



MEETING POSTING

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TOWN OF NANTUCKET
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All meeting **notices and agenda** must be filed and time stamped with the
Town Clerk's Office and posted at least 48 hours prior to the meeting
(excluding Saturdays, Sundays and Holidays)

Committee/Board/s	Audit Committee
Day, Date, and Time	Wednesday, April 6, 2016 at 3:00pm
Location / Address	4 Fairgrounds Rd., Nantucket, MA Training Room OR □
Signature of Chair or Authorized Person	Lynell Vollans

WARNING: IF THERE IS NO QUORUM OF MEMBERS PRESENT, OR IF MEETING POSTING IS NOT IN COMPLIANCE WITH THE OML STATUTE, NO MEETING MAY BE HELD!

AGENDA

Please list below the topics the chair reasonably anticipates will be discussed at the meeting

1. Call to Order.
2. Discussion and Approval of Minutes of January 13, 2016 meeting.
3. Discussion of FY2015 Management Letter with Auditor.
4. Discussion of FY2015 Nantucket Public Schools Single Audit.
5. Update on Timeline of FY2016 Audit.
6. Date of Next Meeting: TBD.
7. Adjournment.



**Town of Nantucket
Audit Committee**
www.nantucket-ma.gov

MINUTES

Wednesday, January 13, 2016

4 Fairgrounds Road, Training Room – 3:00 p.m.

Staff: Libby Gibson, Town Manager; Brian Turbitt, Finance Director; Lynell Vollans, Assistant Finance Director; Bob Dickinson, Assistant Town Accountant; Terry Norton Town Minutes Taker

Attending Members: Bob DeCosta, Rick Atherton, Jim Kelly

Absent Members: None

Auditor: Anthony Roselli, Roselli, Clark & Associates (RC&A) by remote participation

Documents used: Engagement Letter; FY2014 Management Letter.

I. CALL TO ORDER

3:09 p.m.

II. DISCUSSION AND APPROVAL OF MINUTES

October 27, 2015 – Held

III. ENGAGEMENT LETTER/RENEWAL FOR FY2016, FY2017, AND FY2018

Turbitt – FY2016 and FY2018 are at the same cost and FY2017 has an additional cost for the fiscal review of the School Student Activity Accounts.

Motion to Accept the Renewal. (made by: Kelly) (seconded by: Atherton) Carried unanimously

IV. UPDATE ON FY2014 MANAGEMENT LETTER FINDINGS AND RECOMMENDATIONS

Atherton – Asked to focus on the management letter.

Roselli – There is a deadline on the CAFR; but an extension has been granted through January 31, 2016.

Asked to have any edits come through Mr. Turbitt to be received by his office by January 21. This is the 1st year the GASB 68, the required recording of the net pension liability, is required to be on the books; the Town's net pension liability is \$53.7 million. The Town is on a funding schedule with Barnstable County as required by the State.

Atherton – The pension number seems to be the same; the Other-post Employment Benefits (OPEB) number seems to be lower than in the past.

Roselli – Reviewed some informational issues pertaining to OPEB, single audit threshold, and municipal data security.

FINDINGS

Using the wrong rate on unemployment claims; this is resolved. Health Insurance Trust, which is made up of two portions, has been fixed and satisfied. Some out-standing receivable balances go back to 1980s and should be resolved by the end of this fiscal year.

Turbitt – Explained what is being done to satisfy the finding.

Roselli – Cash reconciliation process: a lot of old reconciling items have been cleared out and adjusted but new ones are starting to accumulate. Capital projects: there was a list of stagnant projects, which are either being used or put into an article to be used; this should be cleared up by the end of this fiscal year. Last year the firm conducted payroll and Department of Public Works (DPW) projects: a lot of progress has been made but some issues are still being addressed.

Turbitt – Kara Buzanoski, DPW Director, sent update on the video camera policy. Specific to payroll, software for DPW payroll will hopefully be in place by April to eliminate some issues that were identified. Discussion about the use of payroll software for DPW and the Fire Department.

Roselli – Student Activity Accounts: there have been a lot of improvements which will hopefully continue; an issue affecting the Town is the fact that the treasurer maintains the savings accounts for these; in the General Ledger they are agency accounts for the schools. A new rule requires the school, the treasurer, and the general ledger be reconciled quarterly; that had never been done so he reconciled them.

Turbitt – The process has been developed and started with the reconciliation for December.

Roselli – He has offered training for the individuals who work with Student Activity Accounts. A large amount of money goes through those accounts: close to \$400,000. Closing the books timely: this is important and needs to be focused on; he saw some improvement but needs further improvement; reviewed some of the still outstanding issues and recommended a checklist noting: who is responsible, when things are to be done, and when it was reviewed.

Turbitt – After the last meeting, there have been extensive conversations about how to streamline this process; there is a checklist with due dates and review schedules, which are signed, monthly, quarterly, or annually. The goal between December 2015 and May 2016 is to refine and identify holes in the process.

Roselli – Special Revenue Fund: The State appointed a new Director of Accounts who wants stagnant accounts, which have not had activity in a number of years, identified and cleared up; the Town has over 200 stagnant accounts with balances that need to have the money reappropriated or closed out to free cash.

Turbitt – Has a list that he'll go through with the Town Manager to identify how the money might be used.

Roselli – Cash Handling: he will audit two or three departments a year to ascertain how they handle and reconcile cash: he has audited the Town Clerk, Wannacomet Water Company bills, and school cafeterias. Noted that the Town treasurer has custody of all Town funds and how they are managed; when it comes to cash, turnovers, and cash handling; suggested a ruling from Town Counsel on that. Discussion about issues with the cash handling in the Town Clerk's office.

