



Town of Randolph

# Financial Management Review

---

Division of Local Services/Technical Assistance Section

September 2008



## ***Introduction***

---

At the request of the Board of Selectmen, the Department of Revenue's Division of Local Services (DLS) has completed a financial management review for the Town of Randolph.

We have based our findings and recommendations on site visits by a technical assistance team consisting of staff from the Division's Bureau of Accounts, Bureau of Local Assessment, and Municipal Data Management & Technical Assistance Bureau. During these visits and by telephone, the team interviewed and received information from the selectmen, members of the finance committee, executive secretary, treasurer/collector, town accountant, town clerk, assessors, as well as other staff members, as available, in each office.

DLS staff examined such documents as the tax recapitulation sheet, warrants, annual budgets, balance sheets, cash reconciliation reports, statements of indebtedness, the town charter and by-laws as well as other assorted financial records. Other documents reviewed included the town's outside audits for fiscal years 2005 and 2006 completed by Thevenin, Lynch, Bienvenue, LLP.

In reviewing the town's financial management practices, we have focused on: (1) town government structure in the context of the duties and responsibilities of financial officers; (2) the town's budget, warrant and capital planning processes; (3) the degree of coordination and communication that exists between and among boards, officials and staff involved in the financial management function; and 4) the general efficiency of financial operations measured by the town's success in maximizing resources and minimizing costs.

We encourage the selectman and others, when formulating overall strategies for improving the town's financial management, to consider the observations, analyses and recommendations contained in this report. We do observe that town officials are open to suggestion as the Treasurer/Collector has already sent the Assistant Treasurer to the Massachusetts Collectors and Treasurers Association's (MCTA) Annual School upon our recommendation.<sup>1</sup> Still, the additional proposals herein are advisory only and can be implemented, at the town's option, provided there is sufficient cooperation among the various boards, committees and officials.

---

<sup>1</sup> See Appendix One

---

## Overview

---

The Division of Local Services (DLS) typically conducts financial management reviews in instances where help is sought to resolve a particular problem, or where an overall evaluation of government operations is desired. In Randolph, the board of selectmen made a formal request that DLS review the town's fiscal practices in search of ways to improve financial practices and procedures.

Randolph, with an estimated 2006 population of 30,326, was incorporated in 1793. It is located in Norfolk County, bordered by Milton and Quincy on the north, Braintree and Holbrook on the east, Canton on the west, and Avon and Stoughton on the south and southwest. Randolph is 15 miles south of Boston at the junction of Routes 95 and 24 which provide easy access to Boston, the Massachusetts Turnpike and I-495.

Once one of the nation's leading boot producers, the town experienced a decline in the shoe industry at the beginning of the twentieth century, but proximity to Boston led to the town's evolution as a suburban residential community. Like other communities, the town has experienced dramatic demographic changes in the last couple of decades. This change is reflected in the public school system where minority students are in the majority today.

In May, the Randolph Town Meeting appropriated a \$76 million general fund operating budget for FY2009, including a proposed Proposition 2 ½ override of \$6 million which was later approved by voters. Of the override amount, \$4.5 million was intended to support a turnaround of the town's school system, which was deemed underperforming by the State Board of Elementary and Secondary Education in November 2007. With the additional funds, the school department planned to hire 56 teachers and aides, but in its override calculation failed to include the associated benefit costs of the new positions.

Historically, Randolph's per capita spending, \$2,311 in FY2007, has been comparable in size to those of its border communities but for Avon.<sup>2</sup> The residential tax rate for FY2008 was \$9.58 per \$1,000 of assessed value. The average single family home was assessed at \$328,652 with a corresponding tax bill of \$3,148, which was the 209<sup>th</sup> highest out of the 335 cities and towns reported to date for FY2008; the state average was \$4,111. The town's commercial, industrial and personal property (CIP) is taxed on a separate, or split, tax rate compared to residential property. Among its immediate neighbors, Randolph's FY2008 CIP tax rate of \$18.58 per \$1,000 is only higher than Canton's CIP tax rate of \$18.40 per \$1,000.

The legal framework for financial management in Randolph is established in the town's home rule charter, several special acts, local option enabling legislation, and in relevant town bylaws. The governance of the town is exceptionally decentralized. A five-member board of selectmen collectively acts as the nominal head of the executive branch of government. The

---

<sup>2</sup> The average per capita spending for the seven towns of Randolph, Braintree, Canton, Holbrook, Milton, Quincy and Stoughton was \$2,365 in FY2007 while Avon spent \$3,713 per capita.

board appoints an executive secretary to facilitate day-to-day operations. The town accountant is appointed by the board of selectmen, but the treasurer/collector and board of assessors are independently elected. Also, in addition to the school committee, there are another five separately elected boards with administrative authority over major town departments, including the departments of health and public works. There is a finance committee, appointed by the elected town moderator, which annually reviews the budget and recommends action to town meeting. A 240-member representative town meeting is the legislative body. More recently, a capital improvement committee was appointed by the selectmen to prepare and make recommendations on a five-year capital plan.

Our review found that individual departments operate within the dictates of municipal finance law and, generally speaking, financial staff perform their jobs well and complete tasks on a timely basis with careful attention to detail. Still, some procedures are currently manual; some internal controls could be strengthened; and, several other cumbersome processes could be streamlined through the use of technology. Nonetheless, opportunities for such improvements exist on an issue-by-issue basis and do not represent a pattern of deficiencies that runs through finance offices. Therefore, many of our recommendations are presented as a series of specific enhancements, as opposed to a comprehensive restructuring of any particular function or department.

During our review several issues surfaced relating to broader matters of fiscal management and policy. The first involves a lack of communication and management cohesiveness that is characteristic of the current structure of government. By its nature, the five-member part-time board of selectmen lacks the full-time presence and authority to effectively manage and coordinate all of town government. As a result, whatever decision making power they can delegate to an already weak executive secretary position is limited and is further diminished by the large number of separately elected officials and boards with administrative control over critical town departments. Each department head or board, not accountable to a single management presence, is free to disregard appeals to adopt certain practices or policies, and to make independent judgments about the merits of town-wide goals.

The second issue of concern is the late decision-making on the town's operating budget for FY2009. The bulk of deliberations was delayed to March and had to be completed by the spring town meeting in May. Limited financial analysis occurred during the fall and winter which should be the front end of the annual budget process. This aggravated the relationship between the board of selectmen and the finance committee and caused a further breakdown in communication which already suffers because, under the current process, each develops their own town budget simultaneously and independent of input from the other.

A third area of focus is long term planning and financial policies. There are no formally adopted policies for the use of reserves, free cash or for managing debt. There has been no financial analysis of the town's borrowing capacity, of the affordability of pending collective

bargaining agreements, or of the cost/benefits of joining the Group Insurance Commission. There is a newly appointed capital planning committee, but no plan has emerged yet.

For the most part, these broader issues are addressed by the two draft charters that will be presented to the 2008 Fall Town Meeting. One is a “city” charter with a Town Council serving as the legislative and policy making body. The alternative is a “town” charter where, like now, a board of selectmen serves as policy makers and a representative town meeting is the legislative body. More importantly, each features a strong town manager with nearly identical powers and responsibilities. In addition, both provide detailed instructions and deadlines for the annual budget process and additional guidance on a capital improvement plan and other financial policies.

