



TOWN OF WAYLAND

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FREDERIC E. TURKINGTON JR.
TOWN ADMINISTRATOR
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BOARD OF SELECTMEN

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STEVEN J. CORREIA
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JOSEPH F. NOLAN
SUSAN W. POPE

December 13, 2011

Melanson & Heath
10 New England Business Center, Suite 107
Andover, MA 01810

RE: Response to Letter to Management regarding the financial statements
and independent audit of the Town of Wayland, Massachusetts
for Fiscal Year Ended June 30, 2011

We are pleased to provide a statement of progress made and continuing efforts to conform to the current year recommendations offered by your firm.

1. Establish Additional Receivable Accounts in the General Ledger

The Town has established additional receivable accounts in the Accountant's general ledger for ambulance, water lien, and betterment billing and collection. The billing and collection of police outside detail fees will be separated by transferring the collection function to the Treasurer's office once an additional MUNIS financial system module is added in FY2012 to strengthen control over these transactions. This procedure will replace the Excel spreadsheet record-keeping system within the Police Department.

2. Expand Trust Fund Accounting

The recommendation is to create separate *funds* rather than simply segregating into separate *accounts* monies set aside for stabilization, insurance reserves, OPEB liabilities, cemetery perpetual care, and various trust funds within the MUNIS financial management system. The Town is in the process of implementing this recommendation. In addition, the Treasurer is researching the trust fund documents to confirm expendable and non-expendable portions of each of the individual trust funds.

3. Post Revenue Budgets in the General Ledger

The Town has posted budgeted revenues to the general ledger to monitor actual revenues compared to budget throughout the fiscal year beginning with FY2012.

4. Improve Capital Projects Funds Year-End Cut-Off Procedures

The Town has implemented a purchase order system for capital projects accounts. The Finance Director and Town Administrator will reinforce the requirement with all departments to submit any significant invoices for capital projects prior to the final warrant. This directive is comparable to and consistent with the directive for general ledger expenditures.

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Thank you for your comprehensive and informative presentation on December 5. We appreciate your comments and recommendations to assist us in reaching our goal of continuously improving financial reporting and municipal operations.

Respectfully submitted,

FOR THE BOARD OF SELECTMEN

A handwritten signature in dark ink, appearing to read "Frederic E. Turkington, Jr.", written in a cursive style.

Frederic E. Turkington, Jr.
Town Administrator

c: Finance Committee
Michael DiPietro, Finance Director