Turbitt – He will do an unannounced visit to ensure the Town Clerk is complying.

DeCosta – Feels it would be good for people to hear that the Town is financially sound before Town Meeting. Discussion about scheduling a presentation by Mr. Roselli to the BOS.

V. DATE OF NEXT MEETING

April 6, 2016

Motion to Adjourn: 3:56 p.m.

Submitted by:

Terry L. Norton

TOWN OF NANTUCKET, MASSACHUSETTS

MANAGEMENT LETTER

YEAR ENDED JUNE 30, 2015

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Honorable Board of Selectmen, Audit Committee
and Town Manager
Town of Nantucket, Massachusetts
16 Broad Street
Nantucket, Massachusetts 02554

We have audited the financial statements of the governmental activities, the business type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Nantucket, Massachusetts (the “Town”) as of and for the year ended June 30, 2015, which collectively comprise the Town’s basic financial statements and have issued our report thereon dated January 15, 2016. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the Town is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Town’s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town’s internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Selectmen, Audit Committee, Town Manager and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

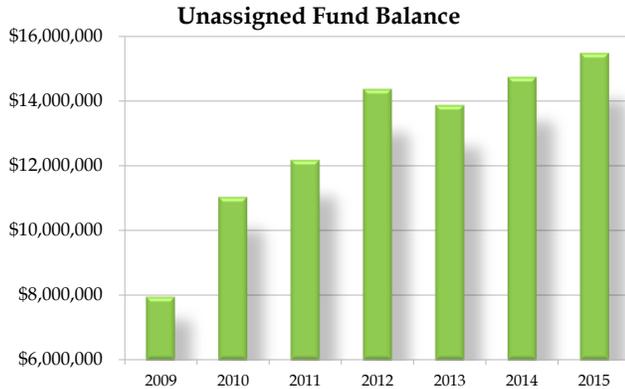
A handwritten signature in black ink that reads "Roselli Clark & Associates". The signature is written in a cursive, flowing style.

Roselli, Clark & Associates
Certified Public Accountants
Woburn, Massachusetts
January 15, 2016

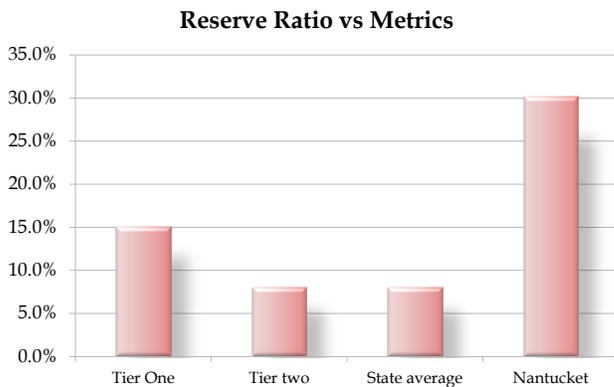
I. OVERVIEW

Fiscal year 2015 was a financially positive year for communities in Massachusetts. Many experienced increases to their reserve balances as average balances statewide increased to approximately 8% of general fund expenditures. In addition, unemployment rates have been reduced to pre-recession levels; and a favorable mortgage market has bolstered home sales which have been robust over the past 2 years. This has been especially true in Nantucket where real estate sales for calendar year 2014 exceeded \$1 billion for only the third-time in island history and assessed valuation has exceeded \$20 billion for the first time since fiscal year 2010; currently fourth highest in Massachusetts.

The Town ended the year with almost \$15.5 million in unassigned fund balance; and its OPEB Trust Fund which was established in fiscal year 2011 increased to \$0.8 million. This represents a \$0.7 million increase in unassigned fund balance from the prior year and was primarily due to better than expected local receipts combined with expenditure turn-backs. This was particularly impressive given there were moderate uses of free cash and continued excess levy capacity.



A common budgetary flexibility test used by the rating bureaus when conducting a credit evaluation is called a reserve ratio. The ratio is calculated by adding general fund assigned and unassigned fund balances presented in the financial statements and dividing



this by the general fund expenditures. 15% is considered tier-one and 8% - 15% is considered tier-two. The Town's ratio is 30.2% which places the Town considerably higher than these critical rating metrics; and is considered very strong.

These strong reserve levels, when combined with the Town's strong management practices and excellent demographics, directly contributed to an upgrade in the Town's bond rating from Aa2 to Aa1 during the fiscal year. This is one notch below the highest investment grade possible and the Town should be proud of this achievement.

Another significant highlight for the Town was the completion of a Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2014. In June, 2015, the Town received notification from the Government Finance Officers Association (GFOA)

that the CAFR satisfied all the necessary reporting requirements to qualify for the prestigious Certificate of Achievement for Excellence in Financial Reporting. This was a major accomplishment for the Town, especially in light of the financial reporting issues that existed as late as 2013, when the Town was still included on the Department of Revenue watch list. The Finance Office now includes as one of its annual financial goals, the completion of a CAFR.

The remainder of the report is dedicated to informational items, and recommendations for improvement in control and efficiencies in operations. We urge the Town to implement recommendations where appropriate and cost/beneficial to do so.

