



Town of Harvard

# Financial Management Review

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Division of Local Services / Technical Assistance Section

March 2011



March 23, 2011

Board of Selectmen  
Town of Harvard  
13 Ayer Road  
Harvard, MA 01451

Dear Board Members:

It is with pleasure that I transmit to you the enclosed Financial Management Review completed by the Division of Local Services for the Town of Harvard. It is our hope that the information presented in this report will assist the town in improving its financial management practices, addressing areas of concern and meeting its long-term planning needs.

As a routine practice, we will post the completed report on the DLS website, [www.mass.gov/dls](http://www.mass.gov/dls), and forward a copy of the report to the town's state senator and representative.

If you have any questions or comments regarding our findings and recommendations, please feel free to contact Rick Kingsley, Bureau Chief of the DLS Municipal Data Management and Technical Assistance Bureau at 617-626-2376 or at [kingsleyf@dor.state.ma.us](mailto:kingsleyf@dor.state.ma.us).

Sincerely,

Robert G. Nunes  
Deputy Commissioner &  
Director of Municipal Affairs

cc: State Senator James B. Eldridge  
State Representative Jennifer E. Benson

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## Introduction

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At the request of the board of selectmen, the Department of Revenue's Division of Local Services (DLS) completed this financial management review for the Town of Harvard. The scope of our assessment involved a review of Harvard's government structure in the context of the duties and responsibilities of finance officers; the degree of coordination and communication that exists between and among the various boards, committees and officials involved in financial management; the budget, capital planning and warrant processes; and, the general efficiency and effectiveness of financial operations and department administration. Our report offers a series of recommendations to enhance the town's overall financial management performance as well as those recommendations specific to the finance related offices of accounting, treasury, collection, assessing and technology.

The recommendations contained within this report are based on site visits by a team from the DLS Technical Assistance Section in consultation with the Bureau of Accounts and Bureau of Local Assessment. During our visits and by telephone, we interviewed and received information from the board of selectmen, town administrator, finance director, accounting officer, treasurer/collector, assistant assessor as well as the chairs of the finance and capital planning committees. Included as part of our review, we examined various documents including the Tax Recapitulation Sheet, Schedule A, Balance Sheet and Harvard's annual budget, warrants payable and revenue and expenditure reports. We also reviewed town bylaws, locally accepted statutes and special acts as well as the outside audit report completed by Roselli, Clark & Associates and the independent bond rating report by Standard & Poor's.

Incorporated in 1732, the Town of Harvard (estimated population of 6,150) is located in Northeastern Worcester County. Characterized by its rural ambiance, Harvard is an exurban community situated in the rolling hill country east of the Nashua River Valley. The town is approximately 22 miles northeast of the City of Worcester and 32 miles northwest of the City of Boston. It is easily accessible by Route 2 and Interstate 495. Residential property comprises about 95 percent of the real and personal property tax base in town. As a relative indicator of wealth among communities in Massachusetts, Harvard's estimated per capita income of \$76,610 is more than double the state average of \$35,852, while the Equalized Valuation (EQV) per capita of \$209,317 is 26 percent above the state average of \$165,919. In FY2010, the average single-family home value of \$561,415 was 56 percent above the state average of \$359,632.

As reported to the Department of Revenue on the Tax Recapitulation Sheet, Harvard's FY2011 budget is \$22,954,017. Approximately 73 percent of the budget is funded through the tax levy, 15 percent through state aid, seven percent from local receipts and five percent from other sources. State aid funding is derived from two sources including school and non-education distributions and reimbursements. Of particular note, the amount of unrestricted general government aid Harvard receives (\$1,252,599) ranks second highest on a per capita basis among towns across the state. This large allocation is an artifact of the impact of the former Devens population on the lottery formula.

Harvard's local receipts include a combination of general fund revenues such as motor vehicle excise, departmental fees, and other licenses, fines and investment income. Among other available funds, certified free cash was \$1,005,556 or about four percent of the total budget. Reported on the

Schedule A submitted to DOR, the general and capital stabilization funds as of June 30, 2010 have a current combined balance of \$2,001,091 or 8.7 percent of the budget. Harvard has also adopted the provisions of M.G.L. c. 44B, establishing a community preservation fund. Also reported on the Schedule A, Harvard's total debt service in FY2010 was \$1,188,240 or 5.4 percent of the budget. However, almost all of it is excluded, falling outside the restrictions of Proposition 2 ½.

