B35292

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

AUDIT REPORT

OF

CLERK-TREASURER

TOWN OF HIGHLAND, INDIANA

January 1, 2008 to December 31, 2008

FILED
12/09/2009

TABLE OF CONTENTS

Description	Page
Town Officials	2
Transmittal Letter	3
Audit Results and Comments:	
Internal Controls Over Capital Assets/Construction in Progress	4
Approval of Payroll Claims	4
Overtime Compensation	5
Compensation and Benefits	5
Ordinances and Resolutions – Police Department	5-6
Concession Stand – Park Department	6
Exit Conference	7
Official Response	8-18

COUNTY OFFICIALS

Office	Official	Term
Clerk-Treasurer	Michael W. Griffin	01-01-08 to 12-31-11
President of the Town Council	Bernie Zemen	01-01-08 to 12-31-08
	Dan Vassar	01-01-09 to 12-31-09

STATE OF INDIANA

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302 WEST WASHINGTON STREET
ROOM E418
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Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF THE TOWN OF HIGHLAND

We have audited the records of the Clerk-Treasurer for the period from January 1, 2008 to December 31, 2008, and certify that the records and accountability for cash and other assets are satisfactory to the best of our knowledge and belief, except as stated in the Audit Results and Comments. The financial transactions of this office are reflected in the Comprehensive Annual Financial Report of Town of Highland for the year 2008.

STATE BOARD OF ACCOUNTS

August 19, 2009

INTERNAL CONTROLS OVER CAPITAL ASSETS/CONSTRUCTION IN PROGRESS

Deficiencies in internal controls over capital assets and construction in progress are as follows:

1. Approval of purchases of capital assets or construction projects by the various boards or town council is not communicated to the capital asset clerk. This could increase the potential for error that an approved asset or project may not be recognized or fully capitalized.

2. Capital asset records are not reviewed by management to verify that the amounts capitalized or the estimated useful lives of assets comply with the Town's capital asset policy.

3. Amounts recorded in the capital asset records do not include year-end payables. Although the Utility consultant does recognize assets related to the payable, the Town's procedures do not recognize these assets. This could increase the potential for differences between the capital asset records and the Utility General Ledger.

4. Amounts compiled by the capital asset clerk from financial records are not compared to amounts budgeted in the accounting system or to files maintained by the public works director. This could increase the potential for errors in compilation. Beginning construction in progress was restated by $92,600 for an amount previously capitalized in error. A comparison, as described above, would have detected this error.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

APPROVAL OF PAYROLL CLAIMS

In 2008, the payroll disbursements were not approved by the Town Council. Only the transfers from the various funds to the Payroll Fund were approved.

IC 5-11-10-2(a) states:

> "Claims against a political subdivision of the state must be approved by the officer or person receiving the goods or services, be audited for correctness and approved by the disbursing officer of the political subdivision, and, where applicable, be allowed by the governing body having jurisdiction over allowance of such claims before they are paid. If the claim is against a governmental entity (as defined in section 1.6 of this chapter), the claim must be certified by the fiscal officer."

OVERTIME COMPENSATION

Administrative police officers may be compensated for overtime with the approval of the Town Council. A time record for the overtime is signed by a majority of the council members to document approval. The record is not dated as to when the approval occurs. The minutes of meetings of the Town Council do not document the decision of the council to approve the overtime. We could not determine that the decision to approve the overtime occurred at a public meeting.

IC 5-14-1.5-4 states in part:

"(b) As the meeting progresses, the following memoranda shall be kept:

(1) The date, time, and place of the meeting.

(2) The members of the governing body recorded as either present or absent.

(3) The general substance of all matters proposed, discussed, or decided.

(4) A record of all votes take, by individual members if there is a roll call.

(5) Any additional information required under IC 5-1.5-2-2.5 or IC 20-12-63-7."

COMPENSATION AND BENEFITS

Payroll testing noted errors in tracking and recording compensatory time. In both the service records and time cards prepared by various Town departments, errors occurred in both the compensatory time earned and used by employees.

The personnel policy does not adequately outline compensatory time procedures.