Conclusion – From a financial management perspective, the town’s highest priority should be the adoption of a charter that changes its structure of government. Either of the two charter proposals currently under discussion would provide greater accountability, transparency and a foundation for strong leadership in local government and would significantly advance the interests of the town. The town has outgrown its part-time government which is wholly incapable of meeting the demands of a \$76 million enterprise and a population of 30,000 people.<sup>3</sup> The town is long overdue for a full-time professional manager who is granted meaningful authority to oversee all town departments, who can foster and facilitate communication between and among all boards, who can by directive advance town-wide goals, and who can create accountability throughout government.

---

<sup>3</sup> Of the 61 towns with FY2008 budgeted revenues between \$50 and \$100 million, 57 have a town manager or town administrator form of government. Randolph is one of four that does not.

---

## Table of Recommendations

---

### **Overall Financial Management (page 5)**

- 1) Improve Government Structure
  - a. Adopt a New Town Charter
  - b. Appoint a Screening Committee for Town Manager
- 2) Modify the Budget Process
- 3) Conduct Financial Management Team Meetings
- 4) Develop a Long-Term Financial Plan
  - a. Adopt Formal Financial Policies
  - b. Analyze Cost Pressures
  - c. Form a Committee on Surplus Property
- 5) Zapatas Ice Arena Issues
  - a. Adopt Enterprise Fund Accounting for the Town Rink
  - b. Execute Written Rental Agreements
  - c. Issue Receipts

### **Information Technology (page 12)**

- 6) Create a Permanent Technology Committee
- 7) Centralize Technology Administration
- 8) Create a Training Program for Town Hall Staff
- 9) Sign Acknowledgement of Internet and Email Policies

### **Treasurer/Collector (page 15)**

- 10) Create a Monthly Cash Flow Budget
- 11) Deposit Directly to a Treasurer's Account
- 12) Discontinue Manual Records and Checks
- 13) Assign Data Entry to the Office Clerks
- 14) Maintain an Independent Debt Service Schedule
- 15) Address the Treasurer/Collector Office Space Issue
- 16) Require Direct Deposit and a Bi-weekly Pay Schedule

### **Accountant (page 20)**

- 17) Move to Bi-Weekly Warrants
- 18) File Invoices By Warrant
- 19) Assign Mail Sorting Responsibilities

### **Assessors (page 23)**

- 20) Hold Fewer Meetings
- 21) Formalize Overlay Setting Policy

### **Appendices (page 27)**

- Appendix One— Letter of Recommendation for Treasurer's School  
Appendix Two— Comparison of Charter Proposals

---

## Overall Financial Management

---

A review of the town's overall financial management practices focuses on the procedures in place to accomplish tasks that typically cross over various municipal departments, as well as those that tend to impact town government on a global basis. Accordingly, we examined the effect of the town's organizational structure on the operation of government. We reviewed the budget process and the payroll and vendor warrant processes. We looked at long-term planning, financial monitoring practices and financial policies, as well as the purchasing system and personnel administration. We considered the roles and relationships among individuals together with the level of communication and cooperation that exists among offices. 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 State Department of Revenue (DOR).

The structure of government in Randolph is fragmented. The selectmen are the executive branch of government but they have little control over a larger than usual number of departments who answer to separately elected or appointed boards. For example, the board of health oversees the health agent, an appointed recreation board manages the parks and recreation department, the department of public works (DPW) falls under an elected DPW board, and a “strong” fire chief is largely independent of any controls. The selectmen delegate what little authority they have over departments to the town’s executive secretary. However, because they lack line authority, the board and the executive secretary must depend on the cooperation of at least eight elected officials and boards to manage the town’s finances and operations. In addition, the selectmen appoint the members of another 18 committees which exercise varying degrees of authority over town departments.

This year, the annual budget process in Randolph deviated from past practice. Usually, town departments submit their budget requests in January or February which are forwarded to the selectmen and finance committee. Each committee conducts independent hearings over the same period with department heads. Then, the selectmen typically submit their recommendations on all spring town meeting warrant articles, including the budget, to the finance committee for review. In a normal year, the finance committee budget recommendations are mailed to town meeting members well in advance of town meeting.

However, this year the selectmen conducted their deliberations late which delayed the finance committee and prevented the advance mailing of recommendations to town meeting members. Furthermore, communication stopped. Without consulting the finance committee, the selectmen proposed additional amendments to the budget on the floor of town meeting.

Ideally, the budget process should start much earlier, begin with revenue forecasts, reflect consensus, and be completed well in advance of the town meeting. We recommend as much.

Long-term planning is absent in Randolph. There are no target levels set for the town's general stabilization fund, but it has, since FY1999, contained an average balance of \$1.8 million, or 2.7 percent of the annual budgets. Entering FY2008, the balance was just under \$2 million. As soon as it is certified, free cash is often spent to supplement the current year operating budget. In the absence of policies on its use, free cash has declined steadily, from a high of \$2.2 million in FY2002 to a negative \$12,389 in FY2008. Free cash was also negative in FY2007 (\$18,330).

In addition, the town is in collective bargaining negotiations with three of the town's four unions, but no evaluation of the impact of wage negotiations on future budgets has been done. There is a capital improvements committee but no plan has emerged yet, nor is there a plan on how to use or dispose of the town's surplus property.

To their credit, town officials recognize that many of these deficiencies are related to the current government structure and are moving forward on a corrective plan. An *ad hoc* committee composed of town meeting members and town officials including the accountant, principal assessor and town clerk, presented four different types of charters for consideration to the spring 2008 town meeting. Government types put forward for discussion were:

- 1) a town council-town manager form,
- 2) a representative town meeting-selectmen-town manager form,
- 3) a mayor-council form, and
- 4) an open town meeting-selectmen-town manager form.

Town meeting members narrowed the choice down to the town council-town manager and the representative town meeting-selectmen-town manager proposals, but deferred final action to the fall 2008 town meeting.

The two charters still under consideration both feature a strong town manager with the authority to hire and fire department heads and reorganize town departments.<sup>4</sup> He or she would be responsible for presenting revenue forecasts, an annual budget and a capital improvement plan each year. Each of the charters outline cogent budget guidelines. Also, under discussion are a complete set of well-designed financial management policies. Guidelines for target levels of reserve funds and the use of multiple stabilization funds are included. A comprehensive capital plan is defined as are thoughtful debt management policies.

Conclusion—More detailed observations are included in the sections of this report that follow, but overall, town employees in the finance related offices are engaged, diligent and sincere in their efforts to do a good job. Between and among departments, communication and cooperation exists. Checks and balances are in place and legal responsibilities are effectively

---

<sup>4</sup> See Appendix Two for a more detailed comparison of the two charter proposals.

carried out. Virtually all staff were receptive to ideas that might lead to improved procedures and more efficient operations.

At the same time, there are opportunities for improvement in the higher-level management of town finances. In particular, communication is at issue and is impeded by the absence of a professional manager who has primary responsibility for town operations and line authority over personnel. In our opinion, the most effective action the town can take to improve financial management and governance is to adopt one of the two proposed charters forthwith. In general, it is our observation that town leaders understand the need for change in the organization of government. Required now is an effort, unified if possible, to encourage adoption of one of the proposals this fall by town meeting.