The Town of Harvard has an open town meeting form of government with a five-member board of selectmen that is organized under a collection of state statutes, special acts, local bylaws and general policies. There is no town charter. Selectmen appoint a full-time town administrator, who serves as chief administrative officer and acts on behalf of the board in the management of town affairs. While not referenced in bylaw, according to his job description the town administrator coordinates day-to-day activities and directs department heads under the jurisdiction of the board of selectmen including the fire and police chiefs, public works director, local inspectors and dog officer, as well as all boards and committees that report to selectmen. The town administrator also serves as the selectmen's liaison to all other town departments and boards.

Common to only a few communities across Massachusetts, Harvard has a consolidated school and municipal finance department established by special act and implemented through a memorandum of understanding between the board of selectmen and school committee (Chapter 85 of the Acts of 1993 as amended by Chapter 218 of the Acts of 1998). The selectmen, under this structure, appoint a finance director who oversees the town's divisions of accounting, treasury/collection, assessing and those functions typically associated with the school business manager. The finance director also serves as town accountant and chief procurement officer. In addition, the selectmen appoint the treasurer/collector, her financial assistant, the part-time accounting officer as well as the three-member board of assessors and the assistant assessor. In the assessing department, additional appraisal and valuation support is provided through the outside consultant, Regional Resource Group, Inc. The finance departments utilize the MUNIS integrated financial management software application by Tyler Technologies.

The finance director has been with the town for seven years. As described above, she serves as the chief financial officer for both the town and school, coordinating all financial services and activities including those "not limited to accounting, treasury, collections, assessing, data processing, purchasing, personnel payroll/benefits and school accounting," according to her job description. Approximately 60 percent of her time is spent on school related activities, with the remainder dedicated to town business.

The accounting officer works on a part-time basis for 30 hours per week and has been with the town for thirteen years. He is generally responsible for preparing journal entries, reconciling accounts, verifying bills payable and processing warrants as well as monitoring the town's finances, issuing various reports and assisting in the development of the town's budget. He also functions as the town's IT/data coordinator, responsible for in-house technology issues.

The full-time treasurer/collector in Harvard has been with the town for approximately eleven years. She directly supervises the full-time finance assistant who has been with the town for two years. As treasurer, she functions as Harvard's cash manager, receiving and taking custody of all town funds. Included in this responsibility, she posts and deposits town receipts into appropriate bank accounts and

monitors balances to ensure that sufficient funds are available to cover town obligations. She also manages the town's investment portfolio, according to her job description. She reconciles internally and with the accounting officer on a regular basis as a financial control. As collector, she supervises the billing and collection of all real estate, personal property and motor vehicle excise, and all related activity. Tax bills are generated and mailed by Kelly & Ryan three times per year and due quarterly. The volume of work includes some 2,400 real estate and 200 personal property tax bills and about 6000 first commitment motor vehicles excise bills. The office issues approximately 500 demand notices annually and currently has only nine properties in tax title. The treasurer/collector and finance assistant also administer the town's payroll and benefits. Payroll is processed through the outside vendor Harpers Payroll Service. The town covers 85 percent of the cost of health insurance for active employees and 75 percent for retirees.

The three member appointed board of assessors in Harvard review and approve valuations, abatements and exemptions and approve the overlay and the new growth estimate, which is used to calculate the community's levy limit. The full-time assistant assessor completes day-to-day office responsibilities, while the outside consultant Regional Resource Group, Inc. provides valuation and inspectional services. The volume of work in the assessing office involves approximately 2,100 residential parcels, 80 commercial and industrial parcels and 200 personal property accounts. Harvard also has about 90 parcels classified as forest, agricultural or recreational chapter lands. The department had an allowance for abatements and exemptions, or overlay reserve, of \$101,474 that represents less than one percent of the total tax levy. Last year the department issued 27 abatements and 25 exemptions. The town currently has outstanding cases pending before the Appellate Tax Board involving personal property for wireless communications. They also have one real estate case pending for a large apartment building.

Conclusion – While fixed costs continue to climb and a level of uncertainty remains with respect to state aid and other available revenue sources for next fiscal year, Harvard is well positioned to emerge successfully from the prolonged period of economic weakness that is affecting communities across the state. From our vantage point, the town benefits from a stable tax base, very strong wealth and income levels in comparison to state averages, a moderate overall debt burden and healthy reserve levels including free cash and stabilization. Echoing this opinion, in April 2010, the rating agency Standard & Poor's upgraded the town's credit rating from AA to AA+ with a stable outlook for the future.

