their Firm to sign a contract with the Town, for the services identified in this Request for Proposal solicitation document.

PKF O'Connor Davies, LLP

Firm/Company

Joseph Centofanti

Signature

Joseph Centofanti

Printed Name

Partner

Title

March 3, 2022

Date

The above signatory acknowledges receipt of the following addenda (if any) issued during the RFP solicitation period and fully understands that they are a component of the RFP documents (if applicable):

Addendum #	None	Dated		Addendum #		Dated	
Addendum #		Dated		Addendum #		Dated	
Addendum #		Dated		Addendum #		Dated	

BID #	2017-67	Town of Fairfield - Bid Results	
DESC	RFP - Annual Auditing Services		
DATE	18 April, 2017	PKF O'Connor Davies, LLP	Ron L. Beaulieu & Company
TIME	2:00 PM	Wethersfield, Connecticut	Portland, Maine

[illegible]

[illegible]



Town of Fairfield

Sullivan Independence Hall
725 Old Post Road

Fairfield, Connecticut 06824
Purchasing Department

(203) 256-3060
FAX (203) 256-3080

RFP #2022-123 Annual Auditing Services

TOWN OF FAIRFIELD
PURCHASING AUTHORITY
725 OLD POST ROAD
INDEPENDENCE HALL
FAIRFIELD, CT 06824.

Date Submitted _____, 2022.

Bidder:

SEALED BIDS are subject to the standard instructions set forth on the attached sheets. Any modifications must be specifically accepted by the Town of Fairfield, Purchasing Authority.

Doing Business As (Trade Name)

Address

Town, State, Zip

(Mr./Ms.) Name and Title, Printed

Signature

Telephone

Fax

E-mail

First Selectwoman

Director of Purchasing
02/11/2022
Date

Sealed proposals will be received by the Purchasing Authority at the office of the Director of Purchasing, First Floor, Independence Hall, 725 Old Post Road, Fairfield, Connecticut 06824, up to:

2:00 pm, Thursday, 3rd March, 2022

To provide labor, materials and all else necessary for Annual Auditing Services for the Town of Fairfield on behalf of the Finance Department Office as detailed in the attached specifications.

NOTES:

1. Proposers are to complete all requested data in the upper right corner of this page and must return this page and the Proposal page with their bid.
2. No proposal shall be accepted from, or contracts awarded to, any person/company who is in arrears to the Town of Fairfield upon debt, or contract or who has been within the prior five (5) years, a defaulter as surety or otherwise upon obligations to the Town of Fairfield.
3. Proposals are to be submitted in a sealed envelope and clearly marked "BID #2022-123" on the outside of the envelope, including all outer packaging, such as, DHL, FedEx, UPS, etc.
4. It is the sole responsibility of the Proposer to see that the proposal is received by the Fairfield Purchasing Department prior to the time and date noted above. Proposals are not to be submitted via email or fax.
5. Proposals are not to be submitted with plastic binders or covers, nor may the proposal contain any plastic inserts or pages.

1.1 Overview

The Town of Fairfield (here after referred to as the Town) is soliciting proposals for the preparation of both financial and compliance audit reports for the fiscal year ending June 30, 2022 with the option of annual renewals for each of the four (4) subsequent fiscal years [2023 thru 2026]. The Firms or Certified Public Accountants must be registered with the Connecticut State Board of Accountancy, licensed to practice in the State of Connecticut, listed as certified auditors as per the State of Connecticut, Office of Policy and Management, and must meet the independence requirements of Government Auditing Standards as published by the U.S. General Accounting Office .

1.2 Scope of Auditing Services

A. Overview of Government

1. Contact Persons/Locations of Offices

Mr. Jared Schmitt
Chief Fiscal Officer
Town of Fairfield
Finance Office
725 Old Post Road
Fairfield, CT 06824

Ms. Courtney LeBoriorous
Director of Finance & Business Services
Town of Fairfield
Board of Education
501 Kings Highway East
Fairfield, CT 06825

Other Town Department contacts will be supplied as is required. The auditor's principal contact with the Town of Fairfield will be Mr. Jared Schmitt, Chief Fiscal Officer. The principal contact for the Board of Education will be Ms. Courtney LeBoriorous, Director of Finance & Business Services.

2. Software

The financial software packages utilized by the Town of Fairfield are Munis – Tyler Technologies (Town & Board of Education – 2 databases) and Quality Data Services (Tax).

3. Background Information

General information about the Town can be obtained within the Town's current and past Annual Comprehensive Financial Reports (ACFR) available on the Town of Fairfield website at [2020-21 Annual Financial Record](#)

4. Availability of Prior Audit Reports and Working Papers

Interested proposers who wish to review prior years' audit reports and management letters should contact Mr. Jared Schmitt, Chief Fiscal Officer, 725 Old Post Road, Fairfield, CT 06824.

B. Nature of Required Services

1. General

The Town is soliciting the services of qualified firms of Certified Public Accountants to audit its financial statements for the fiscal year ending June 30, 2022 with the option of annual renewals for each of four (4) subsequent fiscal years. These audits are to be performed in accordance with the provisions contained in this request for proposals. In addition, you will need to prepare the Town's Annual Comprehensive Financial Reports (ACFR).

2. Scope of Work to be Performed

The Town desires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with generally accepted accounting principles. The auditor shall also be responsible for performing certain limited procedures involving supplementary information required by the Governmental Accounting Standards Board, as mandated by generally accepted auditing standards.

An initial draft of the financials (in spreadsheet form) will be prepared by the Town and given to the auditor. Final report preparation and necessary editing shall be the responsibility of the Auditor. Reproduction of reports is discussed in Section Four below.

Auditor shall submit for management review a draft of all reports. The final reports are subject to review by the Town's Chief Fiscal Officer. Auditor shall incorporate, as part of the basic proposal, meeting time with Staff, Board of Finance Officials and the Board of Selectmen for the purpose of discussing the audits or management letter and its conclusions.

3. Auditing Standards to be utilized

These annual audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the U.S. General Accounting Office's (GAO) Government Auditing Standards, the provisions of the Federal Single Audit Act of 1984, the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget (OMB) uniform guidance and the provision of the Connecticut State Single Audit Act (codified in Sections 4-230 through 4-236 of the Connecticut General Statutes as amended by P.A. 98-143).

4. Reports to be issued

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

A. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles in the United States.

B. An agreed upon procedures report for the State of Connecticut related to the Town of Fairfield's ED001/ED006 reports.

C. Annual Comprehensive Financial Reports (20-30 copies) plus searchable electronic report in pdf format.

D. Municipal Audit Questionnaire for Submission to the State Office of Policy and Management

E. Combined Federal Single Audit Report and State Single Audit Report (20-30 copies plus searchable electronic report in pdf format), including report on compliance for each major program, report on internal control over compliance, and report on the schedule of expenditures for both federal and state assistance funding.

F. The Town intends to reapply to the Government Finance Officers Association for another Certificate of Conformance Award for its financial statements and its Annual Comprehensive Financial Reports. The Town has received this award for its financial statements and ACFR for over fifteen (15) years. The auditor shall assist the Town in preparing its application for a GFOA Certificate of Conformance including responses to prior year's comments.

Significant deficiencies that are also material weaknesses shall be identified as such in the report.

Auditors shall be required to make an immediate written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the following individuals.

Chief Fiscal Officer / Director of Finance & Business Services
Controller
First Selectman
Chairman of the Board of Finance

C. Special Considerations

1. The Town currently anticipates it will prepare Official Statements in connection with the sale of debt securities which will contain the general purpose financial statements and the auditor's report thereon. In addition, the financial statements and the Auditor's report thereon will be used in connection with providing annual financial information to all EMMAs (Electronic Municipal Market Access). The auditor, by executing a contract, agrees to

the inclusion in any official statements, EMMA filing, or disclosure document in conjunction with any issuance of debt, of the general purpose financial statements, the opinion thereon and any supplemental and supporting information in the audit report.

2. The Town of Fairfield has received awards from the Government Finance Officers Association (GFOA) for the “Certificate of Achievement for Excellence in Financial Reporting” for the last ten plus years. The Town anticipates that it will continue to send its Annual Comprehensive Financial Report to the Government Finance Officers Association (GFOA) for review in their Certificate of Achievement for Excellence in Financial Reporting program. The format of reports shall allow the Town to meet the requirements of that program. This also requires that the Auditor ensure that the audit report and financial statements are complete in time for submission to GFOA. The Auditor shall also assist with developing responses to any comments or deficiencies noted by GFOA.

3. The schedule of State and Federal financial assistance and related auditor’s report, as well as the reports on the internal controls and compliance are to be issued separately from the Annual Comprehensive Financial Report.

4. The formal and official Town accounting records are maintained by the Chief Fiscal Officer. The formal and official accounting records for the Board of Education are maintained by the Director of Finance & Business Services.

5. Financial statements will include the effect of any new Governmental Accounting Standards Board Statements. The audit firm selected must provide an analysis of these statements well before the implementation date and discuss modifications that will need to be made to the present method of accounting and reporting the town’s financial activities. In addition, the audit firm must keep the Chief Fiscal Officer updated on a timely basis of all new accounting guidelines through conferences and firm publications.

6. The selected firm will be available throughout the year to offer advice, to the Chief Fiscal Officer or business director on financial matters that may arise therein. Such advice or comments will be at no additional charge, and is expected to be covered by the overall project fees.

7. The audit firm should have knowledge of and experience implementing GASB 87 – Lease Accounting.

D. Working Papers Retention and Access to Work Papers

All working papers and reports must be retained, at the auditor’s expense, for a minimum of four (4) years, unless the firm is notified in writing by the Town of Fairfield of the need to extend the retention period. The auditor will be required to make working papers available, upon request to the following parties or their designee:

- The Town of Fairfield
- The State of Connecticut
- The U.S. General Accounting Office
- Parties designated by the federal or state governments or by the Town of Fairfield as part of the audit quality review process.
- Auditors of entities of which the Town of Fairfield is a sub-recipient of grant funds.
- Auditors of entities of which the Town of Fairfield is a component unit.

In addition, the firm shall respond to reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

E. Implied Requirements

All services not specifically mentioned in this request for proposals that are necessary to provide the functional capabilities described by the auditor shall be included in the scope of work performed.

F. Assistance to be Provided by the Town

1. Town Staff will prepare the final closing of the books. The Town will provide the auditors with Trial Balances for each Fund and all of the accounting detail necessary to perform the audit. The Town will prepare a draft of the report (in spreadsheet format).
2. Town Staff will generate the necessary confirmation letters prepared by the Auditor.
3. Town Staff will be available during the audit to assist the auditor by providing information, documentation and explanations. All requests will first be directed to the Chief Fiscal Officer.
4. Town will provide the auditor with reasonable workspace. Auditor will also be provided reasonable access to a photocopier and scanner. The auditor should be aware that the use of these equipment and services is restricted to this audit engagement only and is not available for use to service the auditor's other clients or for personal use.

G. Number of Copies of Required Reports

1. CAFR - 40 bound copies and a pdf file
2. Management and SAS 114 Letters - 15 bound copies and a pdf file
3. Federal and State Single Audit, 20-30 bound reports and a pdf file

H. Tentative Schedules

Auditor Selection

Due Date for proposals	March 3, 2022
Appointment by Board of Finance	May 5, 2022

Engagement Letter

The auditor shall annually, after the fiscal year 2022 audit, submit an engagement letter to the Town's Chief Fiscal Officer. Such annual engagement letter should be submitted to the Chief Fiscal Officer by March 15th of each audit year.

Pre-Audit Conference

After the engagement letter is signed, the auditor shall meet with the Chief Fiscal Officer and the Controller at a pre-audit conference to discuss the schedule of the audit and the information needed to complete the audit.

Written Work Plan and Schedule

The auditor shall submit a written work plan and schedule at the pre-audit conference.

Auditor Availability

The auditor shall be available to meet with elected or appointed Town officials to discuss the audit and any other related financial matters

Date Audit May Commence

The date that the audit can commence will be finalized at the pre-audit meeting.

Audit Progress Update

Auditor shall meet with the Board of Finance Audit Subcommittee to provide an update on the progress of audit preparation work.

Date Draft and Final Reports are Due

The auditor shall submit draft financial statements, notes and all required supplementary schedules by November 15, 2022.

The Chief Fiscal Officer and the appropriate Board of Education Representatives will complete their review of the draft report as expeditiously as possible. It is expected that this process should not exceed one week. During that period, the auditor should be available for any meetings that may be necessary to discuss the draft audit reports with the Board of Finance Audit Subcommittee.