Our recommendations below support the adoption of a charter proposal and otherwise offer advice on the budget process and the additional elements of a long-term financial plan. Draft policies on the use of free cash, reserves, debt and capital improvements exist, but they should be implemented. We also offer our observations on some issues at the town-owned skating rink.

### ***Recommendation 1: Improve Government Structure***

#### ***a: Adopt a New Town Charter***

We recommend that the town adopt one of the two charters under consideration at its Fall Town Meeting. It is our understanding that two charter proposals will, in fact, be on the fall 2008 town meeting warrant. If approved by town meeting, a proposal will then be placed before the voters in the spring of 2009. We strongly support approvals at each stage.

In the months ahead, we encourage town residents and officials to learn about, discuss and debate the two charter proposals in order to form an opinion as to which is most viable in form and substance and will have the highest prospect for improving government. Randolph has reached the point where the status quo is no longer sufficient to govern the town well. Either of the two proposals would provide the strong leadership and line authority that the town needs to advance.

#### ***b: Adopt a Screening Process for Town Manager***

We recommend that if, and when, a charter proposal is adopted, the town follow a formal process to screen candidates and select the new town manager. A new town manager position would represent a dramatic change in government. From the outset, it is important to establish a formal process for appointing this mission critical person. One charter proposal sets up a screening committee appointed by the moderator. In the other proposal, the city council would serve as the screening committee.

In either instance, we encourage the appointment of members to a screening committee who have diverse experience, and the adoption and execution of a process that will stand the test

of time. Valuable are committee members who have experience as private or public managers and, as a consequence, have conducted interviews for professional positions. Equally important are those with knowledge of how local government works and, in particular, with the demands placed on a town manager position. While we do not suggest that people should choose their own boss, a process that invites employee reaction has been successful in various communities.

To promote faith in government, especially in the instance of the town's first manager, it is essential that a credible, objective and thorough selection process be established. The process should be open and designed to attract the largest number of candidates. If residents suspect anything less, then the ability of the town manager to function effectively will be jeopardized, and public confidence in the process and in government will be undermined.

### ***Recommendation 2: Modify the Budget Process***

We recommend that the town modify its budget process. The process for adopting the FY2009 operating budget was delayed and divisive. In order to avoid repeating the mistakes of last spring in the future, we recommend the following. While our suggestions speak to a town manager, the town will be operating under its current executive secretary government during the FY2010 budget development process. For this year, we would expect that the executive secretary would, to the extent of his jurisdiction, adopt the role of the town manager and that he would work closely with the finance committee chair.

*Early start* - The budget process should begin in the fall with revenue projections developed by the town manager. We expect that to arrive at estimates, he would work with the accountant, other financial management team members as well as department heads whose offices generate revenue. The finance committee chair should also be advised of, if not involved in, the process. To reach some level of certainty, tax revenue under Proposition 2½ can be predicted subject to conservative new growth estimates. The local receipts estimate can be based on 95 percent of the prior year's actual total. The use of miscellaneous revenue and reserves (i.e., free cash, etc.) can be based on adopted policies. Finally, state aid under initial projections can reflect the prior year's distribution. The only adjustments would come later with the release of the Governor's budget in January, the House budget in April and the Senate budget in May. If the House and Senate agree (usually in the first week of April) on state aid levels for major categories in a joint resolution, this amount could be relied upon, with no further adjustments.

*Consensus* - We recommend that the town manager present revenue projections and projections of fixed costs (e.g., health care coverage, pension obligations, debt service, etc.) to a joint meeting of the selectmen, finance committee and school committee. To facilitate long-term thinking, a multi-year forecast should be produced. A consensus accepting the projections should be recorded and a decision should be made on a division of revenue between the town and the school department. If possible, an agreement should be reached on how future increases in revenue projections will be divided. Budget guidelines should emerge from this process and

be circulated to department heads with a request for appropriation needs. As adjustments occur to state aid, if any, the town manager should communicate and confirm to the selectmen, finance committee and school committee the previous consensus on the allocation of the additional revenue.

*Lineal Process* - Once department requests are received, a lineal budget process should follow. Typically, the town manager would meet with department heads to review requests and would then develop a budget for presentation to the selectmen. The selectmen would review, with the town manager, his budget recommendation. If desired, they would meet with managers of major town departments only. Subject to any changes, the selectmen would approve the town budget and forward it to the finance committee. Once the finance committee completes its review of the line item budget and other articles, and incorporates its changes, if any, the budget would be made ready for town meeting.

*Communication* - Necessary to the process is a high level of communication. Joint meetings serve this purpose. The exchange of information should be on-going among the town manager, the selectmen, the finance committee and town's financial officers, particularly as they get deeper into the process. In this way, town leaders can present a unified budget position at town meeting which will go far to build public confidence in the process and the persons involved.

*Follow-up* - To ensure that the adopted budget is kept on track, the accountant should distribute monthly expenditure reports and periodic revenue reports. With this information, the town manager will be able to monitor revenues and expenditures to make sure the budget is on target, or to prepare corrective action if it is not.

### ***Recommendation 3: Conduct Financial Management Team Meetings***

We recommend that a financial management team meet on a regular basis. Financial team meetings are an important communication device, a means to exchange information and identify and resolve critical issues. In general, meetings can serve as a forum to coordinate financial functions and discuss progress on finance-related deadlines. They can provide an occasion to set a calendar for the budget process and to schedule the timely preparation of the Tax Recapitulation Sheet. Responsibilities can be reviewed and progress can be monitored.

A financial management team also provides an opportunity for discussion of the town's fiscal issues, for identifying critical junctures and for developing strategies to meet financial challenges. Meetings provide a forum to raise and resolve interdepartmental issues. Not to be underestimated is the value when all finance-related staff receive a message or information at the same time.

In Randolph, we would expect a financial management to be chaired by the executive secretary, or town manager (if approved). Other team members would typically include the

accountant, treasurer/collector and principal assessor, together with a representative from the school business office. The meetings are best held monthly at a convenient time and when an agenda is set and sent in advance with backup materials to meeting participants.

#### ***Recommendation 4: Develop a Long-Term Financial Plan***

##### ***a. Adopt Formal Financial Policies***

We recommend that the selectmen formally adopt the draft policies on reserves, debt management and capital planning. Already drafted are six-pages of financial management policies that outline target levels and appropriate uses of free cash and stabilization funds, including multi-purpose capital stabilization funds. The policies include guidelines for developing a multi-year capital spending plan and the issuance of debt. It is our understanding that the selectmen are awaiting a further internal review and recommendation before they act on these policies. We recommend they not delay. The proposed policies are well thought out, make sense and require no additional review to confirm their worth. The selectmen should adopt these proposed policies immediately so that they can provide guidance during the upcoming budget process.