II. INFORMATIONAL ITEMS

Effect of Adoption of New Accounting Principal – Pensions

In fiscal year 2015, the Town and virtually all municipalities in the Commonwealth adopted new pension accounting standards. The new pension accounting standards required, for the first time, that the Town present its portion of the unfunded pension liability owed to its current and former employees in the government-wide financial statements. At June 30, 2015, the net pension liability for the Town was approximately \$53.7 million.

It is important to note that the new pension accounting standards do not affect the underlying regional pension system or its funding schedule. All Massachusetts pension systems are required by Massachusetts general law to be fully funded by June 30, 2040. The Barnstable County Regional Retirement System, which is the pension system the Town participates in, is currently 60.4% funded based on a December 1, 2014 actuarial study and actual pension plan net assets as of December 31, 2014.

The new pension accounting standards will require that the Town become a more active participant in the audit of the Barnstable County Regional Retirement System. The Town can expect to have its retiree and employee census data tested on a rotational basis. It is therefore important that the Town promptly provide the requested documentation to the Barnstable County Regional Retirement System and its auditors in a timely manner so as to not delay this annual process of it and all other employer units of the retirement system

New Accounting Principal – OPEB

The Governmental Accounting Standards Board, or GASB, has issued a new pronouncement related to other postemployment benefits, or OPEB, that is substantially similar to the pension standard described above. OPEB typically includes health and welfare plans and other similar benefits provided to Town retirees exclusive of pension benefits.

Currently, the Town reports a net OPEB obligation (about \$38.7 million) in its government-wide financial statements. However, the proposed new accounting standards will require that the net OPEB liability (about \$88.8 million), be reported in the government-wide financial statements. Adoption of this new accounting standard is two years away for the Town.

While this proposed accounting standard will likely materially affect the Town's financial position, the Commonwealth has not passed legislation requiring municipalities to begin setting aside monies for this unfunded obligation like it has with pensions.

In order to begin to manage its OPEB obligation, the Town has established a formal OPEB trust fund like many other Massachusetts municipalities have done; and during fiscal year 2015 contributions increased the balance to approximately \$800,000. It is

expected that the Town will continue to fund part of its OPEB obligation annually and increase this funding in future years. This should have a positive impact on the Town's credit rating once the balance begins to accumulate.

Changes to Single Audit Requirements

The Office of Management and Budget, or OMB, raised the threshold for OMB A-133 compliance audits (i.e., single audits) from \$500,000 to \$750,000. This new threshold is expected to apply to the Town in fiscal year 2016. However, the Town generally exceeds the new \$750,000 threshold so it should continue to plan on having a single audit performed for the foreseeable future.

Also included in the new audit requirements is a requirement that the Town's internal control structure should be in compliance with recognized internal control framework such as the Green Book or COSO. At first pass, this requirement doesn't seem overly complicated. However, history has shown that seemingly harmless words similar to these can cause an entity to expend significant time and monetary resources in order to comply.

Adopting a formal internal control framework is new to municipalities and will likely require a good deal of evaluation, documentation, remediation and ongoing monitoring. We recommend that the Town commence this process by taking a common sense approach and tackle the areas in which the Town is most susceptible to an internal control deficiency. Over a period of time, the Town should complete the formal adoption of an internal control framework.

Municipal Data Breaches

We have alerted the Town in the past to be aware of network security. This informational item is being reported again as a reminder to continue to be vigilant. The past 12 months in Massachusetts have seen significant increases of breaches in local networks, some with reported attempted thefts in the millions.

The Town takes a proactive approach to IT security. We recommend that the Town continue to place an emphasis on IT security and continually update its IT security appliances and software as well as its policies and procedures regarding IT security.

III. FINDINGS AND RECOMMENDATIONS

A. Status of Prior Year Items

- The errors regarding the filing of unemployment claims which caused a deficit in the prior year have been resolved through a revision of the reporting and review process in this area. Proper rates are now being used.
- The internal accounting for the Health Insurance Trust has been revised to include an employee and employer portion of activity and equity in the general fund.
- Analyzing old outstanding receivable balances that have remained on the books for a number of years is a process that is currently ongoing. It involves several moving parts including the Assessor's Office, Deputy Collector, Collector's Office, Finance Office and possibly DOR. The Town expects to resolve this by the close of fiscal year 2016.
- Establishing more efficient procedures with respect to receivable reconciliations at year-end is a goal for the 2016 year-end close. Although many of the timing items identified in the prior year did not exist at the end of fiscal year 2015; improving the overall process by the end of the fiscal year is a goal of the Finance Office.
- Improving the cash reconciliation process has been a goal for the last few years. While the process has shown some improvement and older reconciling items have been resolved and adjusted, the existence of new reconciling items continues to be an issue. Like the receivable reconciliation process identified above, improving this is by the end of fiscal year 2016 is a goal of the Finance Office.
- The Town's overall closing process continues to be an issue. More specific details and an expansion of the prior year comment are included under current year findings later in this report.
- The Town is reviewing stagnant capital project balances and using those for similar type projects where legally permissible. Those needing re-appropriation are being submitted as part of an article at Town Meeting. The goal is to have exhausted all available stagnant funds by the close of fiscal year 2016 if possible.
- The issues identified in the payroll and DPW reviews have been incorporated into a plan with goals and timelines. Progress has been made on the less complicated items; the other more time consuming implementations are expected to be completed by the end of calendar year 2016.

