

CITY OF WOBURN, MASSACHUSETTS

REPORTS ON FEDERAL AWARD PROGRAMS

YEAR ENDED JUNE 30, 2021

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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 Mayor
City of Woburn, 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 City of Woburn, Massachusetts, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Woburn, Massachusetts' basic financial statements, and have issued our report thereon dated April 29, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Woburn, 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 City of Woburn, Massachusetts' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Woburn, 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 a 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 City of Woburn, 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.

A handwritten signature in black ink that reads "Pons & Sullivan, LLC". The signature is written in a cursive, flowing style.

April 29, 2022

**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**

Independent Auditor's Report

To the Honorable Mayor
City of Woburn, Massachusetts

Report on Compliance for Each Major Federal Program

We have audited the City of Woburn, 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 City of Woburn, Massachusetts' major federal programs for the year ended June 30, 2021. The City of Woburn, 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Woburn, 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 City of Woburn, 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 of the City of Woburn, Massachusetts' compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Woburn, 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, 2021.

Report on Internal Control Over Compliance

Management of the City of Woburn, 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 City of Woburn, 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 City of Woburn, 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 the 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 City of Woburn, Massachusetts, as of the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Woburn, Massachusetts's basic financial statements. We issued our report thereon dated April 29, 2022, which contained unmodified opinions 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 purposes of additional analysis as required by the Uniform

Guidance and is not 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 basic 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 basic financial statements or to the basic 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 basic financial statements as a whole.

Pons & Sullivan, LLC

April 29, 2022

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Amount Passed Through to Sub-Recipients	Expenditures
CHILD NUTRITION CLUSTER:				
U.S. DEPARTMENT OF AGRICULTURE:				
<u>Passed through Massachusetts Department of Elementary and Secondary Education:</u>				
Non-Cash Assistance (Commodities):				
National School Lunch Program.....	10.555	09-347	\$ -	\$ 87,828
Cash Assistance:				
National School Lunch Program.....	10.555	09-347	-	863,113
COVID 19 - National School Lunch Program.....	10.555	09-347	-	81,327
After School Snack Program.....	10.555	09-347	-	1,089
Total National School Lunch Program.....			-	1,033,357
Cash Assistance:				
School Breakfast Program.....	10.553	09-347	-	589,381
COVID 19 - School Breakfast Program.....	10.553	09-347	-	48,585
Total National School Breakfast Program.....			-	637,966
TOTAL CHILD NUTRITION CLUSTER.....			-	1,671,323
HIGHWAY SAFETY CLUSTER:				
U.S. DEPARTMENT OF TRANSPORTATION:				
<u>Passed through Highway Safety Bureau:</u>				
State and Community Highway Safety.....	20.600	2021MRSPWOBURNXXXXXX	-	9,845
National Priority Safety Programs.....	20.616	2018OTENF2022WOBURN	-	2,443
TOTAL HIGHWAY SAFETY CLUSTER.....			-	12,288
SPECIAL EDUCATION CLUSTER:				
U.S. DEPARTMENT OF EDUCATION:				
<u>Passed through Massachusetts Department of Elementary and Secondary Education:</u>				
Special Education Grants to States (IDEA, Part B) (Fiscal Year 2021).....	84.027	240-413516-2021-0347	-	415,015
Special Education Grants to States (IDEA, Part B) (Fiscal Year 2021).....	84.027	274-483914-2021-0347	-	27,810
Special Education Grants to States (IDEA, Part B) (Fiscal Year 2020).....	84.027	240-304251-2020-0347	-	52,337
Special Education Grants to States (IDEA, Part B) (Fiscal Year 2019).....	84.027	240-225090-2019-0347	-	2,343
Total Special Education Grants to States (IDEA, Part B).....			-	497,505
Special Education Preschool Grants (IDEA, Preschool) (Fiscal Year 2021)....	84.173	298-480728-2021-0347	-	3,484
Special Education Preschool Grants (IDEA, Preschool) (Fiscal Year 2020)....	84.173	262-304252-2020-0347	-	1,138
Special Education Preschool Grants (IDEA, Preschool) (Fiscal Year 2019)....	84.173	262-225221-2019-0347	-	1,526
Total Special Education Grants to States (IDEA, Preschool).....			-	6,148
TOTAL SPECIAL EDUCATION CLUSTER.....			-	503,653
OTHER PROGRAMS:				
U.S. DEPARTMENT OF HOMELAND SECURITY:				
<u>Direct Program:</u>				
Assistance to Firefighters.....	97.044	Not applicable	-	102,947
PASS-THROUGH PROGRAMS:				
U.S. DEPARTMENT OF JUSTICE:				
<u>Passed through Massachusetts Executive Office of Public Safety and Homeland Security:</u>				
Edward Byrne Memorial Justice Assistance Grant Program.....	16.738	SCEPSSFY21BJAGWOBURN	-	46,092
U.S. DEPARTMENT OF TREASURY:				
<u>Passed through the Massachusetts Executive Office of Administration and Finance:</u>				
COVID-19 - Coronavirus Relief Fund.....	21.019	RD2COVID19 347	-	2,285,731
<u>Passed through Massachusetts Department of Elementary and Secondary Education:</u>				
COVID-19 - Coronavirus Relief Fund.....	21.019	102-394498-2021-0347	-	1,009,351
COVID-19 - Coronavirus Relief Fund.....	21.019	118-401158-2021-0347	-	141,246
COVID-19 - Coronavirus Relief Fund.....	21.019	09-347	-	21,938
Total Coronavirus Relief Fund.....			-	3,458,266

