

***TOWN OF MANSFIELD, MASSACHUSETTS***

***REPORTS ON FEDERAL AWARD PROGRAMS***

***YEAR ENDED JUNE 30, 2019***

**TOWN OF MANSFIELD, MASSACHUSETTS**  
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**YEAR ENDED JUNE 30, 2019**

**TABLE OF CONTENTS**

	<b><u>Page</u></b>
Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with <i>Government Auditing Standards</i> .....	1
Report on compliance for each major federal program; report on internal control over compliance; and report on the schedule of expenditures of federal awards required by Uniform Guidance.....	3
Schedule of Expenditures of Federal Awards .....	6
Notes to schedule of expenditures of federal awards .....	7
Schedule of findings and questioned costs .....	8



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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

**Independent Auditor's Report**

To the Honorable Select Board and the Audit Committee  
Town of Mansfield, Massachusetts

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Mansfield, Massachusetts as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of Mansfield, Massachusetts' basic financial statements, and have issued our report thereon dated December 9, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town of Mansfield, Massachusetts' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Mansfield, Massachusetts' internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Mansfield, Massachusetts' internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Mansfield, Massachusetts' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Powers + Sullivan, LLC*

December 9, 2019



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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT  
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Select Board and the Audit Committee  
Town of Mansfield, Massachusetts

**Report on Compliance for Each Major Federal Program**

We have audited the Town of Mansfield, Massachusetts' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town of Mansfield, Massachusetts' major federal programs for the year ended June 30, 2019. The Town of Mansfield, Massachusetts' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Town of Mansfield, Massachusetts' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town of Mansfield, Massachusetts' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the Town of Mansfield, Massachusetts' compliance.

**Opinion on Each Major Federal Program**

In our opinion, the Town of Mansfield, Massachusetts complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

## **Report on Internal Control over Compliance**

Management of the Town of Mansfield, Massachusetts is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town of Mansfield, Massachusetts' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Mansfield, Massachusetts' internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2019-001 that we consider to be a significant deficiency.

The Town of Mansfield, Massachusetts' response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Town of Mansfield, Massachusetts' response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Mansfield, Massachusetts, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of Mansfield, Massachusetts's basic financial statements. We issued our report thereon dated December 9, 2019, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures,

including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

*Powers + Gulhaan, LLC*

December 9, 2019

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

FOR THE YEAR ENDED JUNE 30, 2019

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Amount Passed Through to Sub-Recipients	Expenditures
<b>CHILD NUTRITION CLUSTER:</b>				
U.S. DEPARTMENT OF AGRICULTURE:				
<u>Passed through the Massachusetts Department of Elementary and Secondary Education:</u>				
Non-Cash Assistance (Commodities):				
National School Lunch Program.....	10.555	03-167	\$ -	\$ 57,745
Cash Assistance:				
National School Lunch Program.....	10.555	03-167	-	264,265
Total National School Lunch Program.....			-	322,010
Cash Assistance:				
School Breakfast Program.....	10.553	03-167	-	28,492
TOTAL CHILD NUTRITION CLUSTER.....			-	350,502
<b>HIGHWAY SAFETY CLUSTER:</b>				
U.S. DEPARTMENT OF TRANSPORTATION:				
<u>Passed through the National Highway Traffic Safety Administration (NHTSA):</u>				
State Traffic Safety Information System Improvement Grant.....	20.610	PD OT ENF	-	5,968
National Priority Safety Programs.....	20.616	PD OT ENF	-	1,149
TOTAL HIGHWAY SAFETY CLUSTER.....			-	7,117
<b>SPECIAL EDUCATION CLUSTER:</b>				
<u>Passed through the Massachusetts Department of Elementary and Secondary Education:</u>				
Special Education Grants to States (IDEA, Part B).....	84.027	240-210136-2019-0167	-	831,958
Special Education Grants to States (IDEA, Part B).....	84.027	240-147746-2018-0167	-	63,126
Special Education Grants to States (IDEA, Part B).....	84.027	240-101238-2017-0167	-	91
Total Special Education Grants to States (IDEA, Part B).....			-	895,175
<u>Passed through the Massachusetts Department of Early Education and Care:</u>				
Special Education Preschool Grants (IDEA, Preschool) .....	84.173	262-210259-2019-0167	-	37,813
TOTAL SPECIAL EDUCATION CLUSTER.....			-	932,988
<b>DIRECT PROGRAMS:</b>				
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:				
Community Development Block Grants/Entitlement Grants.....	14.218	not applicable	-	600
<b>PASS-THROUGH PROGRAMS:</b>				
U.S. DEPARTMENT OF TRANSPORTATION:				
<u>Passed through the Massachusetts Department of Transportation</u>				
Airport Improvement Program.....	20.106	3-25-0028-32-2017	-	7,781
Airport Improvement Program.....	20.106	AIP-3-25-0028-30-2018	-	278,514
Total Airport Improvement Program.....			-	286,295
<u>Passed through the Greater Attleboro-Taunton Regional Transit Authority:</u>				
State of Good Repair Grants Program.....	20.525	not available	-	1,101,782
TOTAL DEPARTMENT OF TRANSPORTATION.....			-	1,388,077
U.S. DEPARTMENT OF EDUCATION:				
<u>Passed through the Massachusetts Department of Elementary and Secondary Education:</u>				
Title I Grants to Local Educational Agencies.....	84.010	305-212668-2019-0167	-	128,090
Title I Grants to Local Educational Agencies.....	84.010	305-140247-2018-0167	-	17,502
Title I Grants to Local Educational Agencies.....	84.010	305-094123-2017-0167	-	1,152
Total Title I Grants to Local Educational Agencies.....			-	146,744
Improving Teacher Quality State Grants.....	84.367	140-212669-2019-0167	-	70,255
Improving Teacher Quality State Grants.....	84.367	140-146371-2018-0167	-	20,666
Total Improving Teacher Quality State Grants.....			-	90,921
Student Support and Academic Enrichment Program.....	84.424	309-212670-2019-0167	-	10,442
Hurricane Education Recovery.....	84.938	312-265612-2019-0167	-	7,259
TOTAL DEPARTMENT OF EDUCATION.....			-	255,366
SOCIAL SECURITY ADMINISTRATION:				
<u>Passed through the Massachusetts Rehabilitation Commission:</u>				
Vocational Rehabilitation Determination.....	96.001	2075CROFT NALLY ABIGA291327	-	445
U.S. DEPARTMENT OF HOMELAND SECURITY:				
<u>Passed through the Massachusetts Emergency Management Agency:</u>				
Disaster Grants - Public Assistance.....	97.036	MARCH 2-3, 2018 WINTER STORM	-	225,746
Emergency Management Performance Grants.....	97.042	FY16 EMPG GRANT	-	4,650
Staffing for Adequate Fire and Emergency Response (SAFER).....	97.083	not available	-	130,531
TOTAL DEPARTMENT OF HOMELAND SECURITY.....			-	360,927
TOTAL.....			\$ -	\$ 3,296,022