B. Student Activities

As part of the fiscal year 2015 audit, a follow-up was conducted regarding the status of observations made during the fiscal year 2013 audit. Many improvements were made to the process and a stand-alone report has been issued to the School Committee regarding the remaining findings. One of the remaining issues impacts the Town's Finance Department and thus is communicated in this letter. Since a

significant portion of the Student Activity equity balances is in the custodial possession of the Town Treasurer, and a general ledger account is maintained as an Agency Account in the Town's records, those balances are needed by the School Department in order to conduct a complete reconciliation of their balances on a monthly basis. This has not been done in either of the last two years and we suggest this process begins immediately.

C. Closing Process

As discussed under "status of prior year comments" the closing process continues to be a challenge for the Town.

The following are some of the issues observed when reviewing the closed balance sheet:

1. The Self Insured Health Trust final balance did not include an accounts payable amount for the last month of the year. This was a finding in fiscal 2013, corrected in 2014 and a finding again in 2015.
2. The required warrants payable entry made at year-end that represents a reconciling item between the Treasurer and the General Ledger was posted completely to the General Fund instead of spread across the multiple funds it impacted. This caused reconciliation issues when attempting to reconcile individual funds outside the General Fund.
3. The backup information for the journal entries made to the general ledger accounts was not always complete and often lacked explanation and/or supporting documentation which made the process of analyzing the entries inefficient.
4. Split payroll at year-end was not verified through a reconciliation process, instead complete reliance was placed on the entries generated by MUNIS.
5. Capital asset additions for outside departments, specifically Wannacomet Water and the Airport were not completed and reconciled to the Town's Capital Projects in a timely manner.
6. Other more minor issues also existed that were discussed with the Finance Office prior to our departure.

The Town is a very complicated entity with numerous enterprise funds and many departments and components acting somewhat autonomously. This causes the closing process to have multiple moving parts. The process needs to be planned in advance with the use of checklists and timelines and needs to be completed well before the audit team arrives. We suggest the Town implement such procedures, to improve the overall closing process.

D. Special Revenue Funds

Recently, the Department of Revenue appointed a new Director of Accounts. The individual has significant government finance skills which were accrued in her earlier career as a CPA in the municipal sector. One of the initial requests made by the new Director to the auditing group was to review the status of stale special revenue accounts. Many of these accounts become forgotten over years as individuals in charge of them retire or posting errors occur and are never corrected. In these instances, the new Director suggested that efforts are made to determine the true origin and purpose of the funds and if efforts fail, to make a one-time house cleaning entry to journalize these funds to the general fund as miscellaneous revenue. This will make efforts at the DOR level more efficient as it would remove the need for the field reps to review these stale accounts year after year to no avail.

We filtered through the Town's 200+ Special Revenue accounts and determined about 40% of the accounts, totaling \$953,240 have not had any activity in over two years and \$228,286 had no activity during fiscal year 2015. In many of the accounts it is obvious that coding errors occurred in prior years and have gone undetected; for example School grants that have been closed out with the State years ago most likely had expenditures posted to the General Fund in error and are still being carried because in years past, the Town was not reconciling grants with the School.

We suggest the Town Finance Office review the list we have prepared and begin analyzing those items that may be journalized, or used by a department head that has no knowledge the funds still exist.

IV. CASH HANDLING TESTS

As part of our risk assessment process, we reviewed certain cash handling areas in Town to determine if register balances reconciled to tapes used at the register. This is an area that will be conducted annually, on a surprise rotating basis, as part of the audit.

The following areas were reviewed with the corresponding results:

Town Clerk

Our observation test of the register process at the Town Clerk office detected a number of control issues as follows:

- The Clerk has been provided with a cash register however it is not used and instead a cash box is used.
- A tally sheet is maintained by category (i.e. birth certificates, marriage certificates, livery permits etc.) however it is not fully completed. The office staff communicated that it gets too busy to complete the tally sheet at the time of a transaction so best guesses are made to complete the sheet when a turnover is created weeks later. This however compromises any possible reconciliation since the tally sheet is adjusted to the cash on hand. Also, the guess work can't be accurate since many transactions are completed with cash and guessing what the cash was two weeks later is more "hit or miss" than accurate.
- We completed a live reconciliation of cash on hand to the tally sheet. Cash was \$2,160 and the tally sheet was \$1,430. This variance was due to the inefficiencies discussed above. Best efforts should be made to either use the cash register or maintain an accurate tally sheet. Reconciliations to cash on hand should be performed at the end of each day.
- Many of the Clerk's revenue items come with prenumbered documents. Dog licenses, birth certificates, marriage licenses etc. However the pre-numbering is never used as an effective reconciliation tool or control.
- Revenue reconciliations have never been performed to the Town's General Ledger or the Treasurer's records.
- Cash is turned over about every two weeks and sometimes three weeks. This contradicts Massachusetts General Laws and the Treasurer's policy to turn cash over weekly.

We suggest the Finance Office work with the Town Clerk's Office to improve the cash handling process currently in place.

Landfill

Register controls were adequate; the till balance agreed to the register tape without exception. Turnovers are timely and cash storage is now secure.

Wannacomet Water

Wannacomet does not use a register but instead uses a strong box and maintains a rolling balance of transactions. Register controls were adequate; the box balance agreed to the manual log without exception. Turnovers are timely and cash storage is secure.

Town Collector

Three registers are maintained in the Town Collector's Office. The controls were adequate; the till balances agreed to the register tapes without exception. Turnovers are timely and cash storage is secure.

Cafeteria

When reconciling the till balance, on first pass a discrepancy of \$26 existed, however \$25 was located under the cash drawer to balance to within \$1. Additionally, the cashier noted that she sometimes leaves the cash register unattended (locked) to stock snacks and perform other duties. Often students will leave money on the register to pay for items when unattended thus leaving these funds at risk. Deposits are made daily, thus turnover is timely.