(continued)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Amount Passed Through to Sub-Recipients	Expenditures
U.S. DEPARTMENT OF EDUCATION:				
<u>Passed through Massachusetts Department of Elementary and Secondary Education:</u>				
<u>Secondary Education:</u>				
Title I Grants to Local Educational Agencies (Fiscal Year 2021).....	84.010	305-413186-2021-0347	-	336,943
Title I Grants to Local Educational Agencies (Fiscal Year 2020).....	84.010	305-304253-2020-0347	-	127,208
Title I Grants to Local Educational Agencies (Fiscal Year 2019).....	84.010	305-227091-2019-0347	-	2,976
Title I Grants to Local Educational Agencies (Fiscal Year 2018).....	84.010	305-140423-2018-0347	-	59
Total Title I Grants to Local Educational Agencies.....			-	467,186
English Language Acquisition Grants (Fiscal Year 2021).....	84.365	180-413202-2021-0347	-	5,766
English Language Acquisition Grants (Fiscal Year 2020).....	84.365	180-304250-2020-0347	-	21,765
English Language Acquisition Grants (Fiscal Year 2019).....	84.365	180-216437-2019-0347	-	2,603
Total English Language Acquisition Grants.....			-	30,134
Supporting Effective Instruction State Grants (Fiscal Year 2021).....	84.367	140-413197-2021-0347	-	107,091
Supporting Effective Instruction State Grants (Fiscal Year 2020).....	84.367	140-304249-2020-0347	-	1,351
Supporting Effective Instruction State Grants (Fiscal Year 2019).....	84.367	140-215780-2019-0347	-	663
Total Supporting Effective Instruction State Grants.....			-	109,105
Student Support and Academic Enrichment Grants (Fiscal Year 2021).....	84.424	309-413206-2021-0347	-	44,001
Student Support and Academic Enrichment Grants (Fiscal Year 2020).....	84.424	309-304254-2020-0347	-	1,681
Total Student Support and Academic Enrichment Grants.....			-	45,682
COVID-19 Education Stabilization Fund.....	84.425	114-390337-2021-0347	-	15,574
COVID-19 Education Stabilization Fund.....	84.425D	113-377618-2020-0347	-	479,868
COVID-19 Education Stabilization Fund.....	84.425	115-501361-2021-0347	-	1,050,471
COVID-19 Education Stabilization Fund.....	84.425	119-511222-2022-0347	-	3,695
Total Education Stabilization Fund.....			-	1,549,608
TOTAL EDUCATION.....			-	2,201,715
U.S. DEPARTMENT OF HOMELAND SECURITY:				
<u>Passed through Massachusetts Emergency Management Agency:</u>				
Emergency Management Performance Grants.....	97.042	FY19EMPG1800000WOBUR	-	24,870
Staffing for Adequate Fire and Emergency Response.....	97.083	CT DFS 4547480000000001835	-	7,260
TOTAL HOMELAND SECURITY.....			-	32,130
TOTAL.....			\$ -	\$ 8,028,414

(concluded)

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 City of Woburn, Massachusetts under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the City of Woburn, Massachusetts, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Woburn, Massachusetts.

Note 2 – Summary of Significant Accounting Policies

The accounting and reporting policies of the City of Woburn, 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) Disaster grants have been recorded in the year the grant was approved.
- e) The City of Woburn, 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 City of Woburn, Massachusetts.
2. No material weaknesses or significant deficiencies relating to the audit of the basic 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 City of Woburn, Massachusetts, were disclosed during the audit.
4. No material weaknesses or significant deficiencies relating to the audit of the major federal award programs are reported in the Report on Compliance for each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs for the City of Woburn, Massachusetts, expresses an unmodified opinion on all major federal award programs.
6. There were no audit findings relative to the major federal award programs for the City of Woburn, Massachusetts.
7. The Coronavirus Relief Fund and the Education Stabilization Fund were tested as major programs.
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The City of Woburn, Massachusetts was determined to be a low-risk auditee.

B. Findings-Financial Statements Audit

None.

C. Findings and Questioned Costs-Major Federal Award Programs

None.

D. Summary Schedule of Prior Audit Findings

None.