

## Westport Board of Finance Audit Sub-Committee Minutes, June 6, 2016

Members: Jennifer Tooker (Chair), John Hartwell, Clarissa Moore

Also present: Lynn Scully, Gary Conrad, Scott Bassett (RSM), Lauren Davis (RSM), Brian Stern

Room 309, 9:05am

### Item A: Administrative

1. The subcommittee approved minutes for May 2, 2016.

### Item B: External Audit

2. The subcommittee discussed Mr. Conrad's responses to auditor's management letter for FY15. It was recommended by the subcommittee that existing procurement policy be amended to address requirements specific to confirming purchase orders.
3. Mr. Bassett provided a letter to the subcommittee regarding the planned scope and timing of the FY16 external audit. In response to the FY15 management letter, the subcommittee recommended greater focus in FY16 on the procurement process during RSM's test of controls phase beginning June 20. RSM to provide an update as to the test of controls at the subcommittee's September meeting.

Mr. Bassett anticipates a draft of the Comprehensive Annual Financial Report (CAFR) will be complete by November 2016, with a goal of finalizing by December 15, 2016.

Mr. Bassett briefly discussed GASB 72, which will require a new financial disclosure report of the fair value measurement of investments in the FY16 CAFR.

### Item C: Internal Audit

4. Ms. Scully discussed the status of obtaining responses to the Wakeman Town Farm Audit (IA 16-01) by CohnReznick, LLP. Ms. Scully to meet with Wakeman Committee on 6/8 and will arrange to meet with town administrators after that.
5. The subcommittee discussed responses to RFP 16-847T, Internal Audit Services. Three of the four responses were considered to have met the requirements of the RFP and those candidates were interviewed by Ms. Scully, Mr. Conrad, Ms. Carey & Mr. Longo on June 1, 2016. Based on the RFP responses and the interviews, the candidates were evaluated based upon 5 Criteria: Team & Government Experience, Audit Approach, Communication, Quality of Work Product and Professionalism. As a result of this process, Blum Shapiro was recommended to the subcommittee as the top candidate.

The subcommittee agreed with this recommendation. Ms. Scully to contact the candidates and to facilitate contract drafting and approval by the Board of Selectmen at the June 29, 2016 meeting.

6. The subcommittee selected Payroll Extra Help and Overtime as the next audit to undertake for FY17. It was decided that Police, Fire, Public Works and Parks & Recreation would be included in the scope of this audit. Overall objectives of this audit were discussed. Ms. Scully to write up the objectives of this

audit and circulate to the committee members.

The meeting was adjourned at 10:50am.

Approved 8/29/16 LRS