

**TOWN OF BROOKFIELD, MASSACHUSETTS**

**INDEPENDENT AUDITOR'S REPORTS PURSUANT  
TO GOVERNMENT AUDITING STANDARDS  
AND UNIFORM GUIDANCE**

**FOR THE YEAR ENDED JUNE 30, 2022**

**TOWN OF BROOKFIELD, MASSACHUSETTS**

**Independent Auditors' Reports Pursuant  
To Government Auditing Standards  
And Uniform Guidance**

**For the Year Ended June 30, 2022**

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**INDEPENDENT AUDITOR'S 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**

To the Honorable Select Board  
Town of Brookfield, 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 each major fund and the aggregate remaining fund information of the Town of Brookfield, Massachusetts, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Brookfield, Massachusetts' basic financial statements and have issued our report thereon dated June 14, 2023. Our opinion on the financial statements of the Town of Brookfield, Massachusetts, was an adverse opinion because management has not presented government-wide financial statements to display the financial position and changes in financial position of its governmental activities.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town of Brookfield, Massachusetts' 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Brookfield, Massachusetts' internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Brookfield, 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 or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Brookfield, 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 financial statements. 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.

*Scanlon and Associates, LLC*

Scanlon & Associates, LLC  
South Deerfield, Massachusetts

June 14, 2023

**INDEPENDENT AUDITOR'S 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**

To the Honorable Select Board  
Town of Brookfield, Massachusetts

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

***Opinion on Each Major Federal Program***

We have audited the Town of Brookfield, Massachusetts' compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town of Brookfield, Massachusetts' major federal programs for the year ended June 30, 2022. The Town of Brookfield, Massachusetts' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town of Brookfield, Massachusetts, complied, in all material respects, with the 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, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town of Brookfield, Massachusetts, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town of Brookfield, Massachusetts' compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Town of Brookfield, Massachusetts' federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town of Brookfield, Massachusetts' compliance based on our audit. Reasonable

assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town of Brookfield, Massachusetts' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Town of Brookfield, Massachusetts' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Town of Brookfield, Massachusetts' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town of Brookfield, Massachusetts' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the 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 each major fund and the aggregate remaining fund information of the Town of Brookfield, Massachusetts, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Brookfield, Massachusetts' basic financial statements. We issued our report thereon, dated June 14, 2023, which contained an adverse opinion on those financial statements because management has not presented government-wide financial statements to display the financial position and changes in financial position of its governmental activities. 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 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 basic 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.

*Scanlon and Associates, LLC*

Scanlon & Associates, LLC  
South Deerfield, Massachusetts

June 14, 2023

**TOWN OF BROOKFIELD, MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identification Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>U. S. Department of Agriculture</b>				
Passed Through Commonwealth of Massachusetts				
Department of Elementary and Secondary Education:				
Child Nutrition Cluster:				
School Breakfast Program - COVID-19	10.553	14-045	\$ -	\$ 71,949
National School Lunch Program - COVID-19	10.555	14-045	-	155,959
Emergency Operating Costs	10.555	14-045	-	217
Supply Chain Assistance	10.555	14-045	-	10,761
Non-Cash Assistance - Commodities	10.555	14-045	-	14,174
<b>Total Child Nutrition Cluster</b>			<b>-</b>	<b>253,060</b>
School P-EBT Administrative Costs Reimbursement	10.649	14-045	-	614
Passed Through Commonwealth of Massachusetts				
Department of Conservation and Recreation:				
Volunteer Firefighter Assistance	10.664	20-DG-11094200-135	-	1,956
<b>Total U. S. Department of Housing and Urban Development</b>			<b>-</b>	<b>255,630</b>
<b>U. S. Department of Housing and Urban Development</b>				
Passed Through Commonwealth of Massachusetts				
Executive Office of Communities and Development:				
Community Development Block Grants/State's Program:				
Community Development Fund - 2018	14.228	0821	-	27,018
<b>Total U. S. Department of Housing and Urban Development</b>			<b>-</b>	<b>27,018</b>
<b>U. S. Department of Justice</b>				
Passed Through Commonwealth of Massachusetts				
Executive Office of Public Safety and Security:				
Edward Byrne Memorial Justice Assistance Grant	16.738		-	13,400
<b>Total U. S. Department of Justice</b>			<b>-</b>	<b>13,400</b>
<b>U. S. Department of Treasury</b>				
Direct Program:				
Coronavirus State and Local Fiscal Recovery Funds	21.027		-	447,573
Passed Through Commonwealth of Massachusetts				
Department of Revenue:				
Coronavirus Relief Fund	21.019		-	12,854
<b>Total U. S. Department of Treasury</b>			<b>-</b>	<b>460,427</b>
<b>TOTAL FEDERAL AWARDS EXPENDED - PAGE 1 OF 2</b>			<b>\$ -</b>	<b>\$ 756,475</b>

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this Schedule.



**TOWN OF BROOKFIELD, MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identification Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>U. S. Department of Education</b>				
Passed Through Commonwealth of Massachusetts				
Department of Elementary and Secondary Education:				
Education Stabilization Fund:				
ESSER I - 2021	84.425D	113-379467-2021-0045	\$ -	\$ 11,767
CARES Summer - 2021	84.425D	114-389651-2021-0045	-	6,382
ESSER II - 2022	84.425D	115-508567-2022-0045	-	239,348
ESSER III - 2022	84.425U	119-510636-2022-0045	-	12,384
Total Education Stabilization Fund			-	269,881
Passed Through Tantasqua Regional School District:				
Title I Grants to Local Educational Agencies:				
Title I - 2019	84.010		-	3,502
Title I - 2020	84.010		-	35,385
Total Title I Grants to Local Educational Agencies			-	38,887
<b>Total U. S. Department of Education</b>			-	308,768
<b>U. S. Department of Homeland Security</b>				
Passed Through Commonwealth of Massachusetts				
Emergency Management Agency:				
Community Emergency Response Teams	97.067		-	2,700
<b>Total U. S. Department of Homeland Security</b>			-	2,700
<b>TOTAL FEDERAL AWARDS EXPENDED - PAGE 2 OF 2</b>			-	311,468
<b>TOTAL FEDERAL AWARDS EXPENDED - PAGE 1 OF 2</b>			-	756,475
<b>TOTAL FEDERAL AWARDS EXPENDED</b>			\$ -	\$ 1,067,943

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this Schedule.

**TOWN OF BROOKFIELD, MASSACHUSETTS  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2022**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Town of Brookfield, Massachusetts, under programs of the federal government for the year ended June 30, 2022. 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 Brookfield, Massachusetts, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town of Brookfield, Massachusetts.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. 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.

**NOTE C – INDIRECT COSTS**

The Town of Brookfield, Massachusetts, did not use the de minimus cost rate.

**NOTE D – FOOD DISTRIBUTION**

The Town of Brookfield, Massachusetts, receives non-cash commodities from the U.S. Department