A reflection of these findings, we found town officials in Harvard to be experienced, engaged and effective at managing the town's financial management operations. Under the general direction of a town administrator and consolidated finance department, the everyday business of government is completed and financial checks and balances appear to be in place. Officials continue to strategize on how best to move the town forward in a positive direction as illustrated by the recent development of a five-year financial plan and the establishment of a formal capital planning committee and capital stabilization fund. Our observations and the recommendations that follow comment on the practices and procedures in place throughout Harvard's finance related offices and offer opportunities for enhancement.

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## Observations & Recommendations

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Our review of Harvard's financial management practices centered on the fiscal procedures in place that typically involve finance related departments, but impact town government as a whole. Accordingly, we examined the budget, financial forecasting, and capital planning processes. We looked at financial policies, long-term planning and financial monitoring practices, as well as the effect the town's organizational structure has on government. We further reviewed the town's current operations in the context of best practices observed in other municipalities and as recommended by the Division of Local Services. We also considered the roles, responsibilities and working relationships among individuals, together with the level of communication and cooperation that exists between and among policy-makers, department heads and staff. Finally, we reviewed local compliance with state laws and regulations relating to finance issues, adherence to acceptable form and to timetables for the submission of periodic reports to the Department of Revenue.

Based on our examination, Harvard has well thought-out budget, capital planning and financial forecasting practices. The budget process adheres to a calendar of events and is guided by revenue projections that are periodically adjusted as information becomes available. The various boards and committees in town, including the board of selectmen, school and finance committees, communicate regularly throughout the year during a series of tri-board meetings that have since evolved into All Board meetings. Through these strategy sessions, decisions are made and action is taken to monitor and balance the budget. The development of a five-year financial plan is a recent example. Department heads are also regularly involved to provide technical support, guidance and analyses to assist decision-makers. Altogether, we found a strong culture of conservative and sound financial management practices, which is evident in a recent effort to formalize various financial policies and procedures in writing, including the free cash policy and capital planning process.

In considering the roles, responsibilities and working relationships among individuals, we note that Harvard lacks a town charter. While departments function under a collection of state statutes, special acts, local bylaws and general policies, the town would benefit from a well-defined government structure in a town charter that establishes clear expectations and guides decision-makers. In addition, roles and responsibilities of local officials, such as the town administrator, should be included as well as the budget, capital planning and other relevant practices.

Nevertheless, we found that the finance offices (accounting, treasury, collection and assessing) operate at a professional level. In particular, we acknowledge the skill of the finance director and office staff in their ability to administer both school and municipal related business operations in an efficient and effective manner. As a consolidated finance department, communication and the regular exchange of information between offices appears to be very good. Procedures involving the accurate and timely collection, accounting and disbursement of funds also appear to be in place.

Beyond these comments and observations, we include a series of recommendations that are intended to reinforce Harvard's already strong financial management practices.

## 1. Adopt Town Charter

To our knowledge, the last substantive review of Harvard's government structure took place in 1991 when the selectmen created a Government Structure Review Committee. Among its achievements, the committee is credited with the formation of the consolidated finance department, the change from a three- to five-member board of selectmen and the hiring of an executive assistant whose position has since transitioned to a town administrator. More recently, the Harvard Master Plan Steering Committee & Harvard Planning Board in the 2002 Harvard Master Plan called for the formation of a study committee to "review the adequacy of Harvard's existing form and structure of government," and proposed various consolidation efforts including public safety and public works. However, to our knowledge, no action was ever taken.

Moving forward, we recommend that town officials begin work toward the adoption of a charter. In well-run communities like Harvard, a charter is the preferred vehicle to create an organizational structure, define relationships among officials, boards and commissions and to more clearly set out financial management practices and procedures. In general, a charter outlines the authority and responsibilities of a town administrator, the duties of town officials and the lines of accountability. The budget and capital planning process and personnel administration are also commonly set out in charter provisions.

Outlined in M.G.L. c. 43(b), residents can elect a charter commission as the start of a two-year process, or a home rule petition can be drafted and submitted to the State Legislature. Both procedures would involve a process for community input into the development of charter language. The home rule petition offers several advantages including a shorter timeframe to complete the process and the latitude to select a diverse and qualified government study committee.