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution, or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

ORDINANCES AND RESOLUTIONS – POLICE DEPARTMENT

The Police Department purchased three vehicles for $61,308 and four computers for $14,600 in 2008. These purchases were made without Town Council authorization. The Town's public purchasing code requires Council approval for purchases exceeding $10,000.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Town Code 31.19 states in part:

"(A) The purchasing agents for the municipality shall act pursuant to the provisions of I.C. 5-22, this enactment and any rules or policies of the purchasing agency not in conflict with the public purchase statute or ordinances of the municipality;

(B) (1) Subject to the provisions of § 31.18, purchasing agents for the municipality are authorized to enter into agreements in support of the following types of purchases without additional approval of the purchasing agencies:

(a) Leases or rental agreements which are one year or less in duration and which do not exceed $10,000 in value;

(b) Contracts for supplies or services which are one year or less in duration and which do not exceed $10,000 in value."

CONCESSION STAND – PARK DEPARTMENT

1. Prices charged at the concession stand were not approved by the Park Board.

2. Reconcilement of the order ticket forms to the sales inventory does not take place.

3. Activity sales receipts do not match the total for the order ticket forms for the concession stands. The activity sales receipts total is greater than the total of the order ticket forms.

4. An inventory report was not kept for each day of activity.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

IC 5-15-6-3(f) concerning destruction of public records, states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission."

Supporting documentation such as receipts, canceled checks, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CLERK-TREASURER
TOWN OF HIGHLAND
EXIT CONFERENCE

The contents of this report were discussed on October 8, 2009, with Michael W. Griffin, Clerk-Treasurer; Kathleen Dowling, Deputy Clerk-Treasurer; and Dan Vassar, President of the Town Council. The official response has been made a part of this report and may be found on pages 8 through 18.

TOWN OF HIGHLAND

Highland Municipal Building • 3333 Ridge Road

Highland, Indiana 46322

219-838-1080 • Fax 219-972-5097

Population 23,546

Incorporated in 1910

TOWN COUNCIL

BERNIE ZEMEN
1st Ward

MARK A. HERAK
2nd Ward

DAN VASSAR
3rd Ward

BRIAN NOVAK
4th Ward

KONNIE KUIPER
5th Ward

JOHN M. BACH
Public Works Director

RHETT TAUBER
Attorney

CLERK - TREASURER

MICHAEL W. GRIFFIN

Monday, November 9, 2009

Bruce Hartman, C.P.A.
State Examiner
Indiana State Board of Accounts
Indiana Government Center South E 418
302 W. Washington Street
Indianapolis, Indiana 46204-2738

Re: Corrective Action Plan in Response to the Audit Results and Comments Filed for the Town of Highland for its Audit Period ending December 31, 2008.

Dear Mr. Hartman:

The proper officers of the Town of Highland, Lake County, Indiana, met with the Lead Field Examiner of the State Board of Accounts on October 8, 2009, for what is commonly called an exit conference regarding the audit findings for the audit conducted for the fiscal year ended December 31, 2008, all pursuant to IC 5-11-1-8 and IC 5-11-1-25(a)(5). At that time, the examiner presented to the proper officers written audit results and comments. In order to complete and more fully inform the final record of this review, the Town of Highland through its proper officers makes this response to the examiners' written comments.

Audit Result and Comment No. 1. Internal Controls Over Capital Assets/Construction In Progress. The examiner reported several concerns regarding internal controls over capital assets and construction in progress. The concerns included whether or not there needs to be better lines of communication to the "capital asset clerk" regarding the various purchases related to capital programs; review of capitalized amounts' compliance with the municipal capital asset policy; better procedures for booking payables at year end with the asset record and review for agreement between the records maintained by public works director and the asset clerk regarding the progress of the capital project.

Corrective Action Plan and Response to Comment No. 1. This responder makes this response belief in the positive value of the external audit performed by the State Board of Accounts. The responder believes this agency assists in the municipality's desire to continually improve its service and stewardship. It is hoped that this response will be read in this context.

