

BOARD OF ESTIMATE AND TAXATION
Audit Committee Minutes
Thursday, May 8, 2008

Attending:

Audit Committee: Arthur Norton, Chairman; James Campbell, William Finger, Jeffrey Ramer.

Staff: Finance Department, Peter Mynarski, and Reinie Lange, Board of Education (BOE) Susan Wallerstein, Anthony Byrne.

Member of the Board of Education: Nancy Weissler.

Member of the BET: Robert Stone

Meeting was called to order at 8:01 A.M.

The following items were discussed:

1. Approval of minutes:

Motion to approve minutes of the Audit Committee Meetings March 13, 2008, April 10, 2008, and the Special Audit Committee Meeting April 8, 2008.

Moved by Mr. Finger, seconded by Mr. Ramer. Approved 4-0

2. Discussion of material presented at Special Audit Committee Meeting of April 8, 2008---Board of Education (BOE).

Susan Wallerstein distributed the Greenwich Public Schools Facilities/Maintenance Update. The format has three questions, Current Practice, Continuous Improvement Initiative(s), and Other Areas for Improvement. It was noted that supplies are ordered in bulk, that they are delivered to the individual school buildings by the supplier, and that controls for miscellaneous supplies, paper towels, copy paper etc. are maintained by the individual school buildings not in the central office.

Maintenance checklists are now being sent to Anthony Byrne and his staff on a weekly basis to alert them to any problems. The head custodian is responsible to complete these check lists and to note what is not completed, to explain the cause of a problem, example staff out on sick leave. Any major problems, leaking roofs, standing water, plumbing problems are to be reported to Facilities/Maintenance immediately.

Susan Wallerstein and Anthony Byrne mentioned that they receive feedback from the users of the school facilities as to the condition and if items need to be repaired. This feedback is in the way of E-Mails and telephone calls and is investigate for action.

It was report that 9 of 15 schools performed the walk through during 2007-2008 school year, but only one school report, North Mianus, was given to the Audit Committee at the Special Audit Committee Meeting on April 8, 2008.

The Audit Committee discussed ways the Internal Auditor can investigate/monitor that the check lists are being completed and maintained, and that proper internal controls are followed over the performance of maintenance and use of maintenance supplies.

3. Review of amended draft letter, Tax Collector, tax overpayments.

Two revised letters for overpayment of real estate and personal property taxes were distributed for approval. Letter #1 with a larger heading was preferred by the Audit Committee. The letter indicates that an overpayment has occurred, that overpayments will not be applied to subsequent years, and that the refund must be made within three years of the date of the tax payment as outlined by Connecticut State Statute 12-129.

The Committee was advised that the amount of overpayments (credit balances) is being reduced by the aggressive writing letters and follow up of the overpayments by the Tax Collector's office.

Motion to approve letter # 1, with the larger heading.

Moved by Mr. Ramer, seconded by Mr. Finger. Approved 4-0.

4. Discussion procedures/policies for return checks to notify the Treasury Department.

The Committee discussed the present policy to write-off returned checks. There is concern that many checks written off by the Treasury department were actually re-deposited and that the individual departments failed to notify the Treasury Department that the checks were made good. The Treasury Department is maintaining the original check returned and they need to clear each item.

The current Treasury Department policy, to charge off checks that have been returned is to send a notice with a copy of the return check to the individual departments for collection. If the Treasury Department does not receive a response, they write-off the returned check on the 10th day of the following month.

Motion to change the policy in which the Treasury Department writes off the returned checks, to the 10th day of the second month after the return check was received.

Moved by Mr. Finger and seconded by Mr. Ramer. Approval 4-0.

5. 2007 Fiscal Year Independent Auditor's Management Letter.

Review of following management points was presented:

1. The E-mail policy is with the Human Resources Department for final approval.
2. Human Resources Department is working to verify that pay rates for individual employees comply with union contracts.
3. The Finance Department will have to wait until next fiscal year to add the new MUNIS procedures, due to the timing of training by MUNIS
4. The BOE has completed their points.

6. Internal Auditor Report.

The Internal Auditor reported that he is working on the Bridge reimbursement fund and the road construction reimbursements. He also reported he is working on the past due accounts receivable for the Marine, Holly Hill and the Marcel Paper amount.

7. Risk Manager Report.

The Audit Committee will add a Risk Manager report to the monthly agenda. This will address the financial and physical aspects of the risk management function.

8. Discussion Auditing Standards SAS 114, meeting with Independent Auditor on June 12, 2008.

The Audit Committee had a general discussion concerning the meeting with Blum Shapiro on June 12, 2008 and it is inviting all BET members to attend the meeting. Following discussion of regular business items, the June 12, 2008 will adjourn. The Committee will convene a Special Meeting (Executive Session) with Blum Shapiro.

9. Discussion of topics for future BET Audit Committee Meetings.

Because of a scheduling conflict by the Committee Chair, it was agreed to change the July Audit Committee date. This meeting will be schedule at 8:00 am on July 17, 2008, at a meeting room to be determined.

10. Adjournment.

The next Audit Committee meeting is scheduled for June 12, 2008.

The meeting adjourned at 9:47 AM motion by Mr. Campbell, seconded by Mr. Ramer. Approved 4-0.

Reinhardt Lange, Secretary

Arthur D. Norton, Chairman