##### ***b. Analyze Cost Pressures***

We recommend that the executive secretary prepare a financial analysis of town long term cost pressures including wage costs, health insurance, retirement benefits and energy costs. Almost all cities and towns are struggling to manage budgets under the limits of Proposition 2½ and in the face of rapid increases in their biggest cost centers - wages and benefits for both current employees and retirees. High energy costs for municipalities are straining police, fire and public works budgets. We recommend that the executive secretary, with the accountant, undertake an analysis of how the Randolph might mitigate some of these costs. Components of the analysis might include:

- A multi-year projection of wage costs in preparation for collective bargaining negotiations
- An analysis of the costs and benefits of joining the State's Group Insurance Commission for employee and retiree health insurance
- An analysis of the costs and benefits of adopting M.G.L. Ch. 32B §18 which shifts a portion of retiree's health insurance costs to the Federal Medicare program
- A review of peer communities to identify strategies to manage the Other Post-Employment Benefit (OPEB) liabilities

- An energy audit of the town's physical plant to enhance management of energy consumption
- Develop a vehicle management plan to reduce fuel consumption

***c. Form a Committee on Surplus Property***

We recommend that the selectmen appoint a committee to evaluate the town's surplus properties and make recommendations on their reuse or disposition. The town owns several buildings currently in disuse including the former DPW shed, the old police station, a school office building and a closed elementary school. A study of these buildings should address their present condition and note any deferred maintenance or needed repairs. Associated costs should be estimated. A committee might also confirm departmental control over each and evaluate potential uses. A study should also inventory all town owned properties and match available space with anticipated program space needs for the next five years. After the analysis, the town can plan for the reuse or sale of these properties.

***Recommendation 5: Zapatas Ice Arena Issues***

***a. Adopt Enterprise Fund Accounting for the Town Rink***

We recommend that the town adopt enterprise fund accounting for the skating rink. An enterprise fund (M.G.L. Chapter 44, Section 53F½) establishes an accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services provided. The revenues and expenditures of the enterprise are segregated into a separate fund with its own financial statements, rather than commingled with the revenues and expenses of all other governmental activities. Randolph recently adopted enterprise fund accounting for its water and sewer operations and should do the same for the Zapatas Ice Arena.

If it does, the town will have a clear picture whether fees are sufficient to cover all costs, or whether the general fund is subsidizing the rink operation. Direct and indirect costs (e.g., interdepartmental support, health and insurance costs), including debt service can be provided for. If rates are appropriately set, modest surplus revenue can be generated, accumulated over time and devoted to capital investment associated with providing the service.

***b. Execute Written Rental Agreements***

We recommend that the parks and recreation department execute written agreements for ice rink rentals. The parks and recreation department has long standing, informal rental arrangements with amateur adult and youth hockey leagues, neighboring school districts, and skating clubs. We recommend that, as a standard practice, the department enter formal written rental agreements with rink users. An agreement would outline the rights and responsibilities of the respective parties, specify the rent, clarify liability issues and serve to protect the interests of

the town and its renters. A standard agreement would also ensure that all rink users are treated equally and that when special arrangements are made, town interests are protected (i.e., in the use of office space which we understand currently occurs without compensation to the town).

***c. Issue Receipts***

We recommend that the parks and recreation department improve cash controls by issuing written numbered receipts for pro shop sales, skate sharpening fees, and skate rentals at the ice arena. For scholastic hockey games, numbered tickets are issued to the patrons, and duplicates are retained in order to reconcile cash after the window closes. However, no such controls are in place for the sales at the pro shop, for skate sharpening and skate rentals. The town should begin issuing receipts or using cash registers so that the revenues from these activities can be similarly reconciled.

---

## Information Technology

---

Information Technology (IT) is a vital component of contemporary municipal government. Because financial processes are data intensive, IT utilization and support is all the more relevant. Budgets, ledgers, cash books and other financial records are typically maintained electronically. Electronic transactions between governments and banking institutions have also become the norm. As a practical matter, heavy reliance on technology necessitates that knowledgeable, system-savvy individuals be involved in the purchase and support of equipment and software. To facilitate this, communities often employ one or more full-time professionals as part of an IT department. Alternatively, they contract with an outside consultant to address their needs, or provide services on a defined dollar or limited scope basis. Other communities, because of budget constraints, will establish an IT committee of citizen volunteers, who are employed in technology industries.

A survey of town finance-related offices revealed 15 to 20 networked desktop and laptop computers in use. Operating systems include a variety of Windows versions and Microsoft office products. All computers have email capacity and internet access. Otherwise, the accountant and the treasurer/collector both use VADAR software and rely heavily on Excel spreadsheets. The assessor's office uses the Patriot Properties software. The town plans to add GIS capability this fall. All of the town's financial datasets are backed up daily to tape internally and off-site with the town's software vendors.

In Randolph, management of the IT function is decentralized. There is no individual or department regularly responsible for managing the essential elements of town technology. Fortunately, a couple of technology-oriented officials took it upon themselves to compensate for this management deficit: the former principal assessor regularly set up new users, oversaw backup procedures, and provided troubleshooting; and, the town clerk took the initiative to set up and maintain the town's web site. With the sudden, unexpected death of the principal assessor in May 2008, no one in-house is trained or available to set up new computer users or assist with troubleshooting. In these instances, an outside consultant is called in on an hourly retainer.

The town had a Computer Needs Study Committee several years ago that met to evaluate the town's financial systems and IT needs, but it disbanded after issuing its report. Their recommendations led the town to switch financial software vendors from MUNIS to VADAR. Today, however, in the absence of a town-wide department or IT person, there is no formal inventory of equipment nor is there any control over the acquisition or use of certain licensing agreements. Outside of a small amount of capital left over from two years ago, funding for technology equipment and expenses is provided only through individual departments' expense budgets.

Conclusion –As with any part of government, a substantial barrier to efficiency exists when no person or entity is responsible for managing services. Similarly, the IT structure is

largely unaddressed, which creates unnecessary risks should mission-critical functions fail. The technology needs of the town demand more regular and permanent attention given their importance and the pace of technological change. The recommendations below call for the establishment of a formal, central IT committee in town government to enhance accountability, efficiency, internal control and long-term planning.

***Recommendation 6: Create a Permanent Technology Committee***

We recommend the formation of a technology committee that includes users from within town hall and expert volunteers from the community. The town recently had a technology committee which evaluated town needs, but dissolved shortly after announcing its final report. We recommend that a technology committee be ongoing to help the town keep pace with technology changes and continually improve the efficient management of town business.

A technology committee can be a meaningful and objective contributor of information, analysis and insight for the town decision-makers as they grapple with computer and software issues. Its members can work to produce a periodic report, or assessment, of the town's technology status. Such a report would serve as a useful tool to evaluate the performance of hardware and software in town departments, to identify and prioritize the need for upgrades, and to recommend the adoption of new technologies, as the former Computer Needs Study Committee did two years ago. The recommendations made or accepted from the report would then be incorporated into a long-term capital planning program.

In the future, the committee could plan-out and oversee computer training, hardware replacement schedules, system upgrades, etc. They could also look into issues such as data integrity and emergency planning to make sure information is properly backed-up and retrievable. They could discuss future software purchases and conversions to prepare for integration with existing systems, and advise the town as it implements GIS capability this fall. Finally, a technology committee could explore how the town might improve its website and the services offered that can reduce traffic and workloads in town hall.

A technology committee might comprise only three or four community members who have appropriate knowledge or work experience. To the extent possible, the town should recruit technology professionals from the town population, but the committee should also include some users from town hall, especially someone from the clerk's office since they are responsible for maintaining the town's website.

***Recommendation 7: Centralize Technology Administration***

We recommend treating technology as a department supported by a consolidated budget. We recommend a budget that combines in one place all technology-related appropriations currently spread among departments. In this way, an overall technology plan can take shape and

total town expenditures toward implementation of that plan will be clear. Also, technology is more likely to receive equal treatment in the process of setting town priorities through the budget.