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This responder concurs with the concerns presented by the examiner. While the Office of the Clerk-Treasurer emphasizes an ethos of continuing improvement, the efforts sometimes are confounded by the organizational decentralization and the variable organizational capacities of the several executive departments that regularly execute and manage capital projects. This responder reports that many of the concerns raised by the examiner are addressed in some form in the capital asset ordinance. However, it is noted that the ordinance is silent in some respects in particular when dealing with capital project reporting.

Corrective steps. This responder represents that the municipality will seek either through policy or amendment to the Capital Asset Ordinance, to discretely outline and clarify report procedures for capital projects and purchases to refine and improve the management of capital asset record keeping. Further, many concerns raised by the examiner are addressed in the capital asset ordinance (Sections §§ 35.20 through 35.30 in the Municipal Code). This responder further will work to cause a workshop for the several department heads in order to more fully inform them of the ordinance and its provisions and to improve compliance with its terms. The responder notes that Section §35.30 of the Capital Asset Code provides in pertinent part that *"... As a management policy, all departments shall cooperate in its execution. This policy shall apply to all offices and departments of the municipality including the municipal utilities."*

Further, Section §35.30 of the Capital Asset Code further provides: *The Town Clerk-Treasurer shall have continuing authority for the administration and implementation of this policy. This shall include the authority to interpret its provisions in a manner not in conflict with any of its terms.*

After consultation with the Town Attorney and the proper officers, the Clerk-Treasurer may prepare written guidelines or recommend amendments to the Capital Asset Code that will clarify or direct the following:

1. Department heads or their designee will regularly and timely report purchases of capital assets, as well as approval and progress of construction projects to the responsible staff person in the Office of the Clerk-Treasurer for maintenance of the capital asset record. There will be included a requirement

for standing periodic reviews by the responsible department head supervising a capital project and the responsible staff person in the Office of the Clerk-Treasurer to ensure agreement in the development of the capital asset record as a project progresses, including comparing and confirming values related to construction in progress.

2. The responsible staff person in the Office of the Clerk-Treasurer for maintenance of the capital asset record will be directed to add to existing quality assurance steps, a periodic report to the Clerk-Treasurer or his designee of capital asset information as filed to date to permit verification of amounts capitalized and that the estimated useful lives of these assets comply with the town's capital asset policy.

   The responsible staff person in the Office of the Clerk-Treasurer for maintenance of the capital asset record presently gathers and records the payables for the governmental unit at year end In order to clarify, this record is to be reported to the consulting party who compiles the capital asset record to be sure this data is properly included in the final annual capital asset record and that there is greater communication and record agreement between the asset report for the municipal utilities and the final annual capital asset record.

It is hoped that the action proposed in this response sufficiently addresses the examiners' remarks set forth in **Audit Result and Comment No. 1.**

Audit Result and Comment No. 2. Approval of Payroll Claims. The examiner reported a concern about the manner in which payroll claims were approved (allowed) by the Town Council. The comment further included a proper reference to IC 5-11-10-2(a), regarding requirements for allowance of claims.

Corrective Action Plan and Response to Comment **No. 2** Again, this responder affirms the positive value of the external audit performed by the State Board of Accounts. The responder further states that this audit comment particularly assists in the municipality's desire to continually improve its service and stewardship.

This responder notes that the proper officers of the unit were most surprised at this comment, but after consultation and review, concurs with the examiner's findings.

These findings were particularly surprising and instructive. ***To be clear, the Town did have processes in place and practices it observed, which it believed were in full compliance and provided the proper approvals for the payroll by the proper boards of jurisdiction.*** This responder notes that the municipality has a duly enacted wage and salary ordinance in effect, *duly approved by the Town Council,* which fixes the compensation of the several elected officers, appointed officers and employees. Further, the Redevelopment Commission, the Board of Waterworks Directors and the Board of Sanitary Commissioners, as bodies that have statutory authority for fixing the compensation of employees under their direction, also have wage and salary resolutions duly enacted and in effect, adopted as companions to the wage and salary ordinance. Still further, the annual budget, as adopted and appropriated by the Town Council, also contemplates the compensation of the municipal workforce as part of its calculation. Still further, this responder notes that in fact claims from the payroll fund are approved by the Town Council regularly at its twice-monthly meetings. This responder further notes, that it was believed that the computer application that is used to process payroll and render the claims that are ultimately presented for review by the proper body, was understood to produce the required forms as prescribed or approved by the State Board of Accounts. After consultation and review with the examiner, this responder understands that a particular form docket for payroll, as prescribed by the State Board of Accounts, for some reason, is not generated by the long existing computer application. So while there is technical approval of payroll, and compensation by position and in policy, actual bi-weekly payroll, as depicted on a particular formatted form, is still required.