TO: C. Elizabeth Gibson
Town & County Manager

FROM: Brian E. Turbitt 
Town & County Director of Finance

CC: Audit Committee

DATE: March 31, 2016

RE: Management Letter Responses

The Town's responses to the FY2015 management letter are outlined below.

Informational Items (pages 5 & 6)

Effect of Adoption of New Accounting Principal – Pensions

The Town is aware of the New Accounting requirements for the pension system; and understands the importance of this new requirement. If requested by Barnstable County or its auditors the Town will provide the requested information in a timely and efficient manner.

New Accounting Principal – OPEB

The Town is in the process of reviewing the new requirements to better understand the impact on the financial statements. This includes continued discussions with our auditors; and offsite instructional conferences that address the complicated areas. As a result, the Town is confident that it will implement this standard by fiscal 2018 or sooner.

Changes to the Single Audit Requirements

The Town continues to review the new requirements and will make sure that the necessary internal controls structure is in place as required under the new OMB A-133 guidelines.

Municipal Data Breaches

As noted in the informational item, the Town currently takes a proactive approach to network security. This will continue to be monitored to protect the security of the network and the information stored on the network. Vulnerable areas will be remediated immediately.

Findings and Comments (pages 7-11)

- A. **Status of Prior year items** – The Town continues to work on the remaining list of outstanding items, from not only the management letter, but the two operational reviews that were

completed. There are still a few remaining items that are open at this time; it is expected that the remaining items will be addressed and closed by the end of FY16; or a plan will be in place to complete as near the end of FY16 as possible.

- B. Student Activities** – The School and the Town have worked diligently over the past fiscal year to address the findings outlined in the review of the student activity accounts. While progress has been made there is an area to be improved upon. In that regard, the Town and School have implemented a reconciliation process that provides a complete reconciliation of the accounts on a monthly basis. The process is presently in place and is working as designed.
- C. Closing Process** – The Town recognizes the importance of the closing process. There are areas where closing processes have been implemented and those are working in an orderly manner. The focus has shifted from those areas to the areas identified in the management letter; specifically the reconciliation of construction in process and additions/deletions to fixed assets. A closing schedule with requirements has been developed and is presently in use within the Finance Department. A year-end timeline for departments is currently being developed and will be distributed to the departments two months prior to the end of the fiscal year. The effective use of these schedules will significantly reduce the issues that were observed during the FY15 audit.
- D. Special Revenue Funds** – The Town is in the process of reviewing the funds and will work with the departments responsible to determine the disposition or use of the remaining balances in the identified funds. Annually, as part of the fiscal year closing process, the Town will review the special revenue funds, to ensure that funds are spent, or closed as necessary.
- E. Cash Handling Tests** – The Town is in the process of revising the turnover policy, as well as conducting visits to all departments which handle cash. These are now done on a quarterly basis, with every department being visited four (4) times a year. The Finance Department is working with the Town Clerk's office to help correct the issues identified in the management letter. This is an ongoing process and one that will continue. The Finance Department has helped program the cash register; and it is now in operation in the Town Clerk's office. The use of the cash register will eliminate the need for the manual tally sheet, and will provide for greater control over the receipts in the office. The turnover of cash to the Treasurer's office has become more consistent, and is presently not delayed 2 to 3 weeks before being turned over for deposit.

TOWN OF NANTUCKET, MASSACHUSETTS

SINGLE AUDIT REPORTS

PURSUANT TO

OMB CIRCULAR A-133

JUNE 30, 2015

**TOWN OF NANTUCKET, MASSACHUSETTS
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Honorable Board of Selectmen
Town of Nantucket, Massachusetts

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Nantucket, Massachusetts, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town of Nantucket, Massachusetts's basic financial statements and have issued our report thereon dated January 15, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses, or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to management of the Town in a separate letter dated January 15, 2016.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Roselli, Clark and Associates
Certified Public Accountants
Woburn, Massachusetts
January 15, 2016



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Honorable Board of Selectmen
Town of Nantucket, Massachusetts

Report on Compliance for Each Major Federal Program

We have audited the Town of Nantucket, Massachusetts' compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Town of Nantucket, Massachusetts' major federal programs for the year ended June 30, 2015. The Town of Nantucket, Massachusetts' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town of Nantucket, Massachusetts' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town of Nantucket, Massachusetts' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Town of Nantucket, Massachusetts' compliance.

Opinion on Each Major Federal Programs

In our opinion, the Town of Nantucket, Massachusetts complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the Town of Nantucket, Massachusetts is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town of Nantucket, Massachusetts' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Nantucket, Massachusetts' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2015-001 that we consider to be a significant deficiency.