As a departmental budget, there might be separate line items for expenses, purchase of services, support contracts and small capital outlays for hardware and software upgrades. Major investments would typically be approved as part of the town's capital improvement program and financed through the issuance of debt. Computers, copiers, printers, projectors, etc., should also be purchased in accordance with a centrally administered, long-term plan.

A town the size of Randolph, with the amount of computer hardware and software in use and necessary to operations, should have a person on staff - a department head - whose sole responsibility is technology support. Placing the management of technology department budget would go far to ensure that decisions concerning future purchases of equipment, software and services are based on town-wide needs. As a department head, he or she should report directly to the executive secretary, or to a future town manager.

### ***Recommendation 8: Create a Training Program for Town Hall Staff***

We recommend that the town set up a training program for town hall staff. Town hall staff is comprised of people at various levels of computer capability. The executive secretary, in coordination with the technology committee, should take the initiative to identify computer proficiency levels among staff, and then develop a program to enhance hardware and software knowledge in town hall. Short-term goals might explore how technology can reduce paper records and redundancies through interviews with various office staff. We noticed several instances in which manual records could instead be maintained in Excel spreadsheets and cases where mail-merge training would reduce workloads. In the long run, the town might look to develop an on-going training program to encourage computer usage, maintain proficiency among users, and more effectively familiarize people with the software they use in order to create efficiencies in time and money.

### ***Recommendation 9: Sign Acknowledgement of Internet and Email Policies***

We recommend that the town require employees to sign copies of the town's email and internet policies. Randolph maintains written guidelines outlining the proper and allowable use of email and internet applications by employees. The town should require each employee to sign a form acknowledging that they have read the policies and understand the penalties for non-compliance. A copy of the signed form should be held in the employee's personnel folder.

---

## Treasurer/Collector

---

The treasurer is a community's cash manager and, as such, has custody of all municipal money. Included is the responsibility to make certain that town receipts are deposited into appropriate bank accounts and to monitor balances to ensure that sufficient funds are available to cover town obligations as they become due. The treasurer invests town funds and manages debt to maximize investment income and meet cash flow needs. To fulfill these responsibilities, the treasurer maintains a cashbook, debt schedule, check registers, and various logs to track balances for grants, trusts and revolving funds as well as other special revenue funds. As a financial control, the treasurer is obligated to reconcile cash balances and debt, internally, and then with the accountant on a regular basis. Finally, the treasurer maintains tax title accounts, conducts sales of land and prepares documents to petition for foreclosure.

A municipality's tax collector possesses the authority to collect real and personal property taxes, excises, betterments and certain other charges added to and committed as taxes. If a town accepts MGL Ch. 41 §38A, the position becomes a town collector, and then has the authority to collect all monies due to the community as the Randolph collector does. Collections need to be counted, posted to taxpayer accounts, and either turned-over to the treasurer or deposited daily. Delinquent accounts need to be pursued and then moved efficiently into the treasurer's tax title accounts. To be successful, a collector must maintain an up-to-date receivable control that is reconciled internally and then externally with the accountant monthly. Credit reports should be run as appropriate and research needs to be completed to confirm legitimate refunds due to residents. In accordance with state law, the office should respond to requests for municipal lien certificates within ten days. In most communities, the collector manages the contractual agreement with the deputy collector.

Randolph combined the treasurer and collector functions in 2000. Previously, the offices of treasurer and town clerk were combined and there was a separate collector's office. Even though the functions are combined, procedures are followed and documents are exchanged as if they were separate, which promotes sound practices. For example, the collector's side of the office makes a weekly turnover to the treasurer's side of the office with a copy of the turnover to the accountant, just as the other town offices that handle money do. At the same time, although the staffs share a single department head, they are physically located in different offices, which does not create optimal efficiency. In addition, we noted that the collector's staff maintains seven bank accounts which is an unusually high number of collector accounts for a combined treasurer/collector office. Consolidating bank accounts and depositing directly to a treasurer's account could expedite monthly reconciliations of revenues with the accountant.

The current officeholder was elected in April this year upon the retirement of the town's long-time incumbent. She previously served as the assistant treasurer and has been in the office for 23 years. She is assisted now by an assistant treasurer, an assistant collector and three clerks,

although the town will move to a combined assistant treasurer/collector in the fall with the retirement of the current assistant collector. The staffs are sufficiently cross-trained so that they can temporarily fill in for each other as the need arises.

The town uses a lockbox with Bank of America to collect real and personal property taxes and the services of a deputy collector, Kelly and Ryan, to assist in generating excise bills and collecting delinquent motor vehicle excise and personal property tax payments. As in many communities, the deputy collector deposits town funds to the treasurer/collector's bank account, and is reimbursed his fees from a check written on that account. While this is an acceptable practice in cities and towns, checks and balances would be improved if the deputy's fees were submitted to the accountant and selectmen through the standard warrant process.

The treasurer/collector also uses a financial advisor, Eastern Bank, to advise her on debt management issues and uses the bank's services to maintain her schedule of town debt. While the financial advisor's debt statement provides an accurate picture of the town's debt position, it is no substitute for a separately maintained debt schedule that is reconciled with the town accountant and town clerk after every town meeting, and we recommend as much.

The office is set up with five desktop computers that are networked. VADAR is installed for collector and treasury functions. Other reports are maintained on Excel spreadsheets. The payroll is processed with ADP payroll services on cumbersome paper forms, but the town plans to move to electronic processing in the near future.

Conclusion – One reason that municipalities have moved to combine treasurer and collector functions is to take advantage of economies of scale and to streamline parallel duties. In Randolph, the two sides of the office seem to operate independently, albeit, with a single department head. Yet, the treasurer/collector's office fulfills all of its required functions in a timely and conscientious manner. Reconciliations of cash and receivables with the accountant are running several months behind, but that is largely the result of the vacancies and turnover in the accountant's office. The two offices are working together to get caught up to date. Still, we believe the town would be better served if the treasurer's and collector's offices were located closer together to take better advantage of these opportunities. Combining bank accounts and depositing directly to a treasurer's account would also serve this purpose. Otherwise, the recommendations we offer are suggestions intended to improve record keeping and procedures, as well as to provide some guidance on where priorities might be placed. We also noted several instances where procedures would be improved if the staff had mail merge training.

### ***Recommendation 10: Create a Monthly Cash Flow Budget***

We recommend that the treasurer/collector create a monthly cash flow projection budget. It is the responsibility of the treasurer to manage the town's cash and ensure that account balances are sufficient to cover town obligations as they arise. In this regard, a cash flow budget

is a useful tool that can help anticipate periods of low cash balances and better manage short-term investment and borrowing.

A simple spreadsheet can be devised in Microsoft Excel to serve as a cash flow budget. By applying past patterns of monthly spending and collections (as evidenced by warrants and monthly revenue reports) to current year appropriations, and overlaying projected debt service obligations, a reasonable forecast of the town's cash flow will emerge. Through the course of the year, the cash flow forecast can be adjusted for unexpected circumstances, and actual monthly costs and revenues should replace estimates.