Corrective steps. Prior to the end of the fieldwork on this audit, the Office of the Clerk-Treasurer contacted the software developer and licensor of the program that processes payroll to cause the program to produce the particular claim as called for in this finding. It is expected that the new claim docket will be operational in December of this year or early January of 2010. Again, this responder expresses appreciation to the examiner for bringing this matter to light. The proper officers are committed to full compliance. It is hoped that the action proposed in this response sufficiently addresses the examiners' remarks set forth in Audit Result and Comment No. 2.

Audit Result and Comment No. 3. Overtime Compensation: Action by Town Council. The examiner reported a concern regarding the manner in which overtime pay was approved for exempt or supervisory officers in the Police Department. The examiner noted that the approvals were treated as a ministerial act. It is the examiner's position that the Council may only act in the context of a meeting, on the record, all pursuant to IC 5-15-1.5 et seq.

***Corrective Action Plan and Response to Comment* No. 3** This responder notes that Section 3 of Ordinance No. 1375 the Wage and Salary Ordinance, as amended provides that supervisory personnel, normally exempt from the FSLA Overtime provisions, may be compensated for overtime with the approval of the council. It is further noted that the approval of the council, was evidenced by the signature of at least three of the five councilors. This was believed to be a ministerial act based upon the authority of the ordinance. It was further suggested that IC 5-14-1.5-5 (F)(2) might also have provided authority. In pertinent part it provides that the public notice requirement did not apply to "*the executive of a county or the legislative body of a town if the meetings are held solely to receive information or recommendations in order to carry out administrative functions, to carry out administrative functions, or confer with staff members on matters relating to the internal management of the unit.* However, the same provision further provides: "*'Administrative functions' do not include the awarding of contracts, the entering into contracts, or any other action creating an obligation or otherwise binding a county or town.*"

Based upon the examiner's finding, it is now better understood.

Corrective steps. This responder reports that these overtime payment requests for exempt supervisory personnel are now placed upon the agenda for action by the Town Council, effective with the meeting of 26 October 2009. In fact, this responder reviewed the several ordinances that provided for approving action by the Town Council that had formerly been approved by ministerial act, and will cause these to be taken up in a regular or special meeting, memorialized pursuant to IC 5-14-1.5 et seq. This includes the following:

1. *Approval of overtime payments for Exempt Salaried Personnel, pursuant to Section 3 of Ordinance No. 1375 the Wage and Salary Ordinance, as amended and Section §4.03.01 of the Compensation and Benefits Ordinance.*

2. *Approval of compensatory time off for Exempt Salaried Personnel, pursuant to Section §4.03.01 of the Compensation and Benefits Ordinance. (This does not operate in derogation of the powers set forth in IC 36-5-6-6(a)(4).))*

3. *Approval of pay for employee who is temporarily replacing another employee at a higher grade level, after thirty full days in the position, pursuant to Section § 4.01 of the Compensation and Benefits Ordinance.*

4. *Approval of pay for employee at higher than starting pay for the range of the position, pursuant to Section 2 (a) of Ordinance No. 1375 the Wage and Salary Ordinance, as amended.*

5. *Approval of appointment or employment of full-time employee, pursuant to Section §3.03 of the Compensation and Benefits Ordinance. (This does not operate in derogation of the powers set forth in IC 36-5-6-7).*

6. *Approval of senior citizen discount on monthly solid waste user charge, pursuant to Section §170.08 (B) of Chapter 170 of the Highland Municipal Code.*

Audit Result and Comment No. 4. Compensation and Benefits. The examiner reported concerns in the manner in which compensatory time was recorded as earned or consumed in various departments. The examiner further expressed concerns related to the adequacy of the guidance related to compensatory time offered in the compensation and benefits ordinance (personal policy/employee handbook). The examiner finally offered a written guidance set forth in the Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7 particularly stating: *All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements.*

Corrective Action Plan and Response to Comment **No. 4** The responder thanks the examiner for this comment. It is believed that comments like this one assist in the municipality's desire to continually improve its service and stewardship. It is hoped that this response will be read in this context.