Once all issues for discussion are resolved, the final signed report shall be delivered to the Chief Fiscal Officer. It is anticipated that this process will be completed and the final report delivered no later than December 15, 2022. The ED001 and related schedules and reports shall be certified by December 15, 2022.

Post-Audit Conference with the Town's Board of Finance

The auditor shall meet with the Town's Board of Finance at a post-audit conference to review the financial statements and compliance reports.

1.3 Agreement

The Town shall, upon mutually agreed to and acceptable terms and conditions with the successful firm, enter into a formal agreement for professional audit services for a mutually agreed to period of time. The Town reserves the right, subject to mutual agreement with the successful firm, to extend the terms of this agreement for a mutually agreed upon period of time.

1.4 Cancellation of the Agreement

The Town reserves the right to cancel any contract/agreement, at any time, within sixty (60) days prior written notice to the firm, should any of the following conditions exist:

- Lacking of funding for the services.
- The scope of proposed coverage and services, as included in the RFP, are not met.
- The Town, through changes in its requirements, method of operation, or program operation no longer has a need for the service.

1.5 Insurance Requirements

The selected firm, upon receiving authorization to proceed, shall be required to deliver an insurance certificate in amounts, companies, and terms acceptable to the Town naming the Town as additional insured.

The firm selected shall provide evidence of insurance coverage from a company or companies with an A.M. Best rating of A- (VII) or better. Such insurance will protect and indemnify the Town from claims which may arise out of or result from any obligation under this agreement, whether such obligations are the firm's or those of a subcontractor or any person or entity directly or indirectly employed by said firm. Minimum coverage requirements for his solicitation are outlined in the terms and condition of this RFP starting on page 14.

As to the insurance required, the insurer(s) and/or their authorized agents shall provide the Town with certificates of insurance prior to execution of the agreement by the Town, describing the coverage.

1.6 Award of the Services

The services shall be awarded to the firm based upon the evaluation and selection of the committee.

1.7 Acceptance or Rejection and Negotiation of Proposals

The Town reserves the right to reject any or all proposals, to waive any irregularities in the request for proposal, and to accept or reject any item or combination of items. Furthermore, the Town reserves the right to reject any and all proposals prior to the execution of the contract, with no penalty to the Town of Fairfield.

The responsibility for the final selection rests solely with the Town. The Town shall not be liable to any firm for any costs associated the preparation or with the submission of a proposal to the Request for Proposal, and the firm's participation in any interview, or for any costs associated with negotiations.

1.8 Submission Requirements

You must submit one original, four (4) written copies, and one (1) electronic copy of your proposal. Proposal submissions must be received by **2:00 p.m. on 3 March 2022**; send sealed proposal submissions to:

Town of Fairfield
Purchasing Authority
725 Old Post Rd
Fairfield, CT 06824

1.9 Addenda/Requests for Information (RFI)

Questions concerning this bid must be submitted in writing and directed only to:

Gerald J. Foley, Director of Purchasing
GFoley@FairfieldCT.org

No questions or clarifications shall be answered by phone, in person or in any other manner than specified above.

Inquiries must be received no later than 2:00pm on 17 February 2022. Failure to comply with these conditions will result in the candidate waiving the right to dispute the RFP specifications and conditions. Any addenda will be posted to the Town of Fairfield website, which is www.FairfieldCT.org. It is the Consultant's responsibility to monitor the website for additional information.

Response will be in the form of an addendum that will be posted approximately on the 24th of February 2022 (close of business) to the Town of Fairfield website, which is www.fairfieldct.org. It is the responsibility of each bidder to retrieve addenda from the website. Any contact about this bid between a Bidder and any other Town official and/or department manager and/or Town of Fairfield employee, other than as set forth above, may be grounds for disqualification of that Bidder.

1.10 Technical Proposal

A. General Requirements

The purpose of the technical proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the Town of Fairfield in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The technical proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposal requirements.

The technical proposal should address all the points outlined in the request for proposals. The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional data may be presented, the following subjects, items B. through H., must be included. They represent the criteria against which the proposal will be evaluated.

B. Independence

The firm should provide an affirmative statement that it is independent of the Town of Fairfield as defined by generally accepted accounting standards and the U.S. Comptroller General Governmental Auditing Standards.

The firm should also list and describe the firm's professional relationships involving the Town of Fairfield as defined by general accepted auditing standards.

The firm should also list and describe the firm's professional relationships involving the Town of Fairfield or any of its agencies or Public Officers or employees for the past five (5) year's, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the Town of Fairfield written notice of any professional relationships entered into during the period of this agreement with the Town of Fairfield or any of its agencies or Public Officers or employees.

C. License to Practice in Connecticut

An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly licensed to practice in Connecticut.

D. Approach to the Town of Fairfield Audit

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in this Request for Proposals. In developing the work plan, reference should be made to such sources of information as the Town of Fairfield's operating and capital budgets and related materials, organizational charts, manuals, financial and other management information systems and the Town's Charter.

Proposers are required to provide the following information about their audit approach (please number the subsections 1-11 to correspond to the items listed below).

1. Describe the proposed approach to this engagement.
2. Outline a work plan and related time schedule for each significant segment of the work.
3. Indicate extent of use of either proprietary or commercial audit and other software in the engagement.
4. Describe the type and intent of analytical procedures to be used during this audit.
5. Describe the approach to be taken to gain an understanding and to document the Town's internal accounting and administrative control structure.
6. Comment on your firm's ability to provide construction suggestions for improving the Town's internal accounting and administrative control structure and administrative procedures.
7. Describe the approach to be taken in determining the laws, rules and regulations that will be subject to the audit test work.
8. Describe the approach to be taken in drawing audit samples for purposes of compliance and substantive testing.
9. The proposal should identify and describe any anticipated potential audit problems and the firm's approach to resolving these problems and any special assistance that will be requested from the Town of Fairfield.
10. Describe the procedures followed in the technical review of audit reports, prior to their issuance, by qualified personnel independent of audit engagement personnel. Indicate whether this will be done in the local office or elsewhere.

E. Firm Qualification and Experience

The proposal should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in the engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

If the proposer is a joint venture or consortium, the qualification of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any claims filed and any disciplinary review or action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

F. Partner, Supervisory and Staff Qualifications and Experience

The firm should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement and indicate whether each such person is licensed to practice as a Certified Public Accountant in Connecticut. The firm also should provide information on the government auditing experience of each person.

The firm should provide as much information as possible regarding the number, qualifications and experience of the non-supervisory staff to be assigned to this engagement. The firm also should indicate how the quality of staff over the term of the agreement will be assured.

The personnel and commitments identified on any Proposer's proposal shall be considered essential to the work to be performed under this RFP. Prior to diverting any of the specified individuals to other programs or changing the level of effort of the specified individuals, the Proposer must notify the Town a minimum of fourteen (14) calendar days in advance and shall be required to submit justification, including proposed substitutions, in sufficient detail, to permit evaluation of the impact on the project. The Proposer will make no deviation without the prior written consent of the Town. Replacement of personnel will be with personnel of equal ability and qualifications.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

Any employee of the Proposer, who in the sole opinion of the Town is unacceptable, shall be removed from the project pursuant to the request of Town. The Proposer shall be afforded fourteen (14) calendar days to fill the vacancy with another employee of acceptable technical experience and skills subject to the written approval of the Town.

The Town shall have the right to reject or terminate any of the staff provided by the Proposer with 24-hour notice, and the Proposer commit to the Town to be able to provide immediate, temporary replacement and within 40 days, provide permanent replacement acceptable to the Town.

G. Prior Engagements with the Town of Fairfield

List separately all engagements within the last five (5) years, for the Town of Fairfield by type of engagement (i.e., audit, management advisory services, other).

H. Similar Engagements with other Governmental Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant municipal engagements [maximum of five (5)] performed in the last five years that are similar to the engagement described in this request for proposals. These engagements should be ranked on the basis of total staff hours.

Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

Provide a copy of your firm's most recent peer review or quality management review, which is required by the GAO's Government Auditing Standards.

I. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the Town of Fairfield.

Evaluation Procedures and Criteria

The Town of Fairfield would like it clearly understood that both qualifications and price would be considered in the selection process.

A. Evaluation Criteria for Written Proposals

The written proposals will be initially evaluated on the basis of the following criteria:

1. *Qualifications and Experience of the Firm*

- Firm's municipal auditing experience and expertise, especially in the State of Connecticut.
- Local office's municipal auditing experience and expertise.
- The audit firm is independent and licensed to practice in Connecticut.
- The firm has no conflict of interest with regard to any other work performed by the firm for the Town of Fairfield.
- The audit firm's professional personnel have received adequate continuing professional education within the preceding three years.
- The firm submits a copy of its most recent external quality control review report and the firm had a record of quality audit work.
- The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal.
- The firm shall submit one copy of at least two Annual Comprehensive Financial Reports issued by Connecticut municipalities in which their opinion is contained.
- Municipal auditing experience and expertise of the audit team assigned to the Town of Fairfield.
- Non-municipal auditing experience and expertise of the audit team assigned to the Town of Fairfield.
- Firm's and local office's ability to provide consulting services to the Town of Fairfield.
- Experience in providing assistance to meet the requirements of the Certificate of Achievement for Excellence in Financial Reporting Program.

2. *Acceptability of Audit Approach*

- General description of the audit approach
- Manner in which statistical sampling techniques will be utilized.
- Manner in which proprietary specialized governmental auditing programs will be utilized.
- Type and extent of analytical testing procedures.
- Approach to be taken in understanding and documenting the internal accounting and administrative control structure.
- Type and extent of compliance and substantive testing procedures.
- Estimation of the number of hours to be devoted to this engagement.
- Procedures followed in the technical review of audit reports prior to issuance.

3. *Understanding the Engagement*

- Demonstration of the full understanding of the work to be performed.
- Ability of the firm to provide constructive recommendations.
- Ability of the firm to financial advice and counsel to the City.

4. *All-Inclusive Maximum Price*

B. Presentations and Responses of the Finalists

Further evaluation will be based on the presentations and responses of the finalists invited to present their proposals to the Selection Committee.

Firm / Company _____

Proposed Fees:

Indicate your firm's proposed all-inclusive maximum price for the total engagement of the Request for Proposals for each of the five fiscal years beginning with the year ending June 30, 2022. Such price should include all out-of-pocket expenses. Please use the following format to provide the detail for your proposed all-inclusive maximum price

**a. SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE ANNUAL AUDIT OF (THE YEAR)**

Classifications	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	_____	_____	_____	_____
Managers	_____	_____	_____	_____
Supervisory Staff	_____	_____	_____	_____
Staff	_____	_____	_____	_____
Other (specify): _____	_____	_____	_____	_____
Subtotal				_____
Out-of-pocket expenses				_____
Meals and lodging				_____
Transportation				_____
Other (specify): _____				_____
Total all-inclusive maximum price for [FISCAL YEAR] audit				_____

Note: The rates quoted should not be presented as a general percentage of the standard hourly rates or as a gross deduction from the total all-inclusive maximum price.

b. Provide rates and describe the method you will use to charge for any special requests, reports or the broadening of the scope of work beyond that described in this Request for Proposals.

c. Indicate your proposed schedule of billing dates during each year.

d. Please provide any additional information about your firm's proposed fees and expenses for the engagement.

Proposed Fees (continued):

NOT TO EXCEED PRICE FOR PROPOSED SERVICE SCHEDULE SUMMARY

In accordance with this Request for Proposal for Annual Auditing Services issued by the Town of Fairfield, the Firm represented below hereby submits the following cost proposal:

	2022	Year Ending June 30th of		2025	2026
		2023	2024		
Basic Reports to be Issued:					
As specified in the RFP	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

I hereby certify that the undersigned is fully authorized to represent the Firm stated below, and is duly empowered to submit the figures listed in response to the Town of Fairfield request for proposal for annual auditing services, and if selected is duly authorized by their Firm to sign a contract with the Town, for the services identified in this Request for Proposal solicitation document.

Firm / Company

Signature

Printed Name

Title

Date

The above signatory acknowledges receipt of the following addenda (if any) issued during the RFP solicitation period and fully understands that they are a component of the RFP documents (if applicable):

Addendum #		Dated		Addendum #		Dated	
Addendum #		Dated		Addendum #		Dated	
Addendum #		Dated		Addendum #		Dated	

**PURCHASING AUTHORITY
TOWN OF FAIRFIELD
INSTRUCTIONS FOR BIDDERS
TERMS AND CONDITIONS OF BID**

BID PROPOSALS

Bid proposals are to be submitted in a sealed envelope and clearly marked on the outside “**RFP #2022-123**” including all outer packaging such as DHL, FedEx, UPS, etc. All prices and notations must be printed in ink or typewritten. No erasures are permitted. Bid proposals are to be in the office of the Purchasing Authority, First Floor, Independence Hall, 725 Old Post Road, Fairfield, Connecticut, prior to date and time specified, at which time they will be publicly opened.