### ***Recommendation 11: Deposit Directly to a Treasurer's Account***

We recommend that the collector's office deposit town receipts directly into a treasurer's bank account. The collector receives payments of real and personal property taxes, and motor vehicle excise throughout the fiscal year and deposits them into seven bank accounts under her control. Payments are posted quickly and the cash is turned over to the treasury side weekly. We recommend that the collector deposit receipts directly into the treasurer's bank account. This will result in fewer bank accounts to reconcile, higher interest income and more immediate availability of funds to cover town obligations. The paperwork documenting a collector's turnover should still be completed on a weekly basis in order to create an audit trail. In addition to the treasurer, the town accountant should also continue to receive a copy of the turnover from the collector.

### ***Recommendation 12: Discontinue Manual Records and Checks***

We recommend that the treasurer/collector discontinue manual records and cease issuing manual checks. Through long-term practice, the treasurer maintains a manual ledger of new tax takings and annual subsequents from the collector. At the same time, the source material for this report is already recorded by the assistant collector in an Excel spreadsheet, so there is no need to duplicate this effort in a handwritten log.

In addition, the treasurer produces several manual checks each week, mostly to correct mistakes on the checks the school department prints for her signature. We suggest that the incorrect checks be voided, as is current practice, but replacement checks be processed in the normal manner for the next warrant. This will ensure that the proper amount of payment is recorded electronically in the financial software, receives the proper warrant approval, and will encourage departments to reduce errors.

***Recommendation 13: Assign Data Entry to the Office Clerks***

We recommend that all data entry be assigned to the clerks in the office. Under the current division of labor in the office both the treasurer/collector and the assistant treasurer are in the habit of performing a certain amount of data entry. The treasurer maintains the files for the town's dental policies and the assistant treasurer tallies the turnovers to the office. These tasks should be more properly assigned to the clerks in the office so that the treasurer and her assistant can focus more of their attention on higher order duties.

***Recommendation 14: Maintain an Independent Debt Service Schedule***

We recommend that the treasurer/collector create and maintain long-term debt schedules. We recommend that the treasurer/collector create a debt schedule on a spreadsheet that carries columns out 20 years from left to right, or to the longest term of a currently outstanding bond issue. At the far left, the chart should identify the bond authorization date, including warrant article number, the date of issuance, and the purpose of the bonds, as well as authorized, but unissued amounts. Notes indicating whether or not payments are self-supporting (covered by rates or by taxes) can also be incorporated, or separate schedules can be maintained for non-tax supported debt.

As the years extend left-to-right into the future, the chart would display principal and interest obligations specific to each borrowing together with the total annual debt service at the bottom of the column. In this format, the chart would visually show when borrowing terms begin and end, which becomes an important factor in future debt decisions. Once or twice each year, the accountant and treasurer/collector should reconcile outstanding debt balances and annual debt service obligations. They should also meet after each annual or special town meeting with the town clerk to confirm approved bond authorizations.

We understand that this information would be drawn primarily spreadsheets provided by the town's financial advisor. However, in the format suggested, consolidated debt and debt service information would be immediately available and would be in a format of greater use to the town as annual budgets are developed.

***Recommendation 15: Address the Treasurer/Collector Office Space Issue***

We recommend that the town seek ways to provide adjacent working space for the treasurer/collector's staff. The most compelling reason that municipalities combine treasury and collector functions is to eliminate duplications of effort. One obstacle to greater collaboration in Randolph appears to be the office space. The offices for treasurer and collector staff are physically separate which reflects a prior arrangement when the town clerk/treasurer and the

collector functioned independently. If possible, we suggest reconfiguring town hall offices so that the treasurer's and collector's office are closer together to take better advantage of cooperative opportunities. This may require moving the assessor's office and/or the clerk's office.

***Recommendation 16: Require Direct Deposit and a Bi-Weekly Pay Schedule***

We recommend that the town move toward direct deposit of payroll on a bi-weekly schedule for all employees. For the town, this would reduce the cost of issuing checks, prevent the need to reissue checks when lost, and simplify the reconciliation of the payroll bank accounts because there would be no outstanding checks. The employee benefits when the money is deposited in the bank account overnight and is available immediately. Cost savings are also possible if all employees were moved to a bi-weekly pay period. As a start, the number of checks issued annually would be cut in half. Efficiencies in the use of staff time would also be gained. Currently, teachers in all communities are paid every two weeks, with options for summer pay. This proposal will require bargaining with the town's labor unions.

---

## Accountant

---

The accountant has a legal obligation to oversee all financial activity in a municipality. Through the maintenance of independent records and by following well-defined procedures, the office documents the flow of money into and out of municipal accounts and plays a role in the system of checks and balances established by statute to monitor and protect local assets. To fulfill this responsibility the office: prepares warrants; maintains a general ledger where receipts, expenditures and all other town financial activity are recorded; and, reconciles cash, debt and receivables with the treasurer/collector monthly. He produces monthly expenditure reports and reports annually on the town's liability for accrued sick leave and vacation time. The accountant also tracks revenue, is required to maintain a detailed record of the town debt, and provides support to town departments during the annual budget process. Among required submissions to DOR, the accountant is responsible for producing the town's annual Schedule A by October 31 and its year-end Balance Sheet (for free cash certification). Finally, the accountant works with the assessor and town clerk in the preparation of the town's Tax Recap Sheet.

The Randolph town accountant is appointed by and reports to the selectmen. He has been employed since September 2007. While he has no previous municipal accounting experience, his knowledge of town finances is extensive having served as a selectman for 25 years and as a member of the finance committee. He oversees a full-time assistant who has been in the office five years, and one part-time clerk who is responsible for data entry and filing, and assists the assistant accountant with payroll and vendor warrants.

The town suffered through turnover and a prolonged vacancy in the position after the retirement of the long time incumbent three years ago. The position was vacant for approximately nine months before the town was able to hire someone. That person had no prior municipal experience or training and subsequently left the position before serving a year. At the same time, the town moved to adopt a new financial software system on the recommendation of the Computer Needs Study Committee. The software change was implemented in the middle of a fiscal year and the necessary mid-year change to the chart of accounts caused problems. During this period the assistant accountant was forced to hold the office together and focused her attention on generating the payroll and vendor warrants so the town could pay its bills. However, persistent chart of accounts issues and the absence of a full-time accountant required the town to engage the services of a consultant to close its books for FY2007.

As a result, the current accountant inherited a backlog of work, particularly in the area of reconciliations. Early in his tenure he focused, as well, on sorting out the discrepancies in the general ledger caused by the change in the chart of accounts. Reconciliations of cash and receivables with the treasurer/collector are nearly up-to-date and now take place regularly. Monthly revenue and expenditure reports are prepared and distributed to departments.

The accountant is initiating two changes to improve financial controls in town. He has instituted a new purchase order (PO) system to replace the voucher system by which departmental vendor bills are paid. No purchase will go on the warrant without an approved PO, and a department's available funds will be encumbered by the approved amount. With this PO system he hopes to make it impossible for any department to exceed its appropriation. In addition, he plans to maintain his own record of town debt, independent of the town's financial advisor, and will be reconciling it with the treasurer/collector beginning in FY2009.

Conclusion—The vacuum in the accounting office seems to have been ably filled by the new town accountant. His lack of formal municipal accounting experience is offset by his institutional knowledge of town finances and operations. Fundamental responsibilities relative to the general ledger, the payroll and vendor warrant process, as well as reporting requirements are now being fulfilled in a timely manner. He has demonstrated a willingness to reject the status quo in the interest of improving financial controls. Our recommendations include several suggestions on how to streamline operations, freeing him and his assistant to focus on more important matters.

