



TOWN OF WAREHAM

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Town Administrator
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TO: Walter B. Cruz, Sr. Chairman, Board of Selectmen

FROM: Mark J. Andrews, Town Administrator

DATE: October 28, 2011

RE: Bay State Municipal Accounting Group

This is to update you on the status of the Town Accountant procurement. Here is the situation. BSAG has withdrawn its proposal, and we are conducting both short and long term Uniform Procurement Act (G.L. c. 30B) procurements to address the Town's accounting needs.

I'd like to begin with some background. Please keep in mind that it was our original intent to hire an individual, and we spent months soliciting, vetting and interviewing applicants. The Board of Selectmen and I formed a Search Committee made up of John Foster, Town Collector/Treasurer, Selectman Ellen Begley, Selectman Cara Winslow (withdrew from Committee), Samuel Gray, Finance Committee member, and Ana Miranda, Director of Operations and Finance for the School Department. Frankly, the Committee did not receive applications from suitable applicants, other than BSAG. It was not our original intention, and it had not occurred to the Search Committee or me, that hiring a firm might be an option. Now we see that it is an option, but we also now see that the process we were following, even though it involved extensive advertising, was more appropriate to hiring an individual, not a firm. We started in one direction, which didn't get us quality individual candidates, but ended in an unexpected place where we had a high quality applicant- a firm- that looked exactly like what we need to straighten out our accounting mess.

When we got to this unexpected result, we relied on prior precedent at the Inspector General to move ahead. With a change of personnel at the Inspector General's office, the I.G. appears to have changed their former opinion exempting this type of hire. I.G. staff attorney Kelly Whelan had formerly advised municipalities that firms such as BSAG providing CPA like services would be exempt from the Uniform Procurement Act requirements. She has since left the I.G.'s staff, I am informed. Administration staff conversations with I.G. personnel Wednesday about the continued application of this interpretation of the exemption yielded neither approval nor rejection of our ability to hire BSAG under the lengthy public process we followed, but only a statement that they would be talking it over among themselves.

I reviewed this situation with the accountant firm, and asked it to independently confirm its current exempt status with the I.G. Subsequently, after its own inquiries, the BSAG withdrew its bid stating it does not want to enter a new relationship under a cloud and that it is most careful about its reputation. I have informed the Inspector General of our status.

So there is no procurement issue at hand, but neither do we have an Accountant.

We need a qualified Accountant. I asked my staff to review with the Inspector General appropriate ways to procure a firm. Here is what we are doing. We are now soliciting proposals from firms for a 2 month contract through the end of 2011. During that time the town will continue to solicit proposals for someone/or a firm to start on 1/1/12. My staff has reviewed the proposed process with the Inspector General's staff, which approves of the process I have outlined, which will follow the provisions of G.L. c. 30B, s. 4 and 30B, s. 6 respectively.

For your information, Section 4 gives us the opportunity for an expedited process, so there will be no meaningful delay. The next major accounting task is preparation and filing of the "Schedule A" with DOR. We have two more weeks before the auditors Powers and Sullivan can produce the back up the Accountant would need to file the Schedule A. DOR is aware of the timing issues, and has not expressed any anxiety or disapproval. We will have an interim Accountant firm next week.

To recap, we have already issued Section 4 RFQ's to accounting firms for the two month contract, and will issue Section 6 RFP's for a long term engagement shortly. While we would be happy to have an individual apply for the long term position, I think we have to acknowledge that the lengthy search we pursued looking for such individuals did not yield qualified and suitable applicants. So we will learn from that, and broaden the net to firms in a way that is above reproach.