

DRAFT

Unapproved

BOARD OF FINANCE

April 18, 2007

Minutes of the Special Subcommittee Meeting of the Board of Finance held at 6:00 P.M., on Wednesday, April 18, 2007.

Members Present: Mr. Doheny, Mr. Hallahan and Mr. Freda

Also Present: Acting Director of Finance Edward J. Swinkoski

The meeting was called to order at 6:00 P.M. by Mr. Doheny.

The following materials were either mailed to the members prior to this meeting or distributed at this time.

1. Agenda – April 13, 2007
2. Template Request for Proposal (RFP)
3. Municipal Auditing Firms List dated 4/18/07

ELECTION OF OFFICERS

Mr. Freda made a motion to nominate Mr. Doheny as Chairman. Seconded by Mr. Hallahan.

VOTE: Freda - Yes Doheny - Yes Hallahan - Yes

Mr. Freda made a motion to nominate Mr. Hallahan as Secretary. Seconded by Mr. Doheny.

VOTE: Freda - Yes Doheny - Yes Hallahan - Yes

AGREEMENT OF SCHEDULE OF MEETING DATES

Mr. Doheny made a motion to schedule the following meeting dates to prepare an RFP:

May 2, 2007 @ 6:15 p.m.
May 9, 2007 @ 6:15 p.m.

Seconded by Mr. Freda.

VOTE: Freda - Yes Doheny - Yes Hallahan - Yes

DISCUSSION OF TERMS OF REQUEST FOR PROPOSAL FOR AUDITING SERVICES FOR FYE JUNE 30, 2007

The members of the Subcommittee took a few moments to review the RFP (Request for Proposal). They agreed to take the RFP home for review and modification.

Mr. Freda stated that this RFP was a good template to begin with. Mr. Doheny also agreed.

DRAFT

Unapproved

BOARD OF FINANCE

April 18, 2007

DISCUSSION OF QUALIFIED AUDIT FIRMS

Mr. Swinkoski distributed a list of municipal auditing firms to the board members which was compiled from information obtained from the Office of Policy and Management based on firms which prepared municipal audits for the FYE 6/30/06.

Mr. Hallahan suggested that a forensic audit be performed primarily because changes need to be made to determine the Town's damages in the past fiscal year as well as previous fiscal years. He stated that a forensic audit will help the Town as well as the public and is a necessary step.

Mr. Doheny stated that the Town needs an auditing firm to test policies and procedures and be certain that any fraud be prevented in the future. However, his concern is the cost to the Town of a forensic audit. He stated that internal audit procedures be reviewed, but not through a forensic audit yet because specific areas to be looked at are not yet known.

Mr. Freda stated that he was undecided between a forensic audit and a regular audit. A forensic audit would be a comprehensive approach by pinpointing a particular department such as, Community Services. However, would the outcome of a regular audit be significantly different than a forensic audit and what would be the cost implications?

Mr. Hallahan stated the forensic audit is needed because of the recent events in Town and to gain the trust of North Haven residents. Mr. Hallahan suggested that a forensic audit be done using a separate firm.

Mr. Doheny raised two questions to Mr. Swinkoski. He wanted to know which firms on the list offer fraudulent procedures experience and does the same firm offer a forensic audit and regular audit.

Mr. Swinkoski replied that he would obtain the necessary information.

Mr. Hallahan concluded by thanking the Board for considering the forensic audit.

The Board agreed that the matter of a forensic audit be brought to the Board of Finance for consideration.

There being no further business to come before the Board, Mr. Doheny moved to adjourn the meeting at 6:45 PM, seconded by Mr. Freda.

VOTE: Freda - Yes Doheny - Yes Hallahan - Yes