RIGHT TO ACCEPT / REJECT

AFTER REVIEW OF ALL FACTORS, TERMS AND CONDITIONS, INCLUDING PRICE, THE PURCHASING AUTHORITY OF THE TOWN OF FAIRFIELD RESERVES THE RIGHT TO REJECT ANY AND ALL BIDS, OR ANY PART THEREOF, OR WAIVE DEFECTS IN SAME, OR ACCEPT ANY PROPOSAL DEEMED TO BE IN THE BEST INTEREST OF THE TOWN OF FAIRFIELD.

QUESTIONS

Questions concerning conditions, bidding guidelines and specifications should only be directed in writing to:

Mr. Gerald J. Foley, Director of Purchasing: GFoley@FairfieldCT.org

Inquiries must reference date of bid opening, requisition or contract number, and must be received no later than as indicated in the bid documents prior to date of bid opening. Failure to comply with these conditions will result in the bidder waiving the right to dispute the bid specifications and conditions.

PRICES

Prices quoted must be firm, for acceptance by the Town of Fairfield, for a period of ninety (90) days. Prices shall include all applicable duties. Bidders shall be required to deliver awarded items at prices quoted in their original bid.

PAYMENT PERIOD

The Town of Fairfield shall put forth its best effort to make payment within thirty days (30) after delivery of the item acceptance of the work, or receipt of a properly completed invoice, whichever is later. Payment period shall be net thirty days (30) unless otherwise specified.

ASSIGNMENT OF CONTRACT

No contract may be assigned or transferred without the consent of the Purchasing Authority.

AWARD OF BIDS

Contracts and purchases will be made or entered into with the lowest responsible bidder meeting specifications, except as otherwise specified in the invitation. If more than one item is specified in the invitation, the Town of Fairfield reserves the right to determine the low bidder on an individual basis or on the basis of all items included in the Invitation for Bids, unless otherwise expressed by the Town. Additionally, the Town reserves the right to consider other factors in an award, such as the Town's prior experience with a vendor for services previously provided.

INSURANCE COVERAGE REQUIREMENTS

A. The Town of Fairfield is requiring insurance coverage as listed below for this work.

Note: The term "General Contractor" (hereinafter called the "Contractor") shall also include their respective agents, representatives, employees and subcontractors; and the term "Town of Fairfield" (hereinafter called the "Town") shall include their respective officers, agents, servants, officials, employees, volunteers, boards and commissions.

Note: The term "Town of Fairfield" or "Town" is to be taken to mean Town of Fairfield and the Fairfield Board of Education when the project includes the Board of Education.

At least five days before the Contract is executed and prior to commencement of work there under the Contractor will be required to submit to the Town of Fairfield, Risk Manager, 725 Old Post Road, Fairfield, CT 06824 a certificate of insurance, executed by an authorized representative of the insurance company, satisfactory to the Town's Risk Manager and in an acceptable form. The Town always reserves the right to reject insurance companies, if approved insurance policies cannot be provided the contract shall be terminated.

INSURANCE RIDER

Without limiting the Contractor's liability, the Contractor shall provide and maintain in full force and effect at all times until all work required by the contract has been fully completed, except that Products/Completed Operations coverage shall be maintained for five (5) years, insurance coverage related to its services in connection with the project in compliance with the following requirements.

**PURCHASING AUTHORITY
TOWN OF FAIRFIELD
INSTRUCTIONS FOR BIDDERS
TERMS AND CONDITIONS OF BID**

The insurance required shall be written for not less than the scope and limits of insurance specified hereunder, or required by applicable federal, state and/or municipal law, regulation or requirement, whichever coverage requirement is greater. It is agreed and understood that the scope and limits of insurance specified hereunder are minimum requirements and shall in no way limit or preclude the Town from requiring additional limits and coverage to be provided under the Contractor's policies.

B. Minimum Scope and Limits of Insurance:

Worker's Compensation Insurance:

- In accordance with the requirements of the laws of the State of Connecticut.
- Five hundred thousand dollars (\$500,000) Employer Liability each accident.
- Five hundred thousand dollars (\$500,000) Employer Liability each employee by disease.
- Five hundred thousand dollars (\$500,000) Employer Liability policy limit coverage for disease.

Commercial General Liability Insurance:

- Bodily Injury, Personal Injury and Property Damage one million dollars (\$1,000,000) each occurrence, two million dollars (\$2,000,000) aggregate.
- Products/Completed Operations one million dollars (\$1,000,000) each occurrence, two million dollars (\$2,000,000) aggregate.

Automobile Liability Insurance:

- A combined single limit of one million dollars (\$1,000,000). This policy shall include all liability of the Contractor arising from the operation of all self-owned motor vehicles used in the performance of the Contract; and shall also include a "non-Ownership" provision covering the operation of motor vehicles not owned by the Contractor, but used in the performance of the work.

Professional Liability/ Errors & Omissions:

- **One million dollars (\$1,000,000) each occurrence, two million dollars (\$2,000,000) aggregate.**

Umbrella/Excess Liability Insurance:

- Five million dollars (\$5,000,000) each occurrence, five million dollars (\$5,000,000) aggregate. Such coverage must be follow form over Worker's Compensation, Commercial General Liability and Automobile Liability.

Indemnification: The Contractor shall defend, indemnify and save harmless the Town and its officers, agents, servants, officials, employees, volunteers, boards and commissions from and against any and all claims, demands, suits, proceedings, liabilities, judgments, awards, losses, damages, costs and expenses of any nature, including attorneys' fees, on account of bodily injury, sickness, disease, death or any other damages sustained by any person or persons or injury or damage to or destruction of any property, directly or indirectly arising out of, relating to, or in connection with the work called for in the Contract, whether or not due or claimed to be due in whole or in part to the active, passive or concurrent negligence, fault or contractual default of the Contractor, its officers, agents, servants or employees, any of its sub-contractors, the Town, any of its respective officers, agents, servants, officials, employees, volunteers, boards and commissions and/or any other person or persons, and whether or not such claims, demands, suits or proceedings are just, unjust, groundless, false, or fraudulent, and the Contractor shall and does hereby assume and agrees to pay for the defense of all such claims, demands, suits and proceedings, provided, however, that the Contractor shall not be required to indemnify the Town, its officers, agents, servants, officials, employees, volunteers, boards and commissions, against any such damages occasioned solely by acts or omissions of the Town, its officers, agents, servants, officials, employees, volunteers, boards and commissions, other than supervisory acts or omissions of the Town, its officers, agents, servants, officials, employees, volunteers, boards and commissions, in connection with the work called for in the Contract.

"Tail" Coverage: If any of the required liability insurance is on a claims-made basis, "tail" coverage will be required at the completion of this contract for a duration of 36 months, or the maximum time period reasonably available in the marketplace. The Contractor shall furnish certification of "tail" coverages described or continuous "claims made" liability coverage for 36 months following Contract completion. Continuous "claims made" coverage will be acceptable in lieu of "tail" coverage provided its retroactive date is on or before the effective date of this Contract. If continuous "claims made" coverage is used, the Contractor shall be required to keep the coverage in effect for duration of not less than 36 months from the end of the Contract.

**PURCHASING AUTHORITY
TOWN OF FAIRFIELD
INSTRUCTIONS FOR BIDDERS
TERMS AND CONDITIONS OF BID**

Acceptability of Insurers: The Contractor's policies shall be written by insurance companies licensed to do business in the State of Connecticut, with an A.M. Best rating of A- XV or otherwise acceptable by the Town's Risk Manager.

Subcontractors: The Contractor shall require subcontractors to provide the same "minimum scope and limits of insurance" as required herein, with the exception of Errors and Omissions/Professional Liability insurance/Fiduciary Liability, unless Errors and Omissions/Professional Liability/Fiduciary Liability insurance is applicable to the work performed by the subcontractor. All Certificates of Insurance shall be provided to and approved by the Town's Risk Manager prior to the commencement of work, as required herein.

Aggregate Limits: It is agreed that the Contractor shall notify the Town when fifty percent (50%) of the aggregate limits are eroded during the contract term. If the aggregate limit is eroded for the full limit, the Contractor agrees to reinstate or purchase additional limits to meet the minimum limit requirements stated herein. The premium shall be paid by the Contractor.

Deductibles and Self-Insured Retentions: Any deductible or self-insured retention must be declared to, and approved by, the Town. All deductibles or self-insured retentions are the sole responsibility of the Contractor to pay and/or to indemnify. Under no circumstances will the Town be responsible for paying any deductible or self-insured retentions related to this Contract

Notice of Cancellation or Non-renewal: Each insurance policy required shall be endorsed to state that coverage shall not be suspended, voided, cancelled, or reduced in coverage or in limits except after 30 days prior written notice by certified mail, return receipt requested, has been given to the Town, (provided ten (10) days' prior written notice shall be sufficient in the case of termination for nonpayment).

Waiver of Governmental Immunity: Unless requested otherwise by the Town, the Contractor and its insurer shall waive governmental immunity as defense and shall not use the defense of governmental immunity in the adjustment of claims or in the defense of any suit brought against the Town.

Additional Insured: The liability insurance coverage, except Errors and Omissions, Professional Liability or Workers Compensation, if included, required for the performance of the Contract shall include the Town as Additional Insured but only with respect to the Contractor's activities to be performed under this Contract. Coverage shall be primary and non-contributory with any other insurance and self-insurance and contain no special limitations on the scope of protection afforded to the Town of Fairfield. The Town and/or its representative retain the right to make inquiries to the Contractor, its agents or broker and insurer directly.

Waiver of Subrogation: A waiver of subrogation in favor of the Town is required on all policies.

Waiver/Estoppel: Neither approval by the Town nor failure to disapprove the insurance furnished by the Contractor shall relieve the Contractor of the Contractor's full responsibility to provide insurance as required under this Contract.

Contractor's Insurance Additional Remedy: Compliance with the insurance requirements of this Contract shall not limit the liability of the Contractor or its Sub-Contractors/Firms, employees or agents to the Town or others. Any remedy provided to the Town shall be in addition to, and not in lieu of, any other remedy available under this Contract or otherwise.

Certificate of Insurance: As evidence of the insurance coverage required by this Contract, the Contractor shall furnish Certificate(s) of Insurance to the Town's Risk Manager prior to the award of the Contract if required by the Bid document, but in all events prior to Contractor's commencement of work under this Contract. The Certificate(s) will specify all parties who are endorsed on the policy as Additional Insured (or Loss Payees). The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. Renewals of expiring certificates shall be filed thirty (30) days prior to expiration. The Town reserves the right to require complete, certified copies of all required policies at any time. All insurance documents required should be mailed to Town of Fairfield, Chief Fiscal Officer, 725 Old Post Road, Fairfield, CT 06824 and Town of Fairfield, Risk Manager, 725 Old Post Road, Fairfield, CT 06824.

HOLD HARMLESS

Contractor shall defend, indemnify, and hold harmless the Town of Fairfield, its officers, employees, agents or volunteers, from and against any and all claims and demands of any nature for any loss, damage or injury which any person may suffer by reason of, or in any way arising out of, this Agreement, unless caused by the sole negligence of the Town.

**PURCHASING AUTHORITY
TOWN OF FAIRFIELD
INSTRUCTIONS FOR BIDDERS
TERMS AND CONDITIONS OF BID**

CONFLICT OF INTEREST

No officer or employee or member of any elective or appointive board, commission or committee of the Town, whether temporary or permanent, shall have or acquire any financial interest gained from a successful bid, direct or indirect, aggregating more than one hundred dollars (\$100.00), in any project, matter, contract or business within his/her jurisdiction or the jurisdiction of the board, commission, or committee of which he/she is a member. Nor shall the officer / employee / member have any financial interest, direct or indirect, aggregating more than one hundred dollars (\$100.00) in any contract or proposed contract for materials or services to be furnished or used in connection with any project, matter or thing which comes under his/her jurisdiction or the jurisdiction of the board, commission, committee of which he/she is a member.

ATTORNEY FEES

In the event of litigation relating to the subject matter of this bid document or any resulting contract award, the non-prevailing party shall reimburse the prevailing party for all reasonable attorney fees and costs resulting therefrom.

EXCEPTION TO SPECIFICATIONS

No protest regarding the validity or appropriateness of the specifications or of the Invitation for Bids will be considered, unless the protest is filed in writing with the Purchasing Authority prior to the closing date for the bids. All bid proposals rendered shall be considered meeting the attached specifications unless exceptions are noted on a separate page dated and signed by the bidder.