The ordinance governing the general, durable policies related to compensation and benefits, the Compensation and Benefits Ordinance, promulgated as the Employee Handbook, governs issues related to overtime and compensatory time. In versions that were in effect prior to December 2007, the following language was in force:

> *"While this handbook is provided as general information for all Town of Highland employees, each department may adopt operating rules that are not specifically covered. Any conflicts between this handbook and a department policy shall be ruled by this handbook."*

Based upon that language, the several departments were at liberty to establish department specific policies regarding compensatory time, provided the policies were not in conflict with laws or ordinances.

In the version of the Compensation and Benefits Ordinance adopted to be effective beginning January 2008, this language was omitted and the following language, set forth in § 4.03.01, was provided regarding compensatory time:

"All non-exempt, non-salaried employees will be paid time and one-half the regular rate of pay OR will receive compensatory time at one and one-half the time for all work performed in excess of forty (40) hours per week excluding Police Department personnel as hereinafter provided."

"Except as otherwise provided, exempt salaried employees will not receive overtime pay or compensatory time off, unless specifically authorized by the Town Council or proper board of jurisdiction."

Based upon the forgoing, the responder concurs that greater clarification is desirable regarding when compensatory time rather than paid overtime is employed for non-exempt workers. This responder notes that the Office of the Clerk-Treasurer has long possessed a written policy regarding compensatory time for both non-exempt workers and for exempt salaried workers, pursuant to the authority set forth in IC 36-5-6-6(a)(4) and IC 36-6-6-7.

Corrective steps. This responder will present the matter to the Town Council and the several department heads, with the objective that a policy is properly memorialized and adopted regarding when compensatory time rather than paid overtime is

employed for non-exempt workers. Further, this responder will take additional steps to provide for written guidance related to the manner in which compensatory time off is managed for exempt salaried employees and seek to have it specifically approved by the Town Council or proper board of jurisdiction as called for in the current version of the Compensation and Benefits Ordinance. It is hoped that the action proposed in this response sufficiently addresses the examiners' remarks set forth in Audit Result and Comment No. 4.

Audit Result and Comment No. 5. Ordinance and Resolutions – Police Department. The examiner reported a concern regarding the Police Department purchase of three vehicles for $61,308 and 4 computers for $14,600 in 2008 and the adequacy of authorization under the terms of the Town's purchasing code. The examiner noted that the Town's public purchasing code requires that purchases exceeding $10,000 require council approval and referenced Section § 31.19 of the Municipal Purchasing Code, which adopts rules pursuant to IC 5-22, which is the state law governing purchasing.

Finally, the examiner referenced the written guidance set forth in the Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, which in pertinent part reads: *Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts.*

Corrective Action Plan and Response to Comment No. 5. This responder concurs in the examiners comment, subject to the following additional information.

The responder believes that the computer purchases were actually were on separate occasions. *One involved a single purchase and another involved a purchase of three at the same time*. It is this responder's belief that based upon the contract price, the single purchase was made in compliance with the provisions of the Purchasing Code. The second purchase of three, did exceed the $10,000 limitation, and therefore required approval by the Town Council as the purchasing agency for the Metropolitan Police Department.

Further, well before the fieldwork was completed, when informally noted during discussions with the Field Examiners, the purchase compliance issue was acknowledged, and the Town Council acted to approve by ratification the purchases as

indicated. At its meeting of April 27, 2009, the Town Council adopted Works Board Order No. 2009-12, approving and **ratifying** the purchase of the order bundle of three laptop computers. At its meeting of May 11, 2009, the Town Council adopted Works Board Order No. 2009-15, in which it approved and **ratified** the purchase of the police vehicles and the manner of financing as a lease purchase.

