



Board of Finance  
Town of Ledyard, Connecticut

In planning and performing our audit of the financial statements of the Town of Ledyard, Connecticut, (the Town) as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the entity's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

However, during our audit we became aware of deficiencies in internal control other than significant deficiencies and other matters that are opportunities to strengthen your internal control and improve the efficiency of your operations. Our comments and suggestions regarding those matters are summarized below. We previously provided a written communication dated December 27, 2022, on the entity's internal control. A separate communication dated December 27, 2022, contains our written communication of significant deficiencies in the entity's internal control. This letter does not affect our report on the financial statements dated December 27, 2022, nor our internal control communication dated December 27, 2022.

### **Capital Assets**

Capital assets information is currently being tracked within excel spreadsheets. As tracking such a large volume of information in this manner can lend itself to mistakes and be difficult to verify the propriety of the information.

**Recommendation** - we recommend the Town consider specific capital asset software or a capital asset module to track the information.

### **Rehabilitation Loans**

During the performance of our audit, management made us aware that the rehabilitation loans were not being properly tracked and reconciled to the general ledger.

**Recommendation** - we recommend the Town consider implanting a formal loan listing and reconcile to the general ledger.

### **General Ledger Maintenance**

During the performance of our audit on the Water fund, we noted an isolated incident in which two invoices that pertained to fiscal year 2021 were expensed in fiscal year 2022.

**Recommendation** - we recommend the Town consider strengthening current controls and procedures in this area.

### **Matters Noted in the Previous Year**

The following matters involving the internal control over financial reporting and its operation were noted in the previous year but have not been fully remediated. Again, we offer our recommendations as constructive suggestions for your consideration as part of the ongoing process of modifying and improving accounting controls and administrative practices.

#### **Special Revenue Fund Accounting – Board of Education**

The trial balances presented to us for audit for the Education Grant fund and the School Lunch fund contained numerous account balances that were not properly recorded in accordance with grant accounting (accounts receivable, grant revenues, grant expenditures, etc.). As a result, adjusting journal entries were required for these accounts. We also noted that the Board of Education has made improvements from the prior year. We noted that all cash accounts were reconciled as of year-end.

**Recommendation** - We recommend that all Board of Education fund trial balances be properly reconciled to the underlying, supporting data in a timely manner at year-end.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various entity personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This communication is intended solely for the information and use of management, members of the Board of Finance, others within the organization, state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
December 27, 2022