UNLESS OTHERWISE NOTED

It will be assumed that all terms and conditions and specifications will be complied with and will be considered as part of the Bid Proposal.

EXHIBIT A

SAMPLE OF FORM MATRIX THAT THE TOWN WILL BE USING FOR RESPONDENT SELECTION

TOWN OF FAIRFIELD INDIVIDUAL RESPONDENT RATING FORM

(Reproduce this form for each Selection Committee Member to complete for each Respondent reviewed)

Project: RFP #2022-123 - Annual Auditing Services

Municipality: Town of Fairfield of Connecticut

Respondent: _____

Criteria	Maximum Points	Point Rating
<i>Qualifications and Experience of the Firm</i>	25	
<i>Acceptability of Audit Approach</i>	20	
<i>Understanding the Engagement.</i>	10	
<i>Respondent's proposed fee</i>	35	
<i>References regarding services of similar scope and requirements provided for other municipalities.</i>	10	
Total Points	100	

Signed: _____

Date: _____

Name: _____
(Print)

**Town of Fairfield
Internal Audit Report
Fiscal Year 2022
January 1 through April 30, 2022**

Submitted by: Connie M. Saxl, Internal Auditor

5/3/2022

Internal Audits

- Building Department – Online Permit Revenue (April 2022)
- Greenway Property Services – Invoices Paid – July 2021 through February 2022 (May 2022)
- Registrar of Voters – Review of Pink Postcard Mailing and Seasonal and Part-time Payroll Process (April 2022)

Draft Internal Audit Reports & Policies – In Management Review

- Five-Year Cost Analysis – Hiring One Firefighter versus Paying Overtime to Existing Staff (January 2022)
- Police Department – Outside Jobs Fund - Regulations and Guidelines (March 2022)

Policies & Procedures

- Policies and Procedures Governing Refunds of Customer Online Credit Card Payments and Bounced Electronic Checks - Online Permitting Process (April 2022)

Financial/Accounting/Other

- Quarterly Federal Reporting for American Relief Fund – ARPA
- Town General Fund - Monthly Bank reconciliations
- Recreation Department - Monthly Bank reconciliations
- Calculation of Employee Fringe Benefit Cost
- Preparation of Capital Plan Workshop spreadsheets and documents
- CARES Act – Submission of backup documentation for COVID Expenses
- ECC – Retro pay recalculation
- Update fill pile costs on a regular basis pertaining to the Berm & Remediation expenses
- Fairfield Ludlowe High School – State Audit
- Fairfield Woods Middle School – State Audit
- Legal Analysis by Attorney and Category – FY22 as of February 8, 2022
- Non-Recurring Capital – Spreadsheets
- Prepare monthly pension and OPEB cash flow reports for Town Employees and Police and Fire
- Submit invoices for payment to People's bank pertaining to the Town pension plans
- Gather Town department expense data relating to Storm Ida and submit to FEMA for reimbursement

Town of Fairfield

Fairfield, Connecticut 06824

INTERNAL AUDIT

(203) 256-3065 (Office)

(203) 256-3080 (Fax)

csaxl@fairfieldct.org

To: Sean Reed, Chief Building Official - Building Department
From: Connie M. Saxl, Town Internal Auditor
Subject: Audit: Building Department Online Permit Revenue
Date: April 21, 2022
Cc: Jared Schmitt, Fiscal Officer
Dave Kelley, Director of Information Systems
Jim Tubridy, Programmer/Analyst - Information Systems



AUDIT SCOPE

Internal Audit has examined the revenue generated from customer payments received for online permits issued by the Building Department from January 8, 2022 (inception of the online program) through March 9, 2022 along with corresponding internal controls. Total permit fees per daily Value Payment System reports were recalculated and traced to ACH credits on the Town General Fund bank account. Bank deposits were traced to daily deposit transmittals as recorded in MUNIS, noting correct general ledger revenue account numbers.



AUDIT PURPOSE

The purpose of the audit was to:

- Ensure that online customer payments are properly reflected in the Town bank account as ACH credits for the correct amount and that they are properly recorded in MUNIS by appropriate account number.

- Identify and disclose any weaknesses existing among departmental internal controls and to advise where improvements among daily operations can be made in order to increase the department's efficiency and effectiveness.



STATEMENT OF AUDITING STANDARDS

The audit was conducted in accordance with generally accepted government auditing standards. Those standards require that the audit be planned and performed in order to afford a reasonable basis for judgements and conclusions regarding the organization, program, activity, or function under audit. An audit also includes assessments of applicable internal controls and compliance with requirements of laws and regulations when necessary to satisfy audit objectives.



INTERNAL CONTROL DEFINED

Internal control encompasses all the steps and actions developed by management to ensure efficient and effective organizational operations. It consists of all the methods used to safeguard assets, to promote accuracy and reliability of the organizations accounting data and records, to encourage compliance with all policies and procedures prescribed by management and to promote the operational efficiency of the organization. Management should understand its responsibilities to implement and maintain adequate internal control systems.



AUDIT FINDING #1

It was noted that the total construction value pertaining to permits issued by the Building department each day are added manually from the "Building Daily Financial Reports" (both Online and Cash/Checks Reports) and the totals are manually recorded on the respective reports. Further, the totals manually recorded on individual reports are then manually added to arrive at a grand total construction cost.

AUDIT RECOMMENDATION #1

It is recommended that the “Monthly Annual Report” be used to calculate the construction value for all permits issued over the required period rather than adding these values manually from individual reports on a daily basis. The total construction value figure from this report should be used for all reports submitted to Town Boards and to the State of Connecticut. Adherence to this procedure will eliminate manual tasks that can be easily and readily obtained through the Muncity software program.

Instructions on how to print the Monthly Annual Report (sample report attached):

1. Click: WordReports
2. Under Report, click down arrow and scroll down to “Monthly Annual Report”
3. Enter Start Date for period needed
4. Enter End Dates for period needed
5. Click: Run Report
6. Print

See screen shot from Muncity on following page:

Word Reporting

Reporting | Scheduling - Coming Soon | History

Entity: Entity Report: Monthly Annual Report Start Date: 01/01/2022 End Date: 03/31/2022 Run Report

Document Dataset 1 (1) Dataset 2 (47) Dataset 3 (4) Dataset 4 (4) Dataset 5 (1) Dataset 6 (2852) Raw

Download Google Microsoft

Word MonthlyAnnualReport004-21-22 104237

Accessibility Mode Download Save a copy to OneDrive. Print

Town of Fairfield
Building Department
725 Old Post Road • Fairfield, CT 06824 • 203.256.3036

Building Department
01/01/2022 to 03/31/2022

Total Building Permits

AUDIT FINDING #2

A sample review of the permits issued by date revealed that a permit was issued by the Building Department, which contained a construction value, but no associated fee was properly collected by the department. Inquiries with the Building inspector revealed that he had issued the permit in error without collecting the proper fee from the contractor. The inspector stated that he would collect the fee due to the Town for \$344 from the contractor and the department head was notified.

The original audit scope was further expanded based on this finding to include a detailed review of revenue received from all permits issued each day from January 1 through March 15, 2022. 1,053 permits were issued for this time period totaling \$569,539.16 in fee revenue collected. The expanded audit review revealed 13 additional permits (14 in total) that were incorrectly issued for the reasons listed below. This equates to a 1.33% error rate of total population. The total financial impact totaled \$2,318.00 or a .4% error rate.

Summary of Findings:

<u>Error Description</u>	<u># of Errors</u>	<u>\$ Impact</u>
No Fee Charged	7	\$1,537.00
Incorrect Fee Charged	4	\$397.00
No Construction Value Entered but Fee Charged	3	\$0.00

AUDIT RECOMMENDATION #2

It is recommended that the Department Head review the "M5 Permit Report" on a weekly basis to ensure that a construction value has been entered and the correct fee has been collected for all permits issued by the Building department. Permits issued without fees, permits issued with incorrect fees and those recorded in Municipality without construction values as detailed on the "M5 Permit Report" during the review should be researched by the Department Head and corrected. If they are found to be incorrect then the proper fee should be collected by the contractor or the permit voided. No building inspections should be performed or Certificates of Occupancy issued until proper payment is received by the Building Department for the permit. If no fee should be collected then it should be noted as such on the report. A copy of the reviewed and approved "M5 Permit Report" should be submitted to Finance and the original document should be maintained on file in the Building Department until audit. Adherence to this recommendation will strengthen internal controls over permits issued, fees collected and also reduce the potential for losses in revenue.

Note: The weekly review may be performed on a monthly basis if determined after several reviews that permit errors are no longer present on weekly reports.



AUDIT CONCLUSION

All receipts generated per Daily Payment Reports for the period examined were reconciled daily by the department and properly reported to Finance. They were recorded correctly as to general ledger account, amount and period deposited. All online daily collections were traced to the Town bank account deposits without exception. All permit fees paid with the

exception of those noted in Finding #2 were recalculated based upon construction value without exception.



CLOSING REMARKS

The assistance and cooperation received from the both the Information Systems and Building Department staff was greatly appreciated. I enjoyed working with the involved parties and look forward to working with you again in the near future. Thank you.



Town of Fairfield Building Department

725 Old Post Road • Fairfield, CT 06824 • 203.256.3036

Building Department

01/01/2022 to 03/31/2022

Total Building Permits

Building	Number of Permits	Fees Collected	Construction Cost
Total	447	\$509,352.00	\$36,717,094.63

Total Electrical Permits

Electrical	Number of Permits	Fees Collected	Construction Cost
Total	379	\$83,596.16	\$5,104,743.66

Total Mechanical Permits

Mechanical	Number of Permits	Fees Collected	Construction Cost
Total	199	\$72,114.00	\$4,762,013.94

Total Plumbing Permits

Plumbing	Number of Permits	Fees Collected	Construction Cost
Total	345	\$63,920.00	\$3,705,220.36

Total Overall Permits

Total Overall	Number of Permits	Fees Collected	Construction Cost
Total	1370	\$728,982.16	\$50,289,072.59

Town of Fairfield

Fairfield, Connecticut 06824

INTERNAL AUDIT

(203) 256-2919 (Office)

(203) 256-3080 (Fax)

csaxl@fairfieldct.org

To: Anthony Calabrese, Director of Parks & Recreation
From: Connie M. Saxl, Town Internal Auditor
Subject: Audit: Greenway Property Services - Invoices Paid -
July 2021 through February 2022
Date: May 2, 2022
Cc: Jared Schmitt, Fiscal Officer



AUDIT SCOPE

The Internal Audit Division examined invoices paid by the Town to Greenway Property Services for the eight-month period from July 1 through February 28, 2022. The scope of the audit consisted of a 100 percent audit sample of invoices submitted and paid to the vendor. The audit sample consisted of 47 invoices totaling \$1,035,951.11.



AUDIT PURPOSE

The purpose of the audit was to:

- Ensure that proper payment was made to the vendor for the correct fees/rates as documented per bid awards 2020-42 and 2021-84.
- Identify and disclose any weaknesses existing among departmental internal controls and to advise where improvements among daily operations can be made in order to increase the department's efficiency and effectiveness.



STATEMENT OF AUDITING STANDARDS

The audit was conducted in accordance with generally accepted government auditing standards. Those standards require that the audit be planned and performed in order to afford a reasonable basis for judgements and conclusions regarding the organization, program, activity, or function under audit. An audit also includes assessments of applicable internal controls and compliance with requirements of laws and regulations when necessary to satisfy audit objectives.



INTERNAL CONTROL DEFINED

Internal control encompasses all the steps and actions developed by management to ensure efficient and effective organizational operations. It consists of all the methods used to safeguard assets, to promote accuracy and reliability of the organizations accounting data and records, to encourage compliance with all policies and procedures prescribed by management and to promote the operational efficiency of the organization. Management should understand its responsibilities to implement and maintain adequate internal control systems.



BREAKDOWN OF SERVICES BILLED

Fall Cleanup	\$12,993.00
Fertilization	\$46,536.00
Field Aeration	\$5,594.00
Field Grooming	\$156,002.00
Field Lining	\$29,516.00
Field Mowing	\$49,589.00
Garbage Can Service	\$9,288.00
Irrigation Repairs	\$13,637.69
Jobs Outside of Bid	\$535,825.00
Overseeding	\$87,750.42
Town Island Mowing	\$78,680.00
Turf	\$10,540.00
Total:	\$1,035,951.11



RESULTS OF AUDIT SAMPLE

Number Invoices	Audit Finding	Amount Paid To Vendor
22	Rates differing from bid award - COLA	\$374,987.42
3	Rates differing from bid award - Irrigation Repairs	\$13,637.69
2	Rates differing from bid award - Turface	\$10,540.00
6	Outside of bid award	\$535,825.00
14	Correct rates(s) charged by vendor	\$100,961.00
Total: 47		Total: \$1,035,951.11



AUDIT FINDING #1

The rates/fees charged on 27 out of 47 invoices did not conform to bid award 2020-42 for Field Maintenance Combined Services.