See notes to schedule of expenditures of federal awards.

**Note 1 – Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the Town of Mansfield, Massachusetts under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town of Mansfield, Massachusetts, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town of Mansfield, Massachusetts.

**Note 2 – Summary of Significant Accounting Policies**

The accounting and reporting policies of the Town of Mansfield, Massachusetts, are set forth below:

- (a) Basis of Accounting – The accompanying Schedule of Expenditures of Federal Awards is presented on the modified accrual basis of accounting. Accordingly, expenditures are recognized when the liability is incurred. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (b) Cash Assistance – School Breakfast and Lunch Program – Program expenditures represent federal reimbursement for meals provided during the year.
- (c) Non-Cash Assistance (Commodities) – School Lunch Program – Program expenditures represent the value of donated foods received during the year.
- (d) The Town of Mansfield, Massachusetts has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**A. Summary of Auditor's Results**

1. The auditor's report expresses an unmodified opinion on the financial statements of the Town of Mansfield, Massachusetts.
2. No material weaknesses or significant deficiencies relating to the audit of the financial statements are reported in the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the Town of Mansfield, Massachusetts were disclosed during the audit.
4. One significant deficiency, not considered to be material weaknesses, relating to the audit of the major federal award programs is reported in the Report on Compliance for Each Major Program and on Internal Control over Compliance required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs for the Town of Mansfield, Massachusetts, expresses an unmodified opinion on all major federal award programs.
6. An audit finding that is required to be reported in accordance with the Uniform Guidance is reported in the schedule of findings and questioned costs.
7. The programs tested as a major grants are the Special Education Cluster, and the State of Good Repair Grants Program.
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The Town of Mansfield, Massachusetts was determined to be a low-risk auditee.

**B. Findings – Financial Statements Audit**

None

**C. Findings and Questioned Costs – Major Federal Award Program Audit****2019-001: Document Policies and Procedures Over Federal Awards**

All Major Federal Programs

*Condition and Criteria:* OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* established significant new requirements related to Federal awards. The new requirements stipulate that federal award recipients must document their policies and procedures over certain aspects of financial and program management. Specifically, written policies are required for the following:

- Cash management
- Determination of allowable costs
- Employee travel
- Procurement
- Subrecipient monitoring and management

*Context:* The Town has not formalized written policies and procedures related to Federal awards as required under Uniform Guidance.

*Effect:* The Town is not in compliance with grant requirements.

*Cause:* Weaknesses in the formal documentation of internal controls.

*Questioned Costs:* N/A

*Auditors' Recommendation:* We recommend the Town ensure that written policies and procedures are compiled and adopted.

*Views of Responsible Officials:* The Town of Mansfield will develop written policies and procedures related to Federal Awards. These policies will have the goal of ensuring that the Town is in compliance with the grant requirements.

**D. Prior Year Audit Findings and Questioned Costs**

None