The Town of Nantucket, Massachusetts' response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Town's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Nantucket, Massachusetts, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town of Nantucket, Massachusetts's basic

financial statements. We have issued our report thereon dated January 15, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the basic financial statements.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Roselli, Clark & Associates
Certified Public Accountants
Woburn, Massachusetts
January 15, 2016

**TOWN OF NANTUCKET, MASSACHUSETTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2015**

Federal Grantor / Pass-Through Grantor / Program Title	CFDA Number	Pass-Through Number	Federal Expenditures
<u>U.S. Department of Agriculture</u>			
<i>Passed through the Commonwealth of Massachusetts - Department of Elementary and Secondary Education</i>			
School Breakfast Program	10.553	10-197	\$ 11,879
National School Lunch Program:	10.555	10-197	
Cash Assistance			109,628
Non-Cash Assistance (Commodities)			17,258
<u>U.S. Department of Interior</u>			
<i>Passed through the Commonwealth of Massachusetts - Department of Fish and Game</i>			
Clean Vessel Act	15.616		5,105
<u>U.S. Department of Transportation</u>			
<i>Federal Aviation Administration</i>			
<i>Passed through the Commonwealth of Massachusetts - Department of Transportation/Division of Aeronautics</i>			
Airport Improvement Program	* 20.106	AIP 3-25-0033-057-2013 AIP 3-25-0033-059-2014 AIP 3-25-0033-060-2014	998,836
<i>Passed through the Commonwealth of Massachusetts - Department of Transportation/Division of Highways</i>			
Highway Planning and Construction	20.205	INTF00X02010H0059646	229,772
<u>U.S. Department of Education</u>			
<i>Passed through the Commonwealth of Massachusetts - Department of Elementary and Secondary Education</i>			
Title I	84.010	305-061121-2015-0197 305-018065-2014-0197	113,225
Special Education - Grants to States	* 84.027	240-039-5-0197-P 274-013-5-0197-P 240-229-4-0197-O	346,213
Special Education - Preschool Grants	* 84.173	298-448-5-0197-P	5,600
English Language Acquisition Grants	84.365	180-069-5-0197-P 184-011-5-0197-P 180-073-4-0197-O	32,028
Title II - Part A: Improving Teacher Quality State Grants	84.367	140-066111-2015-0197 140-032747-2014-0197	18,561
ARRA - Race to the Top	84.395	133-048-5-0197-P	4,722
<i>Passed through the Commonwealth of Massachusetts - Department of Early Education and Care</i>			
Special Education - Preschool Grants	* 84.173	26215NantucketPublicsch	8,547
<u>U.S. Department of Health & Human Services</u>			
<i>Passed Through the Commonwealth of Massachusetts - Executive Office of Health and Human Services/ Department of Public Health</i>			
Community Transformation Grants	93.531	INTF4200P01W20612040	15,000
<u>U.S. Department of Homeland Security</u>			
<i>Direct Award</i>			
Law Enforcement Officer Reimbursement Agreement Program	97.090		90,820
TOTAL FEDERAL GRANT EXPENDITURES			\$ 2,007,194

* Denotes Major Program

See notes to Schedule of Expenditures of Federal Awards

**TOWN OF NANTUCKET, MASSACHUSETTS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2015**

A. Scope of Audit

The Town of Nantucket, Massachusetts (the Town) is a governmental agency established by the laws of the Commonwealth of Massachusetts. All operations related to the Town of Nantucket's federal grant programs are included in the scope of the OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Compliance testing of all requirements, as described in the Compliance Supplement was performed. The grants determined to be major programs were the Airport Improvement Program (CFDA #20.106) and Special Education Cluster (CFDA #'s 84.027 & 84.173) programs.

B. Period Audited

Single audit testing procedures were performed for federal grant transactions during the year ended June 30, 2015.

C. Summary of Significant Accounting Policies

Accounting policies and financial reporting practices permitted for municipalities in Massachusetts are prescribed by the Uniform Municipal Accounting System (UMAS) promulgated by the Commonwealth of Massachusetts Department of Revenue. The significant accounting principles followed by the Town are as follows:

Basis of Presentation –The accompanying Schedule of Expenditures of Federal Awards includes the federal grant transactions of the Town, although some of these programs may be supplemented with state and other revenue, only federal activity is shown. The receipts, proceeds from federal grants, and disbursements are recorded on the modified accrual basis whereby revenue is recognized when it becomes available and measurable, and expenditures are recognized when the liability is incurred. The activities of these programs are reflected in the basic financial statements in the Special Revenue Funds.

D. Non-Cash Commodities

The Town receives non-cash commodities from the U.S. Department of Agriculture as a part of the School Lunch program. In fiscal year 2015, \$17,258 was received; however, this amount is not included in the financial statements.

E. Teacher Pension On-Behalf Payments

With regards to specific education grants awarded to the Town, the Massachusetts Department of Elementary and Secondary Education and Department of Early Education and Care withhold from the total grant awards 7.2% and 9.0% of the amounts shown on applicable wage budget lines. The Commonwealth utilizes those funds as direct payments to the Massachusetts Teachers Retirement Board made on-behalf of the Town. The amount of these payments from federal grants in fiscal year 2015 was \$18,022.

**TOWN OF NANTUCKET, MASSACHUSETTS
SCHEDULES OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015**

A. Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on the financial statements of the Town of Nantucket.
2. No significant deficiencies disclosed during the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the Town of Nantucket which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. One significant deficiency relating to the audit of the major federal award programs are reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required By OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for the Town of Nantucket expresses an unmodified opinion.
6. There is one audit finding that is required to be reported in accordance with Section 510(a) of the OMB Circular A-133 in this Schedule.
7. The programs tested as major programs include the Airport Improvement Program (CFDA #20.106) and Special Education Cluster (CFDA #'s 84.027 & 84.173) programs.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. The Town of Nantucket did qualify as a low risk auditee.