24 invoices revealed rates billed that were higher than the bid award. Three invoices pertained to irrigation repairs, whereby the vendor charged a lump sum for work performed instead of the hourly rate as documented per bid award. The total dollar difference on these three invoices could not be determined since no detail was provided on them.

Inquiries with the Director of Purchasing regarding the invoices with the higher rates revealed that the Town had not authorized an agreed upon cost of living adjustment with the vendor and he did not know why the billing rates had increased. Town Purchasing practice is to authorize cost of living adjustments on bid awards through written letters originating from the Town Purchasing Department to the vendor authorizing the approved cost of living percent increase.

Discussions with the Parks Supervisor revealed that Greenway had unilaterally increased the invoice pricing for a cost of living adjustment (COLA) even though a written agreement between the Town and the vendor authorizing the adjustment increase as stated in bid 2020-42 was not executed.

Internal Audit recalculated invoices based upon a February 2021 COLA of 1.7% as posted on the Connecticut Department of Labor website. It was noted that the

vendor had used a 1.7% COLA and rounded rates billed on 22 out of 24 of their invoices to the nearest dollar. These rounding adjustments resulted in small net overpayments on each invoice (approximately \$50 in overpayment per invoice). Two invoices for Turface (moisture management clay for fields) showed that the vendor had charged 27% more than the bid awarded price resulting in \$2,241.28 in overpayment or .22% of total invoices paid.

AUDIT RECOMMENDATION #1

The Parks Department should cross-reference invoices submitted by the vendor to the bid award-pricing sheet in order to ensure accuracy. All increases in vendor rates noted must comply with the written terms documented in bid award 2020-42 as well as future bid awards, which include: advance written notice of an agreed upon cost of living allowance between the Town and vendor.

Bid 2020-42:

TERM / RENEWAL OF CONTRACT

The contract shall commence upon award of bid for a twelve month term. The Town on (60) days advance written notice, may renew the 2020 contract for one (1), two (2), three (3) or four (4) successive annual terms, based on the same terms and conditions as the 2020 contract, including an agreed upon cost of living allowance (COLA) as posted on the State of Connecticut, Labor Market Information page: <http://www1.ctdol.state.ct.us/lmi/cpi.asp>

The Parks Department should request that the vendor submit irrigation repair invoices that are itemized to reflect the price per bid award multiplied by labor hours to ensure proper billing to the Town on these jobs.



AUDIT FINDING #2

Six out of 47 invoices examined were found to be paid to the vendor that were outside of the bid award. These were described in MUNIS as emergency purchases or sole source purchases. It should be noted that these six invoices were discussed with the Purchasing Director and he found them to be within the guidelines of the Town Purchasing Policy.

6	Outside of bid award	\$535,825.00
---	----------------------	--------------

AUDIT RECOMMENDATION #2

Future bids should include language to incorporate a set hourly labor and machinery rate for occasions where field maintenance or repair services are required from the awarded vendor and where proper quotes or bidding is not feasible due to sole source/time constraints or other emergencies circumstances. These awarded rates per the bid should be used for billing on all future jobs that fall into this category.



AUDIT FINDING #3

The bid award includes overseeding of Town fields based upon a flat rate per square foot. The bid document contained an incomplete list of fields and associated square footage serviced by the vendor. It was noted that the square footage charged by the vendor for overseeding on some fields was more than the square footage recorded in the bid document. Some fields that were overseeded by the vendor were not listed at all in the bid document.

AUDIT RECOMMENDATION #3

It is recommended that a complete and comprehensive list of Town fields (including Board of Education) and associated square footage be included on future bids. Invoices billed for fertilization and overseeding should not exceed the square footage documented on the field list per bid. The square footage sheet should be cross-referenced to invoices submitted for rate/fee accuracy.



AUDIT CONCLUSION

Internal Audit attached one of the bid pricing sheets from bid award 2020-42 to this report in order to illustrate its complexity. It was extremely cumbersome for the Town to cross-reference invoices to bid award rates due to the vast number of Town areas serviced by the vendor along with the wide variety of services performed by them at different billing rates. The Purchasing and the Parks Departments have created a new way of bidding Field Maintenance Combined Services this year to establish one flat fee for all services performed by the vendor

per site. This will allow for easier cross-referencing and monitoring of invoices by site.

The adherence to the aforementioned recommendations will increase internal controls over expenditures governing field maintenance services. The assistance and cooperation received from the Purchasing and Parks and Recreation Departments is greatly appreciated and I enjoyed working with the involved parties.

DRAFT

ATTACHMENT

Greenway Pricing Sheet

DRAFT

NOTE: All tasks at each location are per Occurrence. Do not enter lump sum amounts. Irrigated fields require two cuts per week.	PER CUT MOWING	FERTILIZER Per Application	BUSH/HEDGE TRIMMING	GROOM CLAY BALLFIELDS	LINE SOCCER OR FOOTBALL FIELDS	SPRAY & EDGE WARNING TRACK	EDGING		AERATING	PLAYGROUND MULCH		IRRIGATION STARTUP	IRRIGATION SHUTDOWN	FALL LEAF CLEANUP (HEAVY) includes disposal	FALL LEAF CLEANUP (LIGHT) includes disposal	SPRING CLEANUP includes disposal	HOURLY LABOR RATE FOR MISC. WORK/REPAIRS	TRASH & RECYCLING PER BARRELL		ARTIFICIAL TURF SWEEPING	GRASS SEED Per Square Foot	CLEAN TENNIS COURTS					
							BEDS	WALKS		ADD MULCH	REMOVE MULCH							TRASH	RECYCLING								
SECTION 1																											
DOUGIELLO CLAY FIELD, 520 HOYDENS LANE -- IRRIGATED (2x week)	\$54.00	\$310.00		\$68.50					\$60.00			See Irrigation Tab below	See Irrigation Tab below	\$375.00	\$320.00	\$175.00	\$45.00	\$3.00	\$3.00		\$0.03						
BURR SCHOOL SOCCER FIELD -- IRRIGATED (2x week)	\$30.00	\$585.00			\$59.00	\$0.00			\$72.00			See Irrigation Tab below	See Irrigation Tab below	\$270.00	\$134.00	\$134.00	\$45.00	\$3.00	\$3.00		\$0.03						
DWIGHT SCHOOL FIELDS -- IRRIGATED	\$60.00	\$624.00		\$59.00	\$59.00 per soccer field	\$0.00			\$175.00			See Irrigation Tab below	See Irrigation Tab below	\$375.00	\$320.00	\$175.00	\$45.00	\$3.00	\$3.00		\$0.03						
SECTION 2																											
NORTH STRATFIELD SCHOOL SOCCER FIELD -- IRRIGATED (2x week)	\$30.00	\$618.25			\$59.00				\$55.00			See Irrigation Tab below	See Irrigation Tab below	\$325.00	\$270.00	\$134.00	\$45.00	\$3.00	\$3.00		\$0.03						
OWEN FISH PARK, 1401 STRATFIELD ROAD	\$34.00	\$408.00					\$90.00	\$90.00	\$88.00	\$45.00/hr	\$45.00/hr	See Irrigation Tab below	See Irrigation Tab below	\$404.00	\$270.00	\$270.00	\$45.00	\$3.00	\$3.00		\$0.03	\$15.00					
OWEN FISH CLAY FIELDS	\$30.00	\$1,225.00		\$81.50 baseball \$68.50 softball					\$175.00			See Irrigation Tab below	See Irrigation Tab below	\$270.00	\$134.00	\$134.00	\$45.00	\$3.00	\$3.00		\$0.03						
DOVER PARK, 140 STEVENSON ROAD	\$34.00	\$93.00		\$45.00				\$90.00	\$45.00	\$88.00	\$45.00/hr	\$45.00/hr	See Irrigation Tab below	See Irrigation Tab below	\$325.00	\$270.00	\$134.00	\$45.00	\$3.00		\$3.00	\$0.03					
DOVER PARK CLAY FIELD	\$34.00	\$200.00			\$68.50					\$65.00			See Irrigation Tab below	See Irrigation Tab below	\$100.00	\$75.00	\$75.00	\$45.00	\$3.00		\$3.00	\$0.03					
MELVILLE PARK, 180 MELVILLE DRIVE	\$34.00	\$725.00						\$22.00	\$45.00	\$70.00	\$45.00/hr	\$45.00/hr	See Irrigation Tab below	See Irrigation Tab below	\$100.00	\$75.00	\$75.00	\$45.00	\$3.00		\$3.00	\$0.03					
MELVILLE PARK CLAY FIELDS -- IRRIGATED (2x week)	\$40.00	\$100.00			\$81.50 baseball \$68.50 softball					\$101.00			See Irrigation Tab below	See Irrigation Tab below	\$375.00	\$320.00	\$175.00	\$45.00	\$3.00		\$3.00	\$0.03					
MCKINLEY SCHOOL SOCCER FIELD -- IRRIGATED (2x week)	\$30.00	\$600.00					\$59.00			\$72.00			See Irrigation Tab below	See Irrigation Tab below	\$270.00	\$134.00	\$134.00	\$45.00	\$3.00		\$3.00	\$0.03					
TUNXIS HILL PARK COMPLEX, 199 MELVILLE AVENUE	\$50.00	\$265.00						\$22.00	\$22.00	\$72.00	\$45.00/hr	\$45.00/hr	See Irrigation Tab below	See Irrigation Tab below	\$270.00	\$134.00	\$134.00	\$45.00	\$3.00		\$3.00	\$0.03	\$30.00				
TUNXIS HILL LOWER FIELDS -- IRRIGATED (2x week)	\$80.00	\$1,000.00			\$81.50		\$59.00 per soccer field			\$207.00			See Irrigation Tab below	See Irrigation Tab below	\$270.00	\$134.00	\$134.00	\$45.00	\$3.00		\$3.00	\$0.03					
TUNXIS HILL UPPER CLAY FIELD -- IRRIGATED (2x week)	\$30.00	\$375.00		\$59.00	NA	\$135.00			\$48.00			See Irrigation Tab below	See Irrigation Tab below	\$270.00	\$134.00	\$134.00	\$45.00	\$3.00	\$3.00	\$0.03							
SECTION 3																											
OLD DAM ROAD RECREATION AREA	\$44.00		\$270.00				\$45.00	\$22.00	\$45.00			See Irrigation Tab below	See Irrigation Tab below	\$300.00	\$240.00	\$200.00	\$45.00	\$3.00	\$3.00		\$0.03						
TOM HAYDON CLAY FIELD -- IRRIGATED (2x week)	\$30.00	\$684.00		\$68.50					\$136.00			See Irrigation Tab below	See Irrigation Tab below	\$200.00	\$100.00	\$100.00	\$45.00	\$3.00	\$3.00		\$0.03						
POP WARNER -- FOOTBALL FIELD (FALL) -- IRRIGATED (2x week)	\$40.00	\$1,034.00			\$110.00				\$120.00			See Irrigation Tab below	See Irrigation Tab below	\$200.00	\$100.00	\$100.00	\$45.00	\$3.00	\$3.00		\$0.03						
POP WARNER -- SOCCER FIELDS (SPRING) -- IRRIGATED (2x week)	\$40.00	\$950.00			\$59.00				\$45.00			See Irrigation Tab below	See Irrigation Tab below	\$200.00	\$100.00	\$100.00	\$45.00	\$3.00	\$3.00		\$0.03						
SOUTH PINE CREEK SOCCER FIELD -- IRRIGATED (2x week)	\$40.00	\$648.00			\$59.00				\$110.00			See Irrigation Tab below	See Irrigation Tab below	\$200.00	\$100.00	\$100.00	\$45.00	\$3.00	\$3.00		\$0.03						
KIWANIS CLAY FIELD -- IRRIGATED (2x week)	\$40.00	\$1,144.00		\$81.50			\$135.00					\$185.00	See Irrigation Tab below	See Irrigation Tab below	\$200.00	\$100.00	\$100.00	\$45.00	\$3.00		\$3.00		\$0.03				
OLDFIELD SENIOR CENTER COMPLEX, 100 MONA TERRACE	\$44.00	\$265.00	\$270.00				\$22.00	\$22.00	\$78.00			See Irrigation Tab below	See Irrigation Tab below	\$325.00	\$270.00	\$134.00	\$45.00	\$3.00	\$3.00	\$0.03							
OLDFIELD SENIOR CENTER SOCCER FIELD -- IRRIGATED (2x week)	\$44.00	\$1,147.00	\$100.00		\$59.00				\$122.00			See Irrigation Tab below	See Irrigation Tab below	\$270.00	\$134.00	\$134.00	\$45.00	\$3.00	\$3.00	\$0.03							
SECTION 4																											
VERES STREET PARK, 275 VERES STREET	\$44.00	\$370.00	\$0.00				\$0.00	\$0.00	\$65.00	\$45.00/hr	\$45.00/hr			\$270.00	\$134.00	\$134.00	\$45.00	\$3.00	\$3.00		\$0.03						
VERES STREET PARK CLAY FIELD	\$30.00	\$370.00		\$68.50					\$65.00					\$270.00	\$134.00	\$134.00	\$45.00	\$3.00	\$3.00		\$0.03						
VERES STREET OUTSIDE D.P.W. GARAGE	\$44.00		\$135.00											\$270.00	\$134.00	\$134.00	\$45.00	\$3.00	\$3.00		\$0.03						
VETERANS PARK, 909 REEF ROAD	\$44.00	\$310.00					\$22.00	\$22.00	\$85.00	\$45.00/hr	\$45.00/hr			\$270.00	\$202.00	\$134.00	\$45.00	\$3.00	\$3.00		\$0.03		\$15.00				
VETERANS PARK CLAY FIELD	\$30.00	\$500.00		\$68.50					\$135.00					\$200.00	\$100.00	\$100.00	\$45.00	\$3.00	\$3.00		\$0.03						
ROGER SHERMAN SCHOOL SOCCER & CLAY FIELDS	\$44.00	\$889.00		\$68.50					\$150.00					\$404.00	\$270.00	\$270.00	\$45.00	\$3.00	\$3.00		\$0.03						
RIVERFIELD SCHOOL CLAY FIELDS	\$44.00	\$795.00		\$68.50 per softball field					\$92.00					\$404.00	\$270.00	\$134.00	\$45.00	\$3.00	\$3.00		\$0.03						
MILL HILL SCHOOL CLAY FIELD -- IRRIGATED (2x week)	\$30.00			\$59.00			\$135.00				\$45.00/hr			\$45.00/hr	See Irrigation Tab below	See Irrigation Tab below	\$270.00	\$134.00	\$134.00		\$45.00		\$3.00	\$3.00	\$0.03		
SECTION 5																											
GOULD MANOR PARK, 655 HOLLAND HILL ROAD	\$88.00							\$90.00	\$45.00		\$45.00/hr			\$45.00/hr	See Irrigation Tab below	See Irrigation Tab below	\$404.00	\$270.00	\$134.00		\$45.00		\$3.00	\$3.00		\$0.03	\$15.00
GOULD MANOR CLAY FIELDS -- IRRIGATED	\$60.00	\$971.00		\$59.50 per baseball field					\$85.00			See Irrigation Tab below	See Irrigation Tab below	\$404.00	\$270.00	\$134.00	\$45.00	\$3.00	\$3.00	\$0.03							
HOLLAND HILL SCHOOL SOCCER FIELD -- IRRIGATED (2x week)	\$44.00	\$648.00			\$59.00				\$72.00			See Irrigation Tab below	See Irrigation Tab below	\$270.00	\$134.00	\$134.00	\$45.00	\$3.00	\$3.00	\$0.03							
PILOT HOUSE, 240 COLONY STREET	\$22.00		\$45.00			\$45.00		\$22.00		\$45.00/hr	\$45.00/hr	See Irrigation Tab below	See Irrigation Tab below	\$100.00	\$75.00	\$75.00	\$45.00	\$3.00	\$3.00	\$0.03							
PILOT HOUSE CLAY FIELD	\$30.00	\$327.00		\$68.50					\$35.00			See Irrigation Tab below	See Irrigation Tab below	\$45.00	\$45.00	\$45.00	\$45.00	\$3.00	\$3.00	\$0.03							
SECTION 6																											
JENNINGS SCHOOL SOCCER FIELD -- IRRIGATED (2x week)	\$30.00	\$608.00	\$0.00		\$59.00				\$50.00			See Irrigation Tab below	See Irrigation Tab below	\$270.00	\$134.00	\$134.00	\$45.00	\$3.00	\$3.00		\$0.03						
FFLD. WOODS M. S. SOCCER & CLAY FIELDS -- IRRIGATED (2x week)	\$118.00	\$1,417.00	\$680.00	\$59.00	\$59.00				\$135.00	\$45.00/hr	\$45.00/hr	See Irrigation Tab below	See Irrigation Tab below	\$270.00	\$134.00	\$134.00	\$45.00	\$3.00	\$3.00		\$0.03						
HIGH RIDGE PARK, 330 PALAMAR DRIVE	\$44.00	\$159.00					\$68.00	\$68.00	\$60.00	\$45.00/hr	\$45.00/hr			\$270.00	\$134.00	\$134.00	\$45.00	\$3.00	\$3.00		\$0.03						
HIGH RIDGE PARK CLAY FIELD	\$30.00	\$613.00		\$68.50					\$35.00					\$100.00	\$50.00	\$50.00	\$45.00	\$3.00	\$3.00		\$0.03						
BURROUGHS PARK, 940 BURROUGHS ROAD	\$22.																										

