

BOARD OF FINANCE AUDIT SUBCOMMITTEE MEETING FINAL MINUTES

Thursday, May 5, 2022

6:00 pm

Via Webex

And

In-Person at BOE Conference Room 295A/B

501 Kings Hwy E., Fairfield, CT

A recording of this meeting can be found here:

<https://www.youtube.com/watch?v=JNGm0cqcW0w>.

Members Present: Mary LeClerc-Chair, John Mitola-Vice Chair, Lori Charlton

Others Present: Purchasing Director Gerald Foley, CFO Jared Schmitt, Town Internal Auditor Connie Saxl, BOF member Christopher DeWitt, FairTV

1. Call to Order

Chair Mary LeClerc called the meeting to order at 6:00 pm.

2. To hear, consider, and approve the draft meeting minutes of February 1, 2022

Lori Charlton made a motion to approve the minutes of 2/1/22 as written. Vice-Chair John Mitola seconded the motion which carried unanimously.

3. To hear, consider and recommend to the Board of Finance the acceptance of the bid and reappointment of the independent auditors for Fiscal Year ended June 30, 2022

Purchasing Director Gerald Foley said there was only one submission received for the annual auditing services and it was from the current auditor, PKF O'Connor Davies, LLP. He said the bid was for a five-year offering and is in line with the services the company currently provides. Mr. Foley said there is a slight increase in the company's current fee. He said PKF O'Connor Davies was the only firm participating even after extending the submission deadline by two weeks. Mr. Foley said he did contact some firms inquiring as to why they did not submit a bid to the Town and the majority of firms said they had current clients and didn't have adequate staffing to add new clients. Mr. Foley also said the Town of Fairfield audit has an intense schedule. He also explained to the board that there were other towns in the State that did not get offers from auditors either. Mr. Foley then said the fees that were posted in the original backup for today's meeting were incorrect and they were from PKF O'Connor Davies' last bid. He said the correct fees are in the PKF O'Connor Davies backup which is located online.

2021- \$126,040 – includes fee for Parking Authority

2022- \$111,240 – does not include fee for Parking Authority as it will be billed for that.

Chairwoman LeClerc asked Mr. Foley if he would change anything in the bid to get more results next time. Mr. Foley said he would post it sooner to allow firms more time to respond.

Ms. Charlton made a motion to recommend to the BOF to reappoint the current auditors for the Town of Fairfield fiscal year ending 6/30/22. Mr. Mitola seconded the motion which carried unanimously.

4. To hear an update on the internal control reports

Internal auditor Connie Saxl said there was a four-month internal audit performed from January of 2022 through April of 2022 and there were three internal audits performed in that time. Ms. Saxl said she had regular follow-up with department heads to monitor compliance with the DPW independent audit report and findings. She said the reports are given to the CFO, department heads and other parties directly involved. Ms. Saxl said she went through her report which is located in the backup for tonight's meeting. She said the three internal audits were:

- Building Department Online Building Revenue which concerned the new credit card system for permit payment. There was a discussion about the errors and corrections as the system is new.
- Greenway Property Services invoices from 7/1/21-2/28/22. The vendor added his own cost of living increase which coincided with the state COLA, but it had not been agreed upon prior to billing. Purchasing will be cross referencing invoices.
- Registrars of Voters review of pink postcard mailing and the Seasonal and PT Payroll process. The pink postcards were sent out to randomly selected registered voters, but the registrars did not follow the State guidelines for sending them out. It was recommended that the registrars follow the guidelines and send these again. At this time, it has not been done.

5. To hear an update on status of the implementation of the DPW audit

Ms. Saxl said she has been meeting and working with department heads regarding audit recommendations. She said the original report went out in March of 2020. She said at that time, there were 76 total recommendations - 44 were implemented, 17 were non-applicable, and 26 are still open and being worked on. Ms. Saxl said 17 of the 26 have to do with the updated purchasing policy. She said nine are open or in the process of being implemented. She said all the items are tracked and documented on a matrix spreadsheet. Ms. Charlton asked for updates and specifics of the non-applicable items and updates of open or in-process items.

6. To hear a status on the purchasing policy

Chris DeWitt said that about two weeks ago there was a meeting held regarding Central Office's interpretation of the purchasing policy with he, the Purchasing Director Gerald Foley, CAO Tom Bremer, and Central Office. He said the Purchasing Policy had not yet been sent to Central Office so he delivered it to the Office last week. He said Mr. Foley is working with Joseph Centofanti of PKF O'Connor Davies to coordinate the last comments that he and Ms. Charlton had incorporated which he doesn't have a current status of. He said Central Office is in possession of the working document of the Purchasing Policy and will be sending feedback at some point. He said some of the issues Central Office has with the current purchasing policy is that it takes too long to process purchase orders and requisitions and some professional services are limited in availability. He said a sole source document would be helpful in these situations allowing Central Office to establish a sole source rate. Mr. DeWitt said the State of Connecticut issues the rate that would expedite the services. There was a discussion about sole sourcing. Mr. DeWitt said his guess on when the policy would be finished by late summer/early fall.

7. To discuss and plan agendas for the remainder of the year
Chairwoman LeClerc asked about future meeting dates and topics of discussion. Members agreed on holding meetings quarterly this year in June, September and December.

8. Adjourn
Ms. Charlton made a motion to adjourn the meeting at 7:07 pm. Chairwoman LeClerc seconded the motion which carried unanimously.

Respectfully submitted,

Pru O'Brien
Recording Secretary