#### ***Recommendation 17: Move to Bi-Weekly Warrants***

We recommend that the town change its schedule and procedure for processing vendor warrants. Currently, the accounting office prepares the vendor warrants for the selectmen's signature on a weekly basis. We recommend instead that all invoices be submitted by every other Friday (or Thursday) in time for the accountant to prepare the warrants for the selectmen's regularly scheduled meeting of every other Monday. This would save on the selectmen's time by eliminating a mid-week visit to town hall. Despite moving from a one-week to a two-week schedule, bills would still be paid within the required 30 days if departments submit their invoices to the accountant in a timely fashion.

#### ***Recommendation 18: File Invoices By Warrant***

We recommend that the accountant cease filing all town invoices alphabetically by vendor and instead file invoices with the warrant on which they are approved for payment. The accountant is responsible for retaining copies of all town bills in order to provide, during annual audits, an independent verification that all purchases were proper and all town funds accounted for. Disassembling warrants in order to file invoices alphabetically by vendor name is time consuming and unnecessary. If properly entered into the financial software, any purchase can be queried by vendor, by date, by department, even by amount. It would be just as easy to retrieve a physical copy of the invoice if filed by warrant.

***Recommendation 19: Assign Mail Sorting Responsibilities***

We recommend that someone other than the assistant accountant be assigned to sort the town's mail for distribution. Sorting the mail is an essential but menial task. It does not require the skill sets that the assistant accountant brings to the job and should be reassigned to more appropriate personnel. The responsibility for sorting and distributing the town's mail could remain in the accountant's office with the part-time clerk. This will free up the assistant accountant's time so that she can perform higher order tasks such as assisting town departments with the new purchase order system.

---

## Assessors

---

The assessors' office is responsible for valuing all real and personal property in the town, assigning tax payments to owners, and generating the commitments authorizing the treasurer/collector to collect real estate tax and motor vehicle excise payments.

To ensure that residents are taxed equitably and accurately, the office maintains and updates property records with information received from deeds and through the on-site inspection of sale properties, data from properties where a building permit has been issued, and in response to mailings. Additional information is gathered during an on-going property measure and list program. Assessors act on and track exemption and property tax abatement applications. They estimate new growth and make recommendations to the board of selectmen at the annual classification hearing. The assessors recommend the annual overlay and provide levy information for use in the Tax Recap Sheet submitted to DOR for setting the town's tax rate. The office is also required by DOR to document an annual interim year adjustment analysis and to prepare for state certification of property values every three years (FY2008 was the latest recertification year).

In Randolph, the assessing department has been managed on a full-time basis by a principal assessor, who was chosen from among the elected, three-member board of assessors. With the unexpected death of the principal assessor in May 2008, the chairman of the board and the prior principal assessor agreed to fill the position until a new principal assessor starts this fall. In a deviation from past practice, the town has hired someone not from the board who has 35 years of real estate appraisal and assessing experience.

Currently, the assessing board chairman functions as the department head while performing inspections and data collection on commercial and industrial properties. An assistant assessor is responsible for all abatement, building permit, cyclical and sales inspections and all data collection on residential properties. In addition, there are two full-time clerks, who perform data entry and the administrative functions of the office. There is a contract with RRC for valuing personal property accounts. The principal assessor also uses consulting services from Patriot Properties to assist in calculating annual valuation adjustments. The department maintained a \$510,000 overlay account for exemptions and abatements in FY2008 and there are no overlay deficits reported in prior years. The Patriot Properties software package is used to track real estate and personal property accounts.

The volume of work in the assessing department involves 9,991 residential real estate parcels and 332 commercial/industrial accounts. In addition, there are 591 personal property accounts. The town bills on a quarterly basis. There are almost 29,000 motor vehicle excise accounts yielding \$2.9 million in revenue for FY2007.

Conclusion – Current staff in the assessing office are capable. Bureau of Local Assessment (BLA) records indicate that work is completed timely and the quality of data for the

purpose of verifying values and ensuring equitable taxation meets state prescribed standards. The town is fortunate that the board chairman, a former principal assessor, was willing to return to full-time service from retirement after the untimely death of the principal assessor. Furthermore, because the office performs the vast majority of duties in-house with relatively few employees, the operation is efficient. Therefore, our recommendations deal with lessening the demands on the elected board members in the transition to a new full-time appointed principal assessor and improving the overlay setting process.

***Recommendation 20: Hold Fewer Meetings***

We recommend that the board of assessors meet on a bi-weekly or even monthly basis. Under the new structure, a professional principal assessor will be responsible for the operation of the department while the board will continue to be responsible for setting policy. With a full-time presence in the office, the board can be less involved in day-to-day activities. The board will still need to convene in those situations which require a formal vote, but bi-weekly or even monthly meetings should suffice.

***Recommendation 21: Formalize Overlay Setting Policy***

We recommend that that the assessors formally develop a process for projecting the annual overlay. The annual overlay, as it appears on the annual Tax Recap Sheet, is intended to cover anticipated abatements and exemptions and uncollected taxes in the upcoming fiscal year. Remaining overlay at year end should be held in a reserve sufficient enough to offset receivables as well as the town's financial exposure associated with cases pending before the State Appellate Tax Board (ATB).

It is the sole responsibility of the board of assessors, working with the principal assessor, to arrive at the annual overlay estimate. Toward this end, the annual overlay projection should not be arbitrary or fluid. Nor is it a number that is influenced by projected revenues or town-wide expenditures in any given year. The assessors should develop the annual overlay estimate based on the abatement and exemption history of the town and the town's collection rate. The overlay reserve for any year should at least equal taxes and excises still outstanding and the potential liability of cases pending before the ATB. Amounts beyond these calculations can be certified by the board as overlay surplus.

In particular, we recommend that the Randolph assessors adjust the overlay balance to mitigate any potential liability associated with two recent ATB telecommunication decisions involving Verizon and MCI until the appeal process is complete. DOR requires that cities and towns place and retain sufficient amounts in their overlay accounts dating back to FY2004 to cover the new tax revenue they have already collected as a reserve against any abatements or

refunds that will result if these ATB decisions are not upheld. In order to assist city and town assessors to make adequate provisions, BLA has provided information on these telecommunication issues and valuation data specific to each community at [www.mass.gov/dls](http://www.mass.gov/dls).

---

## Appendix One – Letter of Recommendation for Treasurer’s School

---

June 30, 2008

D. Loretta Owens, Treasurer/Collector  
Town of Randolph  
41 South Main Street  
Randolph, MA 02368

Dear Ms. Owens:

As you know, our Financial Management Review of the Town of Randolph has commenced with initial interviews. In subsequent visits, we look forward to continuing our conversations with you about the Treasurer’s side of the office and with the remainder of your staff.

It is our understanding from meetings to date that you plan to expand Jean Richard’s responsibilities from Assistant Treasurer to an Assistant Treasurer/Collector when Betty Furey retires in several months. We note, however, that her experience is primarily on the Collector’s side of the office and, by her own admission, Jean is less familiar with the Treasury functions. We believe that she would benefit from formal treasurer’s training and recommend that Jean be allowed to attend, at town cost, the Massachusetts Collectors and Treasurers Association Annual School to be held at UMass/Amherst from August 12 to 15 of this year.