Town of Fairfield

Fairfield, Connecticut 06824

INTERNAL AUDIT

(203) 256-2919 (Office)

(203) 256-3080 (Fax)

csaxl@fairfieldct.org

To: Jared Schmitt, Chief Fiscal Officer
From: Connie M. Saxl, Town Internal Auditor
Subject: Registrars of Voters – Review of Pink Postcard Mailing and Seasonal and Part-time Payroll Process
Date: April 13, 2022
Cc: Matthew Waggoner, Registrar of Voters
Steven Elworthy, Registrar of Voters
James Baldwin, Town Attorney

The Chief Fiscal Officer requested a review of the circumstances surrounding a mailing that occurred in November 2021 by the Registrars of Voters along with a review of the seasonal and part-time payroll process for the department.

AUDIT SCOPE

The scope of the audit included:

- Inquiries with Registrars of Voters personnel
- Examination of the Registrars of Voters pink postcard
- Examination of the Registrars of Voters Website
- Examinations of emails related to the Registrars of Voters pink postcard mailing
- Review of the Connecticut State Statutes
- Review of Registrars of Voters seasonal and part-time payroll

AUDIT PURPOSE

The purpose of the audit was to:

- Document the details surrounding the November 2021 Registrars of Voters pink postcard mailing
- Identify the types of mailings that the Registrars of Voters processes
- Document and review the payroll authorization process
- Identify and disclose any weaknesses existing among departmental internal controls and to advise where improvements among daily operations can be made in order to increase the department's efficiency and effectiveness.

STATEMENT OF AUDITING STANDARDS

The audit was conducted in accordance with generally accepted government auditing standards. Those standards require that the audit be planned and performed in order to afford a reasonable basis for judgements and conclusions regarding the organization, program, activity, or function under audit. An audit also includes assessments of applicable internal controls and compliance with requirements of laws and regulations when necessary to satisfy audit objectives.

INTERNAL CONTROL DEFINED

Internal control encompasses all the steps and actions developed by management to ensure efficient and effective organizational operations. It consists of all the methods used to safeguard assets, to promote accuracy and reliability of the organizations accounting data and records, to encourage compliance with all policies and procedures prescribed by management and to promote the operational efficiency of the organization. Management should understand its responsibilities to implement and maintain adequate internal control systems.

SUMMARY OF REGISTRARS OF VOTERS PINK POSTCARD MAILING

In November 2021 Matthew Waggner, Registrar of Voters decided to prepare an in-office postcard mailing based on CT Public Act 21-2 (full Statute included on following pages) that allowed voters to request that their names and addresses not be disclosed in future public records requests and to be treated as confidential for public records for their safety. Per Mr. Waggner, he was conducting a sample mailing in order to determine how many voters would be interested in this program and whether it should be incorporated in a notice to all voters in the future.

He randomly selected 100 names from the Connecticut Voter Registration List to be included in the sample mailing.

Mr. Waggner designed and created a return address, postage paid, pink postcard (Attached). The postcards were printed on pink cardstock on the office printer and were then cut to size in the Registrars' office by him. Each postcard was then placed in a Registrars of Voters envelope and mailed to each of the 100 persons selected in the sample. (Note: The return address on the pink postcard was the Registrars of Voters office not the Secretary of State/State of Connecticut.)

A daily log was maintained on the Registrars of Voters' office white board, which visibly recorded the date and number of completed postcards returned to the office (Attached).

29 out of 100 pink postcards were returned to the Registrars of Voters' office containing thirty names. (One postcard had two names from the same address recorded on it.) The Connecticut Voter Registration List was updated based upon the names/addresses documented on the returned postcards by the Registrars of Voters' office.

The details surrounding the pink postcard mailing were posted in a letter archived on the Town of Fairfield website under the Registrar of Voters – Registrar of Voters News entitled Voter Nondisclosure Requests, November 15, 2021 (Attached).

Per Mr. Waggner, copies of the pink postcards that had been returned to the Registrars of Voters' office were sent to the Secretary of State, who subsequently

notified the Town of Fairfield that the pink postcard mailing activity was not within the purview of the Registrars of Voters office's statutory authority.

A review of two emails dated March 23 and 24, 2022 from Connecticut Secretary of State, Staff Attorney Aida Carini (Attached) revealed that she had instructed the Registrars' office on February 3, 2022 to send a corrective letter (Attached) to the 100 voters who had received the pink postcard mailing along with an official Secretary of the State (SOTS) form (Attached). This has not been done by the Registrars of Voters' office to date. Ms. Carini asked that there be no further mass mailing regarding this program. Additionally, she further stated that if Mr. Waggnar continued to disregard these instructions, she would have no choice but to begin examining, escalating this misconduct to the Connecticut State Elections Enforcement Commission (SEEC) for possible removal of Mr. Waggnar pursuant to CGS 9-190c.

Conversations with Town Attorney, James Baldwin also revealed that he had discussed the issue with Mr. Waggnar and that he told him to comply with Attorney Carini's instructions.

**State of Connecticut - PA No. 21-2 (June Special Session:
On or after July 1, 2021)**

Sec. 104. (NEW) (Effective from passage) (a) Whenever voter registration information maintained under title 9 of the general statutes by the Secretary of the State or any registrar of voters is provided pursuant to any provision of the general statutes, disclosure of a voter's date of birth shall be limited to only the month and year of birth, unless such voter registration information is requested and used for a governmental purpose, as determined by the Secretary, in which case the voter's complete date of birth shall be provided. As used in this Senate Bill No. 1202 June Sp. Sess., Public Act No. 21-2 135 of 790 section, a governmental purpose shall include, but not be limited to, jury administration.

(b) Notwithstanding any provision of the general statutes, any motor vehicle operator's license number, identity card number, Social Security number and any other unique identifier used for the purpose of generating a voter registration record, or added to such record for compliance with the requirements of the Help America Vote Act, P.L. 107-252, as amended from time to time, shall be confidential and shall not be disclosed to any person.

(c) Notwithstanding any provision of the general statutes, if a voter submits to the Secretary of the State a signed statement that nondisclosure of such voter's name from the official

registry list is necessary for the safety of such voter or the voter's family, the name and address of such voter on his or her voter registration record shall be confidential and shall not be disclosed, except that an election, primary or referendum official may view such information on the official registry list when such list is used by any such official at a polling place on the day of an election, primary or referendum. Such signed statement shall be sworn under penalty of false statement, as provided in section 53a157b of the general statutes.

AUDIT RECOMMENDATIONS - PINK POSTCARD MAILING

1. The Registrars of Voters should immediately send out the corrective letter and the SOTS form to the 100 voters as instructed by the Connecticut Secretary of State, Staff Attorney, Aida Carini and Town Attorney James Baldwin.
2. The Registrars of Voters should obtain prior approval from the State of Connecticut for any proposed future mailings which may be considered atypical or outside of the realm of typical standard acceptable department mailing. Only State approved/authorized forms and preformatted sample letters offered by the State should be used by the Registrars of Voters available for these types of mailings. Sample test-based mailings to a random group of individuals should not be conducted but rather should be made without bias to all individuals on the Connecticut Voter Registration List. All individuals on the Connecticut Voter Registration List should be treated equally and have the same opportunities available to each person.

TYPES OF ACCEPTABLE MAILING

The Registrars of Voters under the State of Connecticut authorizes them to conduct mailings to the Public:

1. Letters to Voters: Acceptance, Rejection, Moves
2. Responses to Voter Requests
3. Notices of Voter Registration
4. Notices of Political Party
5. Reminders of Polling Places
6. Notices of Redistricting

SEASONAL & PART-TIME PAYROLL

The Registrars of Voters - Seasonal Employees:

Seasonal Employees Definition: The Town of Fairfield hires seasonal workers for temporary employment that recurs around the same time every year or during periods of increased business or where the department requires extra help for a few weeks or a few months.