As part of the charter proposal process, we encourage a comprehensive review of Harvard's bylaws. In their present form, Harvard's bylaws offer limited information on matters of financial management or the duties and responsibilities of town officers, outside personnel administration and the role of the finance and capital planning committees. While a charter can provide a stable structure under which a town government functions, it is complemented by a series of bylaws that direct municipal operations (e.g., personnel rules, health codes, zoning regulations, etc.) with greater detail.

## 2. Appoint Facilities Manager

We recommend the appointment of a facilities manager. Reporting to the board of selectmen and school committee, the facilities manager would supervise and direct the ongoing maintenance of all municipal and school buildings. Responsibilities would include the planning and execution of building repair and maintenance programs, coordination of outside contractors, energy management and any other facilities related functions.



From our perspective, the facilities manager would quickly evolve into a position that would provide valuable guidance in capital planning as well as play an essential role in the management of future building projects. With a global view of town-wide needs, the facilities manager would be in a good position to recommend where resources are most needed and how capital projects should be prioritized for submission to the capital planning committee. To make this structure work, however, the funds now spread among town departments for maintenance/repair and other capital purposes should be consolidated in a facilities department expense line item.

As a starting point, we suggest the formation of a consolidated facilities committee made up of a member from the board of selectmen, school committee, plus other individuals with relevant experience. Among its tasks, the committee would develop a plan for a shared position (i.e. identifying roles, responsibilities and reporting relationships) that might be documented in a memorandum of understanding between the board of selectmen and school committee. As a practical matter, the facilities manager could report to the finance director.

### **3. Assign Executive Assistant to Town Administrator**

The executive assistant in Harvard currently reports to the board of selectmen and town administrator, although her primary responsibility is to the board of selectmen. Moving forward, we recommend that executive assistant work at the direction of the town administrator. Under this arrangement, the executive assistant would still be expected to complete board related responsibilities, such as the agenda, minutes and correspondence, but would ultimately report to the town administrator who is in a better position to direct her day-to-day activities. As is common in most towns, the board of selectmen's primary access to municipal government would be through the town administrator. In this way, a management hierarchy is clear. The town administrator will be aware of selectmen's concerns and questions and can determine how to be most responsive.

### **4. Implement Document Disposal Schedule**

It was apparent upon our arrival that hardcopy records have accumulated throughout town hall and that storage has become an issue. To alleviate storage limitations and in anticipation of eventual renovations to town hall, we recommend that officials implement an aggressive record disposal and storage campaign throughout town offices. This process would not only seek to dispose of records, but produce a neat and organized work place, which reflects positively upon town government when residents visit town hall to conduct business.

As a starting point, the town administrator might direct the executive assistant to review the public records laws and the municipal disposal schedule for each department, including the treasurer, collector, accountant, and assessors, located on the Secretary of State's website, [www.sec.state.ma.us](http://www.sec.state.ma.us), under Records Management Unit. Once complete, she would be in a good position to coordinate decisions and timetables with department heads to dispose of unnecessary records.

Town officials should also note that Community Preservation Act (CPA) funds can be accessed to preserve and store historic resources, which includes documents that are determined by the local historic commission to be significant in the history, archeology, architecture or culture of the town. We encourage officials to complete a historical records survey and, once complete, to consider a proposal to the community preservation committee requesting funds to preserve and store documents deemed historically significant. Example documents that have been preserved in other communities using CPA funds include various registers, maps, surveys and other recordings.

## **5. Adopt Enterprise Fund for Transfer Station**

We recommend that town meeting adopt M.G.L. c. 44, §53F½ enterprise fund accounting for its transfer station operations. The department of public works currently manages the town's transfer station through a general fund appropriation. If accounted for in an enterprise fund all revenues and all direct and indirect costs associated with transfer station services can be more clearly identified and recovered through realistic user fees. Enterprise fund accounting also allows the town to retain any surplus as retained earnings, which once certified, can be used to cover operating, capital or debt service costs associated with the service. Additional information on enterprise funds is found in Enterprise Fund Manual available at [www.mass.gov/dls](http://www.mass.gov/dls), under DLS publications.