Formal treasurer’s track training will provide useful information and opportunities to learn about basic treasurer functions. Jean would especially benefit from contact with her peers from other communities. Gaining certification as a municipal treasurer will improve her professional standing and enhance confidence in the office and town government in general.

We don’t normally make recommendations prior to issuing a completed financial management report. However, in this instance, to delay would probably cause you to miss the enrollment period for the Treasurer/Collectors’ school, the deadline of which is July 29th. We hope you choose to take advantage of this opportunity.

Sincerely,

Scot T. Keefe  
Project Manager  
Technical Assistance Section

cc: David Murphy  
Board of Selectmen

Appendix Two – Comparison of Charter Proposals

**COMPARISON OF CHARTER PROPOSALS-1**

	<b><u>Town Mgr.- Selectmen-Representative Town Meeting</u></b>	<b><u>Town Manager-Town Council</u></b>
Form of Government:	<ul style="list-style-type: none"> <li>• Town</li> </ul>	<ul style="list-style-type: none"> <li>• City</li> </ul>
Policy-Making Body	<ul style="list-style-type: none"> <li>• Five-Member Board of Selectmen (BOS)</li> </ul>	<ul style="list-style-type: none"> <li>• Nine-Member Town Council (5 elected at large, 4 by district)</li> </ul>
Legislative Body:	<ul style="list-style-type: none"> <li>• 120-member Representative Town Meeting (RTM)</li> </ul>	<ul style="list-style-type: none"> <li>• Town Council</li> </ul>
Chief Executive Officer:	<ul style="list-style-type: none"> <li>• Town Manager</li> </ul>	<ul style="list-style-type: none"> <li>• Town Manager</li> </ul>
Elected Officials	<ul style="list-style-type: none"> <li>• Five-Member Board of Selectmen(BOS)</li> <li>• Five-Member School Committee</li> <li>• Three-Member Board of Stetson Trustees</li> <li>• Town Moderator</li> </ul>	<ul style="list-style-type: none"> <li>• Nine-Member Town Council</li> <li>• Five-Member School Committee</li> <li>• Three-Member Board of Stetson Trustees</li> </ul>
Financial Policies:	<ul style="list-style-type: none"> <li>• Budget Hearing of BOS, Finance and School Committees to set goals and policies for Town Manager by November 30<sup>th</sup></li> <li>• Town Manager submits Annual Budget to Finance Committee by February 1<sup>st</sup></li> <li>• Town Manager’s Budget goes to RTM with Finance Committee recommendations</li> <li>• Annual Audits</li> <li>• Town Manager recommends 5-year Capital Improvement Plan to BOS</li> <li>• Town Manager prepares 5-year financial forecast of town revenues and expenditures</li> <li>• Treasurer is manager of town funds</li> <li>• Town manager signs warrants</li> </ul>	<ul style="list-style-type: none"> <li>• Budget Hearing of BOS and School Committees to set goals and policies for Town Manager by November 30<sup>th</sup></li> <li>• Town Manager submits Annual Budget to Town Council by February 1<sup>st</sup></li> <li>• Town Council has 60 days to act on Town Manager’s Annual Budget</li> <li>• Annual Audits</li> <li>• Town Manager recommends 5-year Capital Improvement Plan to Town Council</li> </ul>

**COMPARISON OF CHARTER PROPOSALS-2**

	<b><u>Town Mgr.- Selectmen-Representative Town Meeting</u></b>	<b><u>Town Manager-Town Council</u></b>
Town Manager:	<ul style="list-style-type: none"> <li>• Qualified professional appointed by 3/5 vote of BOS to indefinite term</li> <li>• Nine-member screening committee to nominate 3 candidates to BOS (appointed by Moderator)</li> <li>• Indefinite term, Full-time position</li> <li>• Appoints all non-school department heads and all members of non-elected boards and commissions except those noted below</li> <li>• Supervise all departments &amp; coordinate activities</li> <li>• Personnel Administrator</li> <li>• Responsible for complete financial record of town and reporting on fiscal condition to BOS</li>   <li>• Inventory all Town property</li> <li>• Power to reorganize departments</li> <li>• Responsible for all purchasing and contracts</li> <li>• Delegate his/her authority</li> <li>• Attend all BOS and Annual Town Meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Qualified professional appointed by 5/9 vote of Town Council to indefinite term</li> <li>• No Screening Committee</li>   <li>• Indefinite term, Full-time position</li> <li>• Appoints all non-school department heads and all members of non-elected boards and commissions except those noted below</li> <li>• Supervise all departments &amp; coordinate activities</li> <li>• Personnel Administrator</li> <li>• Responsible for complete financial record of town and reporting on fiscal condition to Town Council</li> <li>• Inventory all Town property</li> <li>• Power to reorganize departments</li> <li>• Responsible for all purchasing and contracts</li> <li>• Delegate his/her authority</li> <li>• Subject to annual evaluation by Town Council</li> <li>• Responsible for the rental and maintenance of all town property</li> <li>• Declare town emergencies</li> </ul>
Appointments:	<ul style="list-style-type: none"> <li>• BOS appoints Town Manager</li> <li>• BOS appoints Town Accountant</li> <li>• BOS appoints Town Counsel</li> <li>• Town Moderator appoints nine-member Finance Committee</li> </ul>	<ul style="list-style-type: none"> <li>• Town Council appoints Town Manager</li> <li>• Town Council appoints Town Auditor</li> <li>• Council President appoints Clerk of Town Council (may be the Town Clerk)</li> </ul>

---

## Acknowledgements

---

This report was prepared by

The Department of Revenue, Division of Local Services

Robert G. Nunes, Deputy Commissioner & Director of Municipal Affairs

Frederick E. Kingsley, Bureau Chief  
Municipal Data Management and Technical Assistance Bureau

Joseph Markarian, Jr., Supervisor, Technical Assistance Section

Scot Keefe, Project Manager/Financial Analyst, Technical Assistance Section

Martin DiMunah, Field Representative, Bureau of Accounts

Stephen Sullivan, Community Advisor, Bureau of Local Assessment

In preparing this review, DLS interviewed the following persons:

Town of Randolph:

Paul J. Connors, Board of Selectmen, Chairman

William Alexopoulos, Board of Selectmen

James F. Burgess, Jr., Board of Selectmen

Paul K. Fernandes, Board of Selectmen

Maureen C. Kenney, Board of Selectmen

David C. Murphy, Executive Secretary

Andrew Azer, Chairman, Finance Committee

Gerald Good, Sr., Finance Committee

Brian Howard, Town Clerk/Registrar

Joseph Galvam, Principal Assessor, Chairman, Board of Assessors

Robert J. Harrington, Assistant Assessor

Ann C. Kent, Principal Clerk, Assessor's Office

Stephen Toomey, Town Accountant

Susanne Cleggett, Assistant Town Accountant

D. Loretta Owens, Treasurer/Collector

Elizabeth A. Furey, Assistant Collector

Jean Richard, Assistant Treasurer

Pauline Sullivan, Principal Clerk, Treasurer's Office

Michael Lane, Personnel Director

Steven Moore, Executive Director for Finance and Administration,  
Randolph Public Schools

David Zecchini, Superintendent, Department of Public Works

Richard Sass, Chairman, Board of Recreation