1. To work at the polls: Ballot clerks, election checkers, election moderators and tabulators, for example.
 - a. Hiring: The Registrars uses a historic list of names that are divided between Democrats and Republicans. Each Registrar selects who shall work at specific polls and their tasks. Each polling location maintains an employee sign-in sheet, which records the location, date and hours worked per person.
 - b. Review, Approval & Payment: These employees are paid via submittal of a Pink Voucher by the Registrars of Voters to the Finance Department. The Pink Voucher designates the date and approval signatures of both Registrars of Voters, MUNIS account number, description of payment along with a copy of the polling sign-in sheet.
2. To work in the office:
 - a. Hiring:
 - Assistant Registrar – Allowed by State Statute and selected by the Registrars of Voters – Reports to each Registrar. (Pay Rate = \$16/hr.)
 - Deputy Registrar (Democrat) – Required by State Statute – one per party and selected by the Registrars of Voters– Reports to each Registrar. (Pay Rate = \$22/hr.)
 - Deputy Registrar (Republican) - Required by State Statute one per party and selected by the Registrars of Voters– Reports to each Registrar. (Pay Rate = \$22/hr.)
 - b. Review, Approval & Payment: These employees are paid through the MUNIS payroll system. Employee hours are entered on a time sheet, which is reviewed and approved by each Registrar. The hours are entered into MUNIS by the department secretary and approved by one

Registrar. Once approved, payroll is processed by the Finance department for payment.

The Registrars of Voters - Part-Time Employees:

Part-time Employees Definition: The Town of Fairfield hires part-time employees to help with increased work demands and whose hours are 19.5 or less per week, up to 1,014 hours per year, compared to full-time employees who typically work 35 to 40 hours per week.

- a. Registrars of Voters: There are two Registrars of Voters who work part-time in the office of the Registrars. The Registrars are elected to a four-year term in Presidential election years. One Registrar is elected from each of the major parties.
- b. Review, Approval & Payment of Payroll: These employees are paid through the MUNIS payroll system. Their annual salaries are budgeted. Employee hours are entered on a time sheet, which is reviewed and approved by each Registrar. The hours are entered into MUNIS by the department secretary and approved by one of the Registrars. Once approved, payroll is processed by the Finance department for payment.

AUDIT RECOMMENDATION - PAYROLL

A review of the hours and type of work performed by the Assistant Registrar and the two Deputy Registrars fall more appropriately into the category of part-time employment rather than seasonal employment. These employees are not deemed temporary and are required to work part-time hours for the department throughout the year and they are paid via MUNIS payroll instead of pink internal voucher. It is recommended that the expense related to these employees be budgeted and charged to part-time employment rather than seasonal employment.

Attachments

Pink Postcard Mailing

Dear Fairfield Voter:

Following the passage of CT Public Act 21-2 (June Special Session), voters are permitted to request that their name and address not be disclosed in future public records requests. Names and addresses will still appear on lists at the polling place, but not on voter lists provided to candidates, commercial entities, etc.

We are evaluating how many voters would request non-disclosure of their information if we promoted this process more widely, and if you would like to take advantage of this new law, please sign and return this card.

Sincerely yours,
Fairfield Registrar of Voters Office

Secretary of the State
ATTN: LEAD
PO Box 150470
Hartford, CT 06115-0470

To whom it may concern,

Pursuant to Public Act 21-2 (June Sp. Ses.), Sec. 104, please treat my voter registration as confidential for public records disclosures. I believe nondisclosure of my name from the official registry list is necessary for the safety of myself and/or my family. I am signing this statement under penalty of false statement as provided in section 53a-157b of the general statutes.

PRINTED NAME

ADDRESS

SIGNATURE

DATE

BUSINESS REPLY MAIL

FIRST-CLASS MAIL

PERMIT NO. 33

FAIRFIELD CT

POSTAGE WILL BE PAID BY ADDRESSEE

REGISTRARS OF VOTERS
611 OLD POST RD
FAIRFIELD CT 06824-9671

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES



Postcards: 11/29 - 15
12/6 - 5
12/10 - 2
12/14 - 1
1/4 - 3
1/18 - 1
1/24 - 1
2/11 - 1

[Fairfield Covid19 Data Page](#)

[Departments & Services](#) > [Registrars of Voters](#) > Registrars of Voters News

11/15/2021 - Voter Nondisclosure Requests

The Registrar of Voters office occasionally receives requests from members of the public to conceal their name and/or address from the voter list. Voter lists are public information, and in addition to being a source of solicitations from political campaigns, these lists are sometimes published on the internet or obtained by commercial vendors for various purposes.

Normally, we advise people requesting to be hidden from the voter list of several options:

- Voters may apply for address confidentiality if they meet the [Safe at Home program's](#) eligibility requirements (generally victims of domestic abuse)
- Voters may request that their address be concealed if their position is listed among the [Freedom of Information Act's list of public safety positions eligible for non-disclosure](#)
- Voters may request that they be removed from the voter list entirely and take advantage of Election Day Registration (and simultaneously submit a removal application) so their name is not subject to disclosure during the rest of the year

In 2021, several changes were made to the CT General Statutes; first, specific dates of birth are no longer allowed to be disclosed for any voter in response to any public records request, which hopefully addresses some privacy concerns. But an additional change permits any voter (not just those meeting narrow criteria) to request that their name and address be withheld from disclosure by making a request in writing to the Secretary of the State's office. Voters must sign under penalty of false statement that they believe nondisclosure is necessary for the safety of themselves and / or their family.

Our office has sent a small number of forms to randomly chosen voters to measure interest in this newly created service; if you received a pink postcard in November you may return it by mail after signing it and we will submit your request to the state. If there appears to be widespread interest we will consider incorporating a notice to all voters in our 2022-23 budget.

If you are interested in this service and would like to request a postcard, please come to our office at 611 Old Post Road and we will supply you with one.

[Archives](#)

February 3, 2022 Letter From Attorney Carini

February 3, 2022

Mr. Steve Elworthy
Mr. Matthew Waggner
Fairfield Registrars of Voters
611 Old Post Road
Fairfield, CT 06824

Dear Mr. Elworthy & Mr. Waggner:

We are in receipt of pink postcards sent to us by your office from residents of Fairfield requesting that their name and address not be disclosed pursuant to PA No. 21-2 (June 2021) Sec. 104(c). Please be advised that while these post cards contain correct references to the statute, they are not the prescribed form created by the Office of The Secretary of the State. Please ensure that you provide the attached form when you receive a request from a resident to participate. If you would like this form electronically, it is available on our website at:

https://portal.ct.gov/-/media/SOTS/Voter_Privacy_Program/VPPapp_20211104.pdf

One could also make the argument that the post card appears to be an official document from the Secretary of the State which is misleading. Furthermore, it appears that these cards were part of a mailing from your office. I would appreciate if you would please provide us with a complete version of the mailing that you sent out with these cards.

The purpose of this new program is to protect the voter registry information of individuals who fear a threat of violence to them or their family as a result of disclosure of the voter registry when requested by a member of the public. It should not be taken lightly and used for any other purpose. Additionally, this office is statutorily required to keep the original form, but you are required to process the information at the local level and take the necessary steps to ensure you are in compliance with the statute. As you are aware, the voter registry lists are maintained at the local level and not through our office. You will need to reach out to all of the individuals who sent in the pink post cards and have them fill out an official form so their application can be correctly filed with our office.

Please let me know if you have any questions on this matter.
Thank you,

Aida R. Carini
Staff Attorney

Emails

From: Carini, Aida <Aida.Carini@ct.gov>
Sent: Thursday, March 24, 2022 11:21 AM
To: James Baldwin <jbaldwin@cbklaw.net>
Subject: Fairfield Voter Registry Privacy Program issue

Hello Jim,

Attached please find the corrective letter the Registrars should send to the 100 voters who were contacted by the Registrars in November and who received the pink post card mailing. I would appreciate if a copy of the SOTS form would accompany this corrective letter. A copy can be found at [Please feel free to contact me to discuss if necessary and have a wonderful weekend!](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fportal.ct.gov%2f-%2fmedia%2fSOTS%2fVoter_Privacy_Program%2fVPPapp_20211104.pdf&c=E,1,7L2h9_Jls1maxShk75WD09wx1JavCO7St3TKeLB6IrCZnV8ej5QOBxlvO5V0ANUX5hK0f9cNBnGewcn4t0laVvXzM3RzGjHltniAtE&typo=1<https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fportal.ct.gov%2f-%2fmedia%2fSOTS%2fVoter_Privacy_Program%2fVPPapp_20211104.pdf&c=E,1,n3eGIyLNcALLN8gNVD7iGCnyDI5G0P9qA6OeAyRAX7Dx1ZzLJDUz1ApFrtrl_5wl1qKiLdSIeIxJnp762zGBDqiO6HtOnMH3glgr5qXl8abpd655hw.,&typo=1> . I believe that I may have sent you the wrong file copy of the February 3, 2022 letter yesterday and accordingly, am including the version that was sent to Mrs. Wagner and Elworthy here.</p></div><div data-bbox=)

Aida R. Carini
Staff Attorney
Connecticut Secretary of the State
165 Capitol Avenue, Hartford, CT 06106
Aida.Carini@ct.gov<<mailto:Aida.Carini@ct.gov>>
Phone: (860) 509-6123

From: Carini, Aida <Aida.Carini@ct.gov>
Sent: Wednesday, March 23, 2022 1:28 PM
To: James Baldwin <jbaldwin@cbklaw.net>
Subject: Fairfield Voter Registry Privacy Program

Hello Jim,

It was a pleasure to speak with you today regarding the Fairfield mailing issue. I've attached the file copy of the letter I sent to the Registrars on February 3, 2022 in which I instructed the registrars to provide the SOTS Voter Registry Privacy Program form to the 29 individuals who had returned the pink postcards and enclosed the official form. My understanding is that none of the 100 voters who received the Voter Registry Privacy mailing composed by the Fairfield registrars have been contacted/provided with clarification of the program to date.

I am hopeful that we can reach a quick resolution in this matter as we appear to be in agreement that corrective action is warranted. Our office would consider this matter resolved if the registrars(1) agree to send a corrective letter authored by me to the 100 individuals who received the misleading mailing which includes the SOTS Voter Registry Privacy Program form and (2) affirm that no further mass mailing regarding this program will occur. As we discussed, gauging public interest and informing the electorate of statutory changes exceeds the authority of the registrars and we do not wish to have to revisit this issue as a result of their overreach. I shall draft that letter this week and provide you with it by Friday. It is my sincere hope that no further action would be necessary, however, should Mr. Waggner continue to disregard these instructions as well as your recommendations, we will have no choice but to begin examining escalating this misconduct to SEEC for possible removal of Mr. Waggner pursuant to CGS 9-190c. I believe that Mr. Waggner is open to this resolution though and do hope that we can wrap this up without necessitating an in person meeting of all the parties.

Again, I am very thankful that you reached out and that we are on the same page here. Wishing you the best this week and may the verdant part of spring arrive sooner than later!

Aida R. Carini
Staff Attorney
Connecticut Secretary of the State
165 Capitol Avenue, Hartford, CT 06106
Aida.Carini@ct.gov<<mailto:Aida.Carini@ct.gov>>
Phone: (860) 509-6123

Corrective Letter Supplied by State Attorney

Fairfield Voter
611 Old Post Road
Fairfield, CT 06824

DATE

Dear VOTER:

Our office contacted you by mail in November 2021 to inform you about the Voter Registry Privacy program established by the Office of the Secretary of the State pursuant to Public Act 21-2 (June Special Session). This mailing included a pink pre-paid return postcard with an attached note and was accompanied by a letter of enclosure.

It has come to our attention that information provided in that mailing was incomplete. The Voter Registry Privacy Program is available to voters who fear they or their family would be subject to bodily harm, threats of violence, intimidation, harassment or doxxing resulting from disclosure of their voter registry information. This expanded application is **not a general request for privacy from data disclosure and should not be treated as such**. The program is intended to protect individuals who have a reasonable fear of bodily harm, threats of violence, intimidation, harassment, or doxxing as result of their registry information being disclosed. This fear may arise as a result of employment, relation to a victim of domestic violence, community activism or political involvement, or any similar situation that may reasonably make the voter more vulnerable to bodily harm, threats of violence, intimidation, harassment or doxxing if their CVRS information were disclosed. The voter does not need to move residences or prove they were a victim of domestic violence to be eligible for this program, however the voter **must affirm under penalty of false statement that such non-disclosure is necessary for the safety of the voter or the voter's family**.