We also encourage officials to consider a pay-as-you-throw model for funding solid waste disposal. Under this approach, residents are charged a fee for each bag or barrel of trash they discard rather than an annual permit. The advantages of a pay-as-you-throw model include increased recycling rates, fairness and improved environmental quality. As a growing trend, over 130 communities from across that state have adopted the model. For more information, the Massachusetts Department of Environmental Protection provides various case studies, an implementation guide, as well as vendors and state contracts at [www.mass.gov/dep](http://www.mass.gov/dep), under Waste & Recycling.

## **6. Distribute Expenditure Reports**

In accordance with M.G.L. c. 41, §58, we recommend that the accountant distribute expenditure reports to the selectmen and each board, committee or department head with authority to spend as a matter of routine practice. Expenditure reports present departments' approved budgets, expenditures to date, transfers and any remaining funds. We suggest that the accountant email expenditure reports to individual departments. Department heads would then be expected to reconcile the information contained within the report against their independent records, so any variance identified can be researched and resolved.

Because some managers are already granted read-only access to the town's financial management software, it is not necessary for the accountant to distribute monthly expenditure reports to them. However, because verification of appropriation balances is still a sound practice, we suggest that the accountant set up an email reminder in Outlook that notifies departments to review their expenditure

report on a monthly basis. The town accountant can perform regular spot checks to verify that departments are completing necessary reconciliations.

## **7. Consolidate Utility Line Items**

In Harvard, each department is responsible for paying its own utility bills, which are appropriated and accounted for within their individual budgets. Moving forward, we recommend that the finance department receive and pay all town-side utility bills from a consolidated public buildings budget. To implement this process, officials would create a mechanism to track and analyze department spending by coding utility expenses in the accounting system. A single line item provides greater budget flexibility, and reduces the amount of paper passing between and among offices. Also, if handled in a centralized manner, it might enable the finance department or, more appropriately, a facilities manager to readily monitor building energy consumption.

## **8. Coordinate Warrant Process with BOS Meeting**

We recommend that local officials adjust their procedures for processing warrants so they are available for selectmen to sign. Currently, the vendor warrant is prepared for selectmen's signature on a bi-weekly basis, alternating with the payroll warrant. The way the process is timed requires selectmen to individually drop by town hall to sign the warrant. We recommend instead that all invoices be submitted in time to prepare the warrants for the selectmen's regularly scheduled meetings. This would save on the selectmen's time by eliminating a mid-week visit to town hall and avoid any delay if three of them are not available to sign. Alternatively, through the adoption of a charter, the board of selectmen can delegate authority to the town administrator to sign payroll and vendor warrants, which we recommend.

## **9. Limit Payroll Warrant Detail**

We recommend that the town officials eliminate individual employee withholding detail from the payroll warrant. In order for the selectmen to fulfill their legal obligation to review the payroll warrant under M.G.L. c. 41, §52, and to provide necessary detail for checks to be issued by the treasurer, warrant information must include gross or net salary amounts due each employee. This level of detail can be part of the warrant itself, or can be separately listed as an attachment to the warrant. Under no circumstance should warrant information include individual employee withholding details. This information should be securely retained in the town's personnel files and should only be available to legally authorized individuals. Often, the payroll warrant will include a list of withholding categories and the total amount due for the payment period as a separate list or attachment.

## **10. Process Beach and Transfer Station Stickers Online**

We encourage the town to expand its online payments to include beach and transfer station stickers. The online payment option is not only convenient for residents, but offers advantages to the town in the form of improved cash control and rapid electronic deposits. Under a typical arrangement, payments are received and deposited by the outside service with a record of activity delivered to the town for posting. In our experience, communities that aggressively promote their online payment availability experience a decline in office traffic, reduced manual cash handling and improved customer satisfaction.

## **11. Adopt Official Personnel File and Access Policy**

We recommend that officials consolidate personnel files located throughout town offices into a single official record for each individual employee. Once consolidated, personnel files should contain information and be maintained in a way consistent with state and federal laws, regulations and town policies. There are three specific types of employee information that can be maintained in the same location, but must be filed in separate folders. Personnel data, including all documents kept by an employer that have been used or may affect qualifications for employment, promotion, transfer, additional compensation or disciplinary action, as outlined under M.G.L. c. 149, §52C; Personal information, protected under M.G.L. c. 214 §1(b); and, Medical records including Workers' Compensation and Family and Medical Leave, protected by the Americans with Disabilities Act.