B. Schedule of Findings – Financial Statements Audit

None

**TOWN OF NANTUCKET, MASSACHUSETTS
SCHEDULES OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015
(Continued)**

C. Schedule of Findings and Questioned Costs – Major Federal Award Programs Audit

Finding	Questioned Costs
<p><u>2015-001. Significant Deficiency in Internal Control Over Compliance – Program Not Audited as a Major Program - U.S. Department of Agriculture</u></p> <p><i>Passed through the Commonwealth of Massachusetts Department of Elementary and Secondary Education</i></p> <p><u>Child Nutrition Cluster (CFDA #'s 10.553 and 10.555)</u></p> <p><i>Criteria:</i> In order to receive monthly reimbursements for meals, the School Department must submit claims for reimbursement forms that contain the number of meals served by category and type which are supported by accurate meals counts and records.</p> <p><i>Statement of Condition:</i> The School Department did not submit a claim for reimbursement form for the month of September 2014.</p> <p><i>Cause and Effect:</i> The School Department contracts with a third party vendor for its food service function. Turnover at the third party vendor and a lack of monitoring over compliance activities by the School Department led to missing an entire month claim for reimbursement. Furthermore, on two separate occasions during the year multiple months' claims for reimbursement were filed concurrently.</p> <p><i>Current Year Status:</i> The School Department should implement procedures to monitor the timely filing of claims for reimbursements by the third party vendor.</p>	

D. Schedule of Prior Year Findings and Questioned Costs

None

**TOWN OF NANTUCKET, MASSACHUSETTS
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2015**

Findings – Major Federal Award Programs Audit

2015-001. Significant Deficiency in Internal Control Over Compliance – Program Not Audited as a Major Program - U.S. Department of Agriculture

Child Nutrition Cluster (CFDA #'s 10.553 and 10.555)

Recommendation: The School Department should implement procedures to monitor the timely filing of claims for reimbursements by the third party vendor.

Corrective Action Planned: The School Chief Financial Officer will work with the Food Service Director and the District Manager at Chartwell's to ensure he receives a copy of each month's filing no later than the end of the second week in the month following the reimbursement period that the filing applies to – e.g. a copy should be forwarded to the Chief Financial Officer by October 15 at the latest for a September filing. The Chief Financial Officer should verify at the DESE portal that the reimbursement has indeed posted.

Anticipated Completion Date: June 30,2016

Contact: Martin Anguelov, Chief Financial Officer, Nantucket Public Schools

Audit Finding Response FY2015

Corrective Action Planned: The School Chief Financial Officer will work with the Food Service Director and the District Manager at Chartwells to ensure he receives a copy of each month's filing no later than the end of the second week in the month following the reimbursement period the filing applies to – e.g. a copy should be forwarded to the Chief Financial Officer by October 15 at the latest for a September filing. The Chief Financial Officer should verify at the DESE portal that the reimbursement has indeed posted.

Anticipated Completion Date: June 30, 2016.

Contact: Martin Anguelov, Chief Financial Officer

32 First Way, Nantucket, MA 02554

Tel. (508) 228-7285, Ext. 1155

CPS ACTIVITIE FIGURES PROVIDED BALANCE AT BALANCE AT

BY MA MASTER 07/01/15 07/31/15 08/31/15 09/30/15 10/31/15 11/30/15 12/31/15 01/31/16 02/29/16 03/31/16 04/30/16 05/31/16 06/30/16

SPREAD NPS PER AUDITORS

MEMO BAL ONLY

NAME OF ACCOUNT	BALANCE AS OF 7/1/15													
YEARBOOK	\$ 401.74	401.94	1,306.94	1,306.94	1,306.94	1,276.94	1,276.94	1,276.94	1,276.94	1,276.94				
BOOKFAIR	\$ (278.61)	1,039.68	0.00	0.00	0.00	0.00	4,164.68	4,253.23	890.09	890.09				
CLASS OF 2019	\$ 1,464.15	1,464.15	1,464.15	1,464.15	1,464.15	(125.00)	(125.00)	(125.00)	(125.00)	(125.00)				
CLASS OF 2020	\$ 289.79	289.79	414.79	414.79	414.79	414.79	3,900.66	3,900.66	3,900.66	3,900.66				
CLASS OF 2021	\$ 1,479.00	1,479.00	1,479.00	1,479.00	1,479.00	1,479.00	1,479.00	1,479.00	1,479.00	1,479.00	1,928.00			
CLASS OF 2022	\$ -	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
DRAMA	\$ 91.79	91.79	91.79	91.79	91.79	91.79	91.79	91.79	91.79	91.79	91.79			
STUDENT COUNCIL	\$ 6,579.79	6,579.79	6,323.49	6,323.49	6,139.70	6,139.70	6,284.70	6,570.03	6,574.83	6,330.52				
NATIONAL HONOR	\$ 502.00	502.00	502.00	502.00	502.00	502.00	502.00	502.00	502.00	502.00				
STUDENT ASSSITANCE	\$ 5,894.56	6,298.17	6,019.56	6,019.56	6,019.56	6,019.56	5,919.56	5,919.56	5,779.56	5,779.56				
GRADE 6 FIELD TRIP	\$ 1,000.75	1,000.75	1,000.75	1,000.75	1,000.75	1,000.75	1,000.75	1,000.75	1,000.75	1,000.75				
GRADE 7 FIELD TRIP	\$ 1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00				
GRADE 8 FIELD TRIP	\$ 1,293.00	1,293.00	1,293.00	1,293.00	1,293.00	1,293.00	1,293.00	1,293.00	1,293.00	1,293.00				
MUSIC FIELD TRIP	\$ 20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00				
SPANISH CLUB FIELD TRIP	\$ 409.32	409.32	409.32	409.32	409.32	409.32	409.32	409.32	409.32	409.32				
MISC	\$ 20,297.28	0.00	3.76	7.69	12.01	22.47	27.01	32.98	38.11	42.14				
		22,019.38	21,478.55	21,482.48	21,303.01	19,694.32	27,394.41	27,774.26	24,281.05	24,489.77	0.00	0.00	0.00	0.00

MEMO BALANCE ONLY PER ADMIN

	06/30/15	07/31/15	08/31/15	09/30/15	10/31/15	11/30/15	12/31/15	01/31/15	02/29/2015	03/31/15	04/30/15	05/31/15	06/30/15
BALANCE OF SUB ACCOUNTS	22,019.38	21,478.55	21,482.48	21,303.01	19,694.32	27,394.41	27,774.26	24,281.05	24,489.77	0.00	0.00	0.00	0.00
AGENCY BANK BALANCE	21,311.80	22,404.42	21,001.20	21,005.52	21,009.98	27,220.92	29,289.09	20,017.65	20,516.68				
AP WARRANT		(1,318.29)			(1,589.15)		(4,426.78)						
AP WARRANT		(88.86)					(1,527.65)						
		30.00	30.00	30.00									
END OF JUNE	1,962.07	448.37	448.37	264.58	1,859.73	170.58	4,436.69	4,260.49	3,970.18				
651.81 OUTSTANDING CKS	(1,257.40)	0.00	0.00	0.00	(1,589.15)	0.00	0.00	0.00					
TOTAL ALL BANK ACCOUNTS	22,016.47	21,475.64	21,479.57	21,300.10	19,691.41	27,391.50	27,771.35	24,278.14	24,486.86	0.00	0.00	0.00	0.00
TOTAL SUB LEDGER	22,016.47	21,475.64	21,479.57	21,300.10	19,691.41	27,391.50	27,771.35	24,278.14	24,489.77	0.00	0.00	0.00	0.00
VARIANCE	(2.91)	(2.91)	(2.91)	(2.91)	(2.91)	(2.91)	(2.91)	(2.91)	(2.91)	0.00	0.00	0.00	0.00
FY 2015 VARIANCE PER AUDIT REPORT			2.91	2.91	2.91	2.91	2.91	2.91	2.91				
			0.00	0.00	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00	0.00	0.00

Financial Close Schedule

Close Day	Complete	Item	Close Cycle	Due Date	Status	Owner	Date Completed	Sign Off
Month End Close - Town and County				3/31/2016				
Day Completed	Complete	Monthly			Status	Owner		
0		Run Unadjusted Trial Balance - all funds	Monthly	3/31/2016		Bob		
0		Run Preliminary Revenue report - all funds	Monthly	3/31/2016		Bob		
0		Run Expenditure reports - all funds	Monthly	3/31/2016		Bob		
0		Run Open PO reports - distribute to all Dept. Heads for review	Monthly	3/31/2016		Lynell		
5		Reconcile Overlay Reserve with Assessor	Monthly	4/5/2016		Matt/Deb D		
5		Last day to Post A/R	Monthly	4/5/2016		Diana/Robin		
7		Confirm cash posted	Monthly	4/7/2016		Deb W		
10		Accounts Receivable Reconciliation	Monthly	4/10/2016		Matt		
10		Reconcile Deputy Tax Collector to Collector	Monthly	4/10/2016		Elizabeth		
10		Reconcile tax accruals	Monthly	4/10/2016		Elizabeth		
15		Bank Recons to Assistant Town Accountant	Monthly	4/15/2016		Deb W		
15		Reconcile Employee Accruals	Monthly	4/15/2016		Bob et al		
19		Cash Reconciled between Asst. Town Accountant and Treasurer	Monthly	4/19/2016		Bob/Deb W		
20		Financials Complete	Monthly	4/20/2016		Bob		
21		Update Revenue and Expenditure reports all funds	Monthly	4/21/2016		Lynell		
21		Review Reconciliations with Finance Director	Monthly	4/21/2016		Bob		
21		Review Monthly Review and Expenditures with Finance Director	Monthly	4/21/2016		Lynell		

Close Day	Complete	Item	Close Cycle	Due Date	Status	Owner	Date Completed	Sign Off
Quarter End Close - Town and County				3/31/2016				
Day Completed	Complete	Quarterly			Status	Owner		
18		Reconcile Capital Accounts	Quarterly	4/18/2016		Bob		
18		Prepare Accruals - Health Insurance Trust - GAAP	Quarterly	4/18/2016		Bob		
18		Reconcile Grant funds with the school	Quarterly	4/18/2016		Brian		
19		Reconcile Construction in Process	Quarterly	4/19/2016		Robin		

Close Day	Complete	Item	Close Cycle	Due Date	Status	Owner	Date Completed	Sign Off
Year End Close - Town and County				6/30/2016				
Day Completed	Complete	Yearly			Status	Owner		
62		General Ledger and subsidiary ledgers closed		8/31/2016		Bob D		
65		Unaudited Trial Balance to Director of Municipal Finance		9/3/2016		Bob D		
90		Upload Trial Balance and other requested information to Audit File		9/28/2016		Bob/Brian		
95		Free Cash and Retained Earnings certification		10/3/2016		Bob/Brian		
95		Auditors on site		10/3/2016		Brian		
115		Schedule A		10/23/2016		Bob		
115		Tax Rate Recap		10/23/2016		Debbie D/Bob/Brian		