Additional information regarding the program is available on the Secretary of the State's website and the application may be found at this address:

https://portal.ct.gov/-/media/SOTS/Voter_Privacy_Program/VPPapp_20211104.pdf

A copy of this form is enclosed for you. **If you previously filled out and returned a pink post card and affirm that such non-disclosure is necessary for you or your family's safety, you will need to fill out the Secretary's form and return it to the address listed on the bottom of the form to be enrolled in the program.**

If you have any questions regarding this program, please contact Aida Carini at the Office of the Secretary of the State at (860) 509-6123.

Thank you,

Fairfield Registrars of Voters



Request for Non-Disclosure of Voter Information from Registry

I, _____, request non-disclosure of my name and address from the official registry list.
(PRINT NAME)

Such non-disclosure is **necessary for my and/or my family's safety**. I make this request pursuant to PA No. 21-2 (June 2021) Sec. 104(c) and sworn under penalty of false statement, as provided in section 53a-157b* of the general statutes.

SIGNATURE OF APPLICANT

DATE OF BIRTH OF APPLICANT

ADDRESS OF APPLICANT

CITY

STATE

ZIP

*GIVING A FALSE STATEMENT IS A CLASS A MISDEMEANOR, PUNISHABLE BY UP TO ONE YEAR IN PRISON, UP TO A \$2,000 FINE, OR BOTH.

PA No. 21-2 Sec 104(c): Notwithstanding any provision of the general statutes, if a voter submits to the Secretary of the State a signed statement that nondisclosure of such voter's name from the official registry list is necessary for the safety of such voter or the voter's family, the name and address of such voter on his or her voter registration record shall be confidential and shall not be disclosed, except that an election, primary or referendum official may view such information on the official registry list when such list is used by any such official at a polling place on the day of an election, primary or referendum. Such signed statement shall be sworn under penalty of false statement, as provided in section 53a-157b of the general statutes.

Return form to:
Office of the Secretary of the State
State of Connecticut
P.O. Box 150470
165 Capitol Ave., Suite 1000
Hartford, CT 06115-0470
Attn: Aida R. Carini

Response from Matthew R. Waggner, Registrars of Voters
(Received by C. Saxl via Town email April 13, 2022)



**Town of Fairfield, Registrar of Voters Office
611 Old Post Road • Fairfield, Connecticut • (203) 256-3115**

**MATTHEW R. WAGGNER — REGISTRARS OF VOTERS
RESPONSE TO DRAFT AUDIT REPORT**

Dear Ms. Saxl,

Thank you for taking the time to meet with us concerning the CFO's request concerning the newly enacted Voter Privacy Program, also known as the "pink postcard mailing" conducted in November. I have some comments and additional information for your audit report and am glad to be able to provide this for your final version.

Universal Mailing

The report concludes that mailings of this nature should go to all voters, and I agree. You can see from our FY23 budget request that our office proposed sending this information to all Fairfield voters prior to the next election; the sample mailing was conducted to produce a cost estimate for implementing this program. I welcome suggestions and recommendations for how town departments should create budget estimates for new programs where costs will vary depending on the rate of public interest or participation.

Current Request from Secretary of the State's Office

In our meeting with Attorney Baldwin he indicated that while he was the Town Attorney, we did not have an attorney-client relationship with him and as such he would not be willing to serve as the intermediary for any negotiations between our office and the Secretary of the State's office. Attorney Baldwin indicated that we should engage Attorney Carini directly for any discussion or proposals.

The most recent request we have received from Attorney Carini is that we develop a letter ourselves to send to voters and submit it to their office for approval. She had subsequent discussions with Attorney Baldwin and made further suggestions to him but my requests to Attorney Carini – including for the specific documents that she has apparently provided to Attorney Baldwin, so that we can engage with her directly on this matter – have not received any response. The statement on page 4 of your report that we had previously been instructed by Attorney Carini to send the letter she furnished to Attorney Baldwin is not accurate.

While I am awaiting a response from Attorney Carini both for the specifics of her request and answers to the questions I have asked her, I have consistently indicated my willingness to furnish voters with the new form and relevant descriptive or eligibility text supplied by the Secretary of the State's office.

Directives and statutory authority

It is also the position of the Secretary of the State office that while they issue advice to local officials, they lack authority to issue directions or supervisory authority of any kind.¹ Legal opinions issued by the office pursuant to their authority under CGS Sec. 9-3 must include reference to the relevant statutory authority – and may be

¹ https://ctnewsjunkie.com/2018/11/08/20181108_connecticut_continues_to_lag_in_election_results_reporting/

appealed under the state agency rulemaking process – and to date we have received no written opinions of this nature. I am eager to see the statutory basis for the theory that Registrars lack the authority to communicate with voters concerning election procedures and programs; neither Attorney Baldwin nor Attorney Carini have been able to furnish any information in this regard.

It is possible that Sec. 9-3 legal opinions, reference to a legal prohibition on notifying voters about election laws that we do not know about, or a new request from the Secretary of the State's office will be supplied to us after the agency reviews this matter carefully. I assume that the attorney in question is aware of their obligation to furnish documents upon written request, and am currently awaiting a direct communication from their office that outlines their legal opinion, the statutory basis for that opinion, and the final request for action from our office based on that opinion.

Conclusions

I would conclude by noting that the debate or dispute in this matter is a question of whether Registrars may communicate with the public generally about elections, procedures, programs, and changes that may be of public interest. The program being referenced here has been requested by our constituents dozens of times over the years, and when it became available I knew it would be of general interest to voters.

In practice, normal voters do not have any way of learning about voting procedures, changes in voting methods or procedures, the availability of new programs, or issues they may personally have to resolve before voting unless we advise them of these things. It has been our practice, and I believe our responsibility in the orderly administration of elections, to advise our constituents of relevant voting information at the time and in a manner most conducive to informing their actions as they prepare to vote in each election.

The argument that notifying voters of a new program in statute and supplying them with a form containing the information necessary to participate in that program constitutes misconduct that would result in removal from office is an extreme and bizarre threat that frankly should be of interest to all public officials who communicate with constituents. This view is contradicted by our historical experience, the conduct of other departments, and the information conveyed to us in the Registrar certification program produced by the state that states that public relations, outreach, and voter education are within the purview of our office (despite no specific statutory language which mandates it.)

I believe and hope that the comments made by the attorney responsible for this program have not been shared with us in the form of an authoritative and appealable legal opinion because they are not consistent with the statutes and that the agency is revisiting its approach to issue general purpose advice concerning the Voter Privacy Program that would assist Registrars in implementing it in a uniform manner.

I do recognize that certain aspects of the program (specifically, the statute's non-disclosure of names and inclusion of participating voters on official checklists through the Connecticut Voter Registration System software) have not been implemented by the state in the ten months since the program became law. Questions around these implementation details, and the time and manner in which voters can best be advised of how to access the program, can be resolved in a professional manner, and my communications regarding this program and mailing have been consistent in attempting to reach this outcome.

					RESPONSIBLE DEPT:	
	Town of Fairfield, CT				26 IN PROGRESS:	
	Public Works Department Independent Audit				DPW	5
					IT	2
	Status of Audit Recommendations as of 4/30/2022				HR	2
					P. POLICY	17
	Condition	Priority			Partially Implemented/ In-Progress	
	Reference	1-5	Division/Department	Fully Implemented		Not Applicable
	<u>Public Works</u>					
	<u>PW-1</u>					
1	A.	1	Public Works General		X	
2	B.	3	Public Works General		X	
3	C.	4	Public Works General		X	
4	D.	2	Public Works General	X		
5	E.	5	Public Works General	X		
6	F.	2	Public Works General		X	
7	G.	5	Public Works General	X		
8	H.	3	Public Works General		X	
9	I.	5	Public Works General		X	
10	J.	5	Public Works General	X		
11	K.	4	Public Works General		X	
12	L.	4	Public Works General		X	
13	M.	3	Public Works General		X	
14	N.	3	Public Works General	X		
15	<u>PW-2</u>	3	Public Works Admin.	X		
16	<u>PR-1</u>	3	Parks	X		
17	<u>MAR-1</u>	5	Marina	X		
18	<u>MAR-2</u>	1	Marina	X		
19	<u>MAR-3</u>	3	Marina			X
20	<u>MAR-4</u>	2	Marina	X		
21	<u>MAR-5</u>	1	Marina	X		
22	<u>TG-1</u>	2	Town Garage	X		
23	<u>BM-1</u>	3	Building Maintenance	X		
24	<u>SH-1</u>	3	Street and Highways	X		
25	<u>SH-2</u>	4	Street and Highways	X		
26	<u>SH-3</u>	4	Street and Highways	X		
27	<u>ENG-1</u>	3	Engineering	X		
28	<u>ENG-2</u>	3	Engineering	X		
29	<u>ENG-3</u>	4	Engineering	X		
30	<u>TW-1</u>	5	Tree Warden			X
31	<u>SWR-1</u>	3	Solid Waste and Recycling	X		
32	<u>SWR-2</u>	3	Solid Waste and Recycling	X		
33	<u>SWR-3</u>	3	Solid Waste and Recycling	X		
34	<u>SWR-4</u>	3	Solid Waste and Recycling	X		
35	<u>SWR-5</u>	3	Solid Waste and Recycling	X		
36	<u>SWR-6</u>	2	Solid Waste and Recycling			X
37	<u>SWR-7</u>	3	Solid Waste and Recycling	X		
38	<u>SWR-8</u>	5	Solid Waste and Recycling	X		
39	<u>WPCA-1</u>	3	Water Pollution Control Authority			X
40	<u>APP-1</u>	1	Administrative Policies and Procedures	X		
41	<u>APP-2</u>	2	Administrative Policies and Procedures	X		
42	<u>APP-3</u>	1	Administrative Policies and Procedures	X		
43	<u>APP-4</u>	1	Administrative Policies and Procedures	X		
44	<u>APP-5</u>	1	Administrative Policies and Procedures		X	
45	<u>APP-6</u>	1	Administrative Policies and Procedures		X	
	<u>BAR-1</u>					
46	A.	1	Billing/Accounts Receivable	X		
47	B.	3	Billing/Accounts Receivable	X		
48	C.	1	Billing/Accounts Receivable	X		
49	D.	3	Billing/Accounts Receivable	X		

					RESPONSIBLE DEPT:	
	Town of Fairfield, CT				26 IN PROGRESS:	
	Public Works Department Independent Audit				DPW	5
					IT	2
	Status of Audit Recommendations as of 4/30/2022				HR	2
					P. POLICY	17
	Condition	Priority				
	Reference	1-5	Division/Department	Fully Implemented	Partially Implemented/ In-Progress	Not Applicable
50	<u>FIN-1</u>	2	Finance Department	X		
51	<u>FIN-2</u>	3	Finance Department	X		
52	<u>FIN-3</u>	3	Finance Department	X		
53	<u>FIN-4</u>	1/4	Finance Department	X		
54	<u>BUD-1</u>	4	Public Works Budget			X
	Disbursement Testing					
55	<u>CD-1</u>	2	Policies	X		
56	<u>CD-2</u>	5	Budgeting			X
57	<u>CD-3</u>	4	Finance Department	X		
58	<u>CD-4</u>	5	Policies	X		
59	<u>CD-5</u>	5	Policies	X		
	Procurement Testing					
60	<u>PP-1</u>	1	Purchasing department		X	
61	<u>PP-2</u>	3	Purchasing department		X	
62	<u>PP-3</u>	5	Purchasing department		X	
63	<u>PP-4</u>	5	Purchasing department		X	
64	<u>PP-5</u>	5	Purchasing department		X	
65	<u>PP-6</u>	2	Purchasing department		X	
66	<u>PP-7</u>	2	Purchasing department		X	
67	<u>PP-8</u>	3	Purchasing department		X	
68	<u>PP-9</u>	2	Purchasing department		X	
69	<u>PP-10</u>	3	Purchasing department		X	
70	<u>PP-11</u>	4	Purchasing department		X	
71	<u>PP-12</u>	2	Purchasing department	X		
72	<u>PP-13</u>	3	Purchasing department		X	
73	<u>PP-14</u>	4	Purchasing department		X	
74	<u>PP-15</u>	4	Purchasing department	X		
75	<u>O-1</u>	Not Rated	Other Observations		X	
76	<u>General</u>	Not Rated	Potential Process Improvements		X	
	TOTALS - 76 RECOMMENDATIONS:			44	26	6
	Priority					
	Ratings Scale					
1	Significant internal control deficiency					
2	Internal control deficiency					
3	Internal control deficiency, not significant area					
4	Significant Best practice/efficiency/policy related					
5	Best practice/Efficiency/Policy					