MINUTES
TOWN COUNCIL
SPECIAL MEETING
October 21, 2024
6:00 PM - Enfield Town Hall, Council Chambers
https://youtube.com/live/4Gp-Q1Es2T8

1. Roll Call

Present: Gina Cekala, Robert Cressotti, Bob Hendrickson, Michael Ludwick, Cynthia Mangini, Jim Nasuta, Ken Nelson Jr. (remotely), Marie Pyznar, Jeff Rousseau, John Santanella

Absent: Lori Unghire

Also Present were Assistant Town Manager, Steve Bielenda; Interim Town Attorney, Tom Tyler; and Town Clerk, Sheila Bailey.

Mayor Nelson turned the meeting over to Deputy Mayor Pyznar.

2. Executive Session

Motion #7046 by: Cynthia Mancini seconded: John Santanella
to go into Executive Session to discuss the following item(s).

Upon a **SHOW OF HANDS** vote, the Chair declared **MOTION #7046** adopted. Yes: Gina Cekala, Robert Cressotti, Bob Hendrickson, Michael Ludwick, Cynthia Mangini, Jim Nasuta, Ken Nelson Jr., Marie Pyznar, Jeff Rousseau, John Santanella No: None Abstain: None.

The Executive Session of the Enfield Town Council was called to order by Deputy Chair Pyznar at 6:01pm. Attorney Joe Fallon and Community Development Specialist Kristine Koistinen joined the Executive Session for item 2-A.

A. **Real Estate Negotiations**

- Nathan Hale School, 5 Taylor Road, Enfield, CT

- 78 Main Street, Enfield, CT

B. **Pending Litigation**

- Enfield Square Realty, LLC, et al. v. Town of Enfield – Enfield Square Mall Tax Appeal

Deputy Chair Pyznar reconvened the Special Meeting at 6:54 pm and stated that during the Executive Session, no votes or actions were taken by the Council.

3. Auditor Presentations

- Marcum, LLP

Jim Low, Advisory Services Partner, and Michael McShea, Director of Internal Audit Services, introduced themselves and presented information concerning the services included in the internal procedures and control audit. ***A copy of the presentation is attached to these minutes.***

- Clifton Larson Allen, LLP

Jeffrey Ziplow, Engagement Principal, introduced himself and presented information concerning the services included in the internal procedures and control audit offered by Clifton Larson Allen, LLP. ***A copy of the presentation is attached to these minutes.***

4. Adjournment

MOTION by: Cynthia Mangini, seconded: Jeff Rousseau to adjourn.
Upon a **SHOW-OF-HANDS** vote being taken, the Chair declared the **MOTION** adopted unanimously, and the meeting stood adjourned at 7:16 pm.

Respectfully submitted,

Sheila M. Bailey, Town Clerk
Clerk of the Council

TOWN OF ENFIELD

MARCUM INTERNAL AUDIT SERVICES OVERVIEW

October 21, 2024

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- Our Leadership Team
- Budget Process Documentation Overview
- Examples of Deliverables
- Our Internal Audit Services Practice
- Our Government Experience

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Our Leadership Team

Jim Low is an Advisory Services partner in Marcum's Providence, RI office who joined in 2023. With more than 30 years of combined big-4 audit and advisory experience, Mr. Low leads Marcum's New England Internal Audit Services group. He has interacted extensively with the Audit and Risk Committee board of director members and senior management addressing with them various business cycles, issues and events.

Michael McShea is a director in Marcum's New England Internal Audit Services. Mike has more than 30 years of experience providing internal audit and internal controls-related services to large and middle market clients. Mike also has experience in coordinating with executive management, internal and external auditors and business process owners, ways to identify and effectively test controls, as well as identifying process and control areas for improvement.

Budget Process Documentation Overview

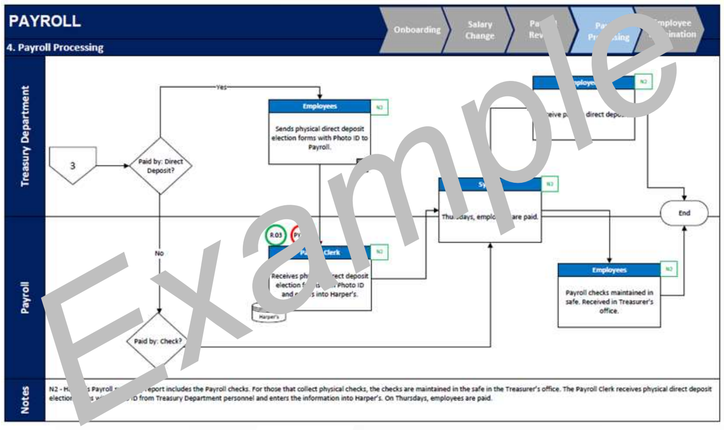
We will perform the following services commencing at a time mutually agreed to by both parties:

- With respect to the budget process for the School District:
  - Gain an understanding of the organizational and reporting structure (including budgeting and planning) including School, Town(s) administration, committees and the like
  - Review existing documentation, reports, budgets and analyses as well as external auditor management letter for the current fiscal year
  - Plan, schedule and conduct select interviews to confirm processes and identify controls and control mechanisms and document the internal controls
  - Create a Risk and Control Matrix identifying gaps in internal controls
  - Flowchart the budget process
  - Document suggested policy and procedures where gaps exist
- For the largest expense item for the District (Payroll) perform the following:
  - Obtain and review any existing written policies and procedures
  - Conduct walkthroughs meetings to understand the current workflow process and identify existing controls or potential control gaps
  - Document the current state process in a Process Flowchart and document existing internal controls. If applicable, recommend suggested workflow processes and internal controls based on best practices in the Risk and Control Matrix
  - Perform test of design (which is a test of one (1)) for existing controls to determine if control is working as designed
  - Identify any potential control gaps and control improvements / suggestions. This would include the identification of any segregation of duties issues along with training and performance issues
  - Document suggested policy and procedures where gaps exist

Deliverables - All deliverables will be provided for your review and finalization.

- Flowcharts and risk and control matrix
- Policy/procedure recommendations
- Reporting on results of testing, observations, and associated recommendations to remediate gaps or control failures

Flowchart



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Risk and Control Matrix

Process	Subprocess	Risk	Control Type: Automated/Manual	Control Method: Preventative/Detective	Control Frequency	Control Re[illegible]ce #	Control Description
Payroll & HR	New-Hires	R01 - Employee salaries are not reviewed prior to system entry resulting in inaccurate pay distributions.	Manual	Preven[illegible]e	As N[illegible]ed	[illegible]Y.01	On an as [illegible]eded basis, Denise McClanahan (HR Director) fills out personnel actions form including employee PII and pay rate based on offer letter. Denise sends the form to the Mayor (Melinda E. Barrett) for final sign off and inputs new Employee into Harpers.

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Our Draft Proposed Services And Costs

Services to be Provided	Estimated Fees
Internal Audit Procedures	$35,000 – $40,000

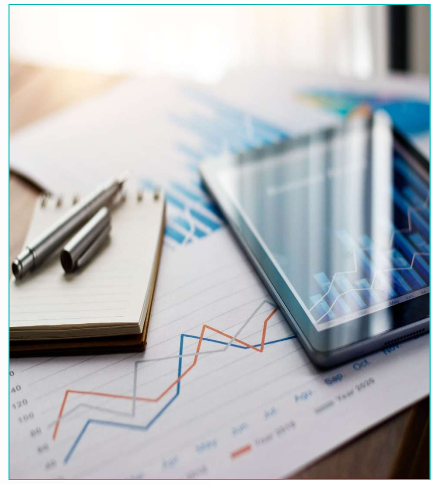
Certain assumptions would be discussed and finalized with the client, along with sample sizes, timeframes and final deliverables.

Assumptions include

- Client will designate a project manager who will be responsible for the services provided and will assist with coordination of efforts to deliver timely results
- Client resources that we need to execute our work will be made available to us in a timely fashion. All document requests and other information required by us will be delivered to our team members within timetables determined during the planning phase of our engagement

Additional services would be time and materials based on personnel deployed utilizing our discounted fee chart:

Partners	Directors	Senior Managers	Managers	Supervisors	Senior and Staff
$435	$345	$270	$225	$190	$160-130



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Our Internal Audit Services Practice

Marcum and Internal Audit Services

Marcum helps clients innovate so they can identify and seize opportunities. We guide your organization to the right solutions and approach your business challenges with the creativity and insight necessary to view the whole picture.

Whether you need help with consistent policies and procedures designed, an outsourced internal audit team, or a special project, our team is ready to ensure your assets are secured and safe.

KEY SERVICES

- Internal audit outsourcing and co-sourcing
- Project planning and management
- Documentation, evaluation, testing, and remediation of risks and controls
- Department, operational, and compliance reviews
- Special projects (e.g. Enterprise-wide Risk Assessment, Fraud Risk Assessment)
- Process flowcharting and control identification

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Our Government Experience

Marcum's public sector services is one of the Firm's specialty industry sectors and focuses on local governments and governmental entities.

Marcum's provides services to numerous governmental clients. This includes outsourced internal audit, co-sourced relationships, and special projects. These engagements may include performance of risk assessments, and internal audit plan development, design and operational effectiveness internal control testing or other accounting and advisory activities.

Some of our current and recent internal audit clients include:

- City of Pawtucket and Pawtucket School Department
- City of Lynn
- City of Haverhill
- City of Quincy
- City of Manchester
- Town of Plymouth
- Town of Lincoln
- Town of Tiverton and Tiverton RI School District
- Town of Lakeville
- Amherst-Pelham Public Schools

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Thank you

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ACCOUNTANTS ▲ ADVISORS

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We'll get you there.
CPAs | CONSULTANTS | WEALTH ADVISORS

Town of Enfield

Presentation for Internal Operations\Controls Assessment

October 21, 2024

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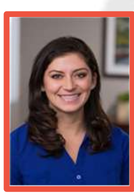
Introduction to Team Members

Jeffrey Ziplow, MBA, CISA, CGEIT
Engagement principal

David Flint, CPA, MSA
Quality assurance principal



Lindsey Intrieri, CISA, PMP
Engagement director

Aaron Perillo
Senior

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Facts: The Basics

More than *130* U.S. locations	*1,200+* principals and signing directors	*14* industries
Nearly *9,000* people	*Approaching $2B in revenue*	Seamless experience

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Our Experience

Proudly *Serving*

State and Local Government Experience

Serving more than **4,200** state and local governments

600 state and local government professionals

Business Risk Services Team

More than 65 internal audit professionals

Internal Audit Experience

CLA performs more than 750+ internal audits annually

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Standard Internal Assessment of Financial Operations Activities

- Internal Planning Meeting
- Review of Policies, Procedures and Protocols
- Interviews and Walkthroughs
- Develop Financial Operations Assessment Procedures
- Evaluate Critical Processes and Controls
- Document Findings, Recommendations & Results

Observations From Other Similar Projects

1. Budgeting process and approach challenges
   a. Development of budgets are inconsistent and\or problematic
   b. Use of previous budgets
   c. Lack of tracking budget vs. actual
2. Purchasing challenges
   a. Purchases not encumbered; not fully utilizing PO system
   b. Payroll not encumbered
3. Special Education challenges
   a. Budgeting
   b. Tracking\monitoring expenses
4. Other
   a. Grant monitoring\management
   b. Extensive manual operations\controls

Distinguishing characteristics that matter to you

We approach engagements with a partnership and value-add consultative mentality. We recommend ways to **add value**, **improve delivery of services** and **increase operational efficiency**, rather than just reporting on it.

Collaborative discussions to gain an understanding of the **current state** processes and **future state** opportunities with a focus on enhancing internal and\or external improvements

A **deep understanding of state and local government operations**, from program delivery to operational processes, and technology.

A **proven operational assessment methodology** for organizations that involves a broad base of stakeholders, including process owners and decision-makers.

Access to a wealth of operational best practices from other **top-performing government entities** throughout the nation.

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We'll get you there.

CPAs | CONSULTANTS | WEALTH ADVISORS

Questions?

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