



PLODZIK & SANDERSON

Professional Association/Accountants & Auditors

193 North Main Street • Concord • New Hampshire • 03301-5063 • 603-225-6996 • FAX-224-1380

To the Members of the Board of Selectmen or Town Council:

This communication, in addition to the questions below, is intended to inform those charged with governance regarding the type, expected scope and timing of the audit. We refer you to the signed engagement letter for the detail covering the audit objective, procedures, and management's responsibilities.

This communication is in addition to other correspondence supplied to management and elected officials requesting specific audit information including documents required for audit and information required for notes to the financial statements. The timing of the audit will be mutually agreed upon by management and the independent auditor and it would be our intention to have the report available to you within ninety days after completion of the field work.

We also intend to provide you with a communication with timely observations arising from the audit that are relevant to your responsibilities in overseeing the financial process.

In order to assist us with gathering information necessary to understand the entity and its environment in connection with this year's audit, please answer the following questions concerning your knowledge of the Town's financial procedures. Thank you in advance for your cooperation.

Do you have knowledge of any fraud or suspicions of fraud affecting your Town?

Yes ___ No ___ If yes, please elaborate below.

Are you aware of any allegations of fraud or suspected fraud affecting your Town? Yes ___ No ___

If yes, describe briefly.

Has the Board/Council adopted a universal code of ethics for members and employees to follow?

Yes ___ No ___ If yes, please furnish a copy.

If yes, does this document prohibit elected officials and employees from doing business with the governmental entity? Yes ___ No ___

List any transactions between the government and officials or employees during the year of which you have knowledge. Exclude regular payroll transactions.

Does the Board/Council formally authorize all disbursements, both vendor and payroll, prior to the release of Town funds. Yes___ No___ NOTE: If Town Manager form of government, Town Manager must approve all payments prior to disbursement of funds by the Treasurer.

If the answer to the above is No, please describe your knowledge of how disbursements are approved within the system.

Describe how the Board/Council stays informed of the latest changes in the laws and regulations pertaining to the entity.

Does the Board/Council review comparative reports of estimated and actual revenues and appropriations and expenditures? Yes___ No___ If yes, how often are reports reviewed?

What procedures does the Board/Council follow in reviewing or using these reports? For example, does the Board/Council normally meet with the department heads as part of this process? Also, does the Board/Council review BOTH the revenue and expenditure reports?

Has the Board/Council approved a Disaster Recovery Plan in the event of loss or interruption of the IT function? Yes___ No___ If yes, please provide a copy.

Is there a written investment policy adopted annually in accordance with state statutes? Yes___ No___ If yes, please provide a copy.

Has the Board/Council established and adopted accounting procedures and policies? Yes___ No___ If yes, please provide a copy.

Have you adopted the use of either debit or credit cards by employees? Yes ___ No ___ If yes, please provide a copy of policy covering same.

Does the Board/Council have knowledge of any funds or bank accounts that are not in the custody of the Treasurer or Trustees? Yes ___ No ___ If yes, provide the name and custodian of account.

Signed by _____
Chairperson on behalf of the Board or Council

Date _____

MEMBERS OF THE GOVERNING BODY (BOARD OF SELECTMEN/ TOWN COUNCIL)

NAME	CONTACT INFORMATION
Jason Tardiff, Chair	
Dave Eaton	
Ryan Carter	