This responder further notes, that in acting on April 27, 2009 and May 11, 2009, the Town Council was acting according to IC 5-22, the Town's Purchasing Code and another specific general power of the municipality. This responder calls to your attention the following statute as well:

> *IC 36-1-4-16*
> ***Ratification of actions of officers or employees; procedure***
> *"A unit may ratify any action of the unit or its officers or employees if that action could have been approved in advance. Ratification of an action under this section must be made by the same procedure that would have been required for approval of the action in advance."*

Based upon the forgoing, the action taken by the Town Council on the dates indicated, using the same procedures as called for in IC 5-22 and the Municipal Purchasing Code, except for taking place after the fact, ***complied with state law*** and is treated by operation of IC 36-1-4-16 as if the action had taken place before the purchases it ratified. This means that this comment has been fully addressed, carried out according to law and meets the statutory requirements. Further, the compliance issue was addressed and corrected before the date of the exit conference.

The responder further notes that the provisions of the Purchasing Code have been reviewed with the Metropolitan Police Chief and it is believed that the department will remain in compliance with the Purchasing law.

Audit Result and Comment No. 6. Concession Stand Park Department. The examiner reported prices charged at the concession stand were not approved by the board. The examiner further reported concerns regarding sales to inventory and related controls. The examiner further referenced the written guidance from Chapter 7 of the Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, stating:

"Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

"Supporting documentation such as receipts, canceled checks, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee.

Corrective Action Plan and Response to Comment No. 6. This responder notes that the Park Department has operated a concession stand at the Sharp Athletic Complex for many years. This responder further notes that in response to similar comments made in the audit performed for the year ending December 31, 2006, the corrective action steps and response was that the staff was to recommend to the Park and Recreation Board to contract-out the operation and services for this concession stand beginning in 2008. It is this responder's understanding that contracting out of the concession stand operation did not occur.

Corrective steps. It is this responder's understanding that in FY 2009, the newly responsible worker of the Park and Recreation Department has been performing the inventories as suggested particularly observing the following:

A reconcilement of the order ticket forms to the sales inventory shall be performed and a record of the reconcilement maintained for audit purposes as a public record.

An inventory report shall be prepared for each day of activity and the report be maintained for audit purposes as a public record.

The department is confident that it has addressed this matter with the assignment of the current responsible worker and believes this matter has been addressed as called for in the Auditors' Comment.

Further, once advised as to the need for the Park and Recreation Board's approval of pricing at the concession stand, the Park and

Recreation Board acted at its meeting of June 18, 2009 to formally adopt prices. This was completed before the end of the fieldwork and before the final exit conference with the Town Council President and the Clerk-Treasurer.

Further, this responder shall consult with the Parks and Recreation Superintendent and the proper officers of the Park and Recreation Board and revisit whether or not it is desirable to reconsider allowing the contracting out of the concession stand. If outsourcing is desired, pricing may be set by the contracted concession operator. If outsourcing is not desirable, the approving action of the Park and Recreation Board will be sufficient. Further still, this responder will further suggest that for future pricing, that the Park and Recreation Board either act as frequently as necessary to approve any charges for purchases at the concession stand, or, to expressly authorize the Parks and Recreation Superintendent to fix reasonable prices and charges for sales conducted at the concession stand. It is hoped that the action proposed in this response sufficiently addresses the examiners' remarks set forth in Audit Result and Comment above.

Conclusion

I am joined by the proper officers of the Town in the hope that this reply and comment will be included in the final audit report. Further, the proper officers join me in sincerely thanking the State Board of Accounts for performing a comprehensive audit of the financial records and a review of compliance. This responder continues to believe that these audit reviews assist the Town to better serve the people of Highland by informing the municipality of the ways in which our stewardship may be more fully perfected.

Sincerely,

Michael W. Griffin, IAMC/MMC/CPFA
Clerk-Treasurer

Cc: Mary Jo Small, CPA, SBA District (Field) Supervisor
Kathleen A. Dowling, Deputy Clerk-Treasurer