In addition, it is recommended that the Form I-9 required of all employers by the federal Immigration Reform and Control Act of 1986 be kept in a fourth separate folder. While a separate folder is not required by the law, anyone authorized to examine the I-9 is, by definition, granted access to any other materials in the same folder. It is the responsibility of the town to restrict, through a written policy, access to employee files. It should also establish a clear set of rules of specific policies concerning standards of file maintenance, storage and access.

## **12. Review Town Fees Structure**

We recommend initiating a procedure to periodically review municipal fees. Municipal fees charged for a specific service should be sufficient to cover the cost of providing the service. As such, Harvard should adopt a policy and procedure to routinely review fees. Appointed or elected boards that oversee a particular department are typically responsible for conducting an annual review of fees and forwarding recommendations to the board of selectmen. The board of selectmen, acting as the town's chief policymaking body, would then evaluate any increases. Reviews should involve an examination of direct and indirect costs associated with providing the service and might include a survey of similar fees in other communities for benchmarking purposes. It is important to recognize, however, that according to *Emerson vs. City of Boston, et al* (391 Mass 415) a municipal fee must reasonably reflect the cost to

provide a service. Additional information regarding user fees is available on the Department of Revenue, [Division of Local Services website](#).

### **13. Develop Address Change Worksheet**

We recommend logging owners of record address changes within a shared spreadsheet. Staff within the finance department described that it was often difficult to coordinate changes in addresses between and among the assessing and treasurer/collector offices because the financial management database is only updated as of January 1. One solution, which has been successful in other communities, is to coordinate changes in address through an Excel spreadsheet stored in a shared network drive. As address changes are reported, individual staff would simply access the shared network drive and update the spreadsheet accordingly. Then, prior to January 1, the town's financial management database would be updated, as it has in the past, to reflect the most recent owner. While it is our understanding that the finance department does not maintain a public network drive and that individuals in town hall have limited access to the server, a shared network drive is relatively straightforward to set up.

### **14. Directly Deposit School Lunch Money**

In Harvard, a school staff person oversees lunch receipts, which are collected, counted and turned over to the treasurer's office about three times per week. The finance assistant then re-counts the money and prepares a deposit for pickup by a bank armored truck. The money is counted again at the bank. There is no need to count this money three times. We recommend that the school return to the practice when lunch money was counted and deposited directly at the bank. School staff would then send a turnover reporting the deposit to the treasurer. In this way, we encourage local officials to develop procedures at the school that ensure funds are correctly accounted for and accurately deposited.

### **15. Consider Shared Outlook Calendar for Van Dispatch**

The finance assistant currently uses a hardcopy desktop calendar to schedule requests for senior van services, for which she is responsible. While this is effective, we suggest that the assistant consider migrating to a shared group calendar in Outlook for senior van dispatching purposes. Not only is a group calendar easy to adopt, it allows others in the office to view and schedule senior van service requests from their desktop in her absence and is less likely to be lost or misplaced.

### **16. Vote On New Growth and Overlay**

At the request of the Bureau of Local Assessment (BLA), we recommend that the board of assessors formally vote, in an open meeting, to authorize the annual overlay and new growth estimates that are part of the budget process and submitted to DOR on the town's Tax Recapitulation Sheet. It is a

BLA expectation that local boards of assessors be on record, and therefore accountable, for overlay and new growth estimates. Despite the fact that the board defers the responsibility for making the annual calculations to the town accountant and deputy assessor, its members should demonstrate that they understand and approve the recommended overlay and new growth estimate. They can do this with a vote in open session.

## **17. Continue Cyclical Reinspection Program**

The maintenance of current and accurate property inventory data is a critical element in the development of uniform, fair market values. We encourage the board of assessors, in consultation with their outside vendor, Regional Resource Group (RRG), to coordinate a cyclical reinspection program of all improved property scheduled for completion by FY2017, so that each parcel is inspected at least once in every nine-year cycle. While the Town of Harvard's Request for Proposals included periodic inspections of all properties, the scope of services outlined in the contract with RRG does not directly address the task nor is the responsibility clearly described in the Detailed List of Assessment Functions and Services proposed by RRG. If they have not already, the assessors and RRG have to clarify whether cyclical inspections are included in the contractual scope of work.

## **18. Complete Personal Property Analysis**

We recommend that the board of assessors "rediscover, relist and revalue" all personal property accounts prior to the town's recertification scheduled for 2014. All taxable personal property must be identified and valued in accordance with an appropriate appraisal methodology. Cost and depreciation tables need to reflect the current valuation date and be applied to each item in an account. Similarly, the certification review indicated that a new analysis of residential second home personal property must be conducted for valuation of these accounts for the next certification. For further information, please refer to The Guidelines for Development of a Minimum Reassessment Program.

## **19. Encourage Remote Backup**

We encourage the town to explore options to backup computer files remotely at a secure offsite location. Backups generally refer to the copying of electronic data files to a storage device from which data can be retrieved in the event of a loss. Despite the fact that computer data is backed-up to tapes on a routine schedule, current storage in a fire resistant safe at an accessory building to town hall is not an ideal solution. Remote backup provided by a relatively inexpensive, web-based, subscription service stores a copy of the town's data remotely in a secure offsite location. Typically, remote backup software is installed which manages the file selection, backup scheduling and location of backups.

We also recommend that town officials develop a policy for routine computer backups. The accounting officer, as technology coordinator, regularly backs up data files that are stored on the town's

servers, but there appears to be no provision for files stored on staff's local hard drives. Moving forward, staff should be instructed to access the server rather than their local drives so that critical data files are protected against loss.

## **20. Complete a Disaster Recovery Plan**

We recommend that the town administrator direct department heads to develop a formal disaster recovery plan. Any organization can experience a serious incident that stops normal day-to-day workflow and prevents it from continuing normal operations. Under these circumstances, it is important that the town have a plan ready that ensures the continuation of services. Although the town has taken steps to protect critical data, including performing routine computer data backups, officials should work toward the completion of a comprehensive written disaster recovery plan, which addresses the following issues:

- Identify the maximum acceptable down-time for municipal operations and the maximum acceptable data loss (in terms of days), and ensure that systems are in place for data backup and storage to meet these predetermined requirements;
- Build and implement a well-documented plan that sets out step-by-step actions to be taken in the event of a minor or major data loss event;
- Train staff so that their individual and collective response is immediate and confident in the case of an event. Assign responsibilities and identify outside people or consultants to be contacted;
- Analyze the cost of the recovery program and allocate the resources necessary to implement it. Balance the value of data with the cost of recovery; and,
- Test, retest and update the plan on regular basis.

## **21. Consult MUNIS on Software Utilization**

During our interviews, it was suggested that MUNIS, the town's financial management software, might be better utilized to provide various financial processes that are currently handled through a combination of other software packages, including Excel. As a service, MUNIS will assess the town's effectiveness at utilizing its financial management software package and deliver a comprehensive report on how the town might more fully use its software. The report identifies various software components and processes and provides a series of observations, analysis, and results and recommendations.

Based on our experience, this report has proven helpful to other communities by highlighting recommendations to more fully leverage the capabilities of the software suite. It can result in a more efficient and productive use of the software and maximize the responsiveness of the application. Once

complete, the finance director can convene her team to evaluate recommendations and develop an implementation plan, identifying the party responsible, required steps and estimated time to completion.

## **22. Update Website**

The executive assistant to the board of selectmen and town administrator currently serves as the primary point person for the town's website. In this role, she manages changes and coordinates updates for a number of departments. Moving forward, we recommend that the town administrator invite the executive assistant to review and discuss the town's website during his regular departmental meetings in an effort to provide for more routine and regular updates. These working sessions would not only organize updates, but also highlight any other meaningful improvements. In this way, the executive assistant can coordinate improvements and maximize resources available on website.



## Acknowledgements

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This report was prepared by the  
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Zack Blake, Project Manager, Technical Assistance Section

In preparing this review,  
DLS interviewed and/or received information from the following local officials:

Peter Warren, Chair, Board of Selectmen  
Marie Sobalvarro, Vice Chair, Board of Selectmen  
Bill Johnson, Clerk, Board of Selectmen  
Ronald Ricci, Member, Board of Selectmen  
Timothy Clark, Member, Board of Selectmen  
Bob Thurston, Chair, Finance Committee  
George McKenna, Chair, Capital Planning Committee &  
Member, Finance Committee  
Timothy Bragan, Town Administrator  
Julie Doucet, Executive Assistant  
Lorraine Leonard, Finance Director  
Victoria Smith, Treasurer/Collector  
Lisa Parker, Finance Assistant  
Celia Jornet, Assistant Assessor  
Fred Aponte, Accounting Officer  
Harald Scheid, President, Regional Resource Group, Inc.  
Richard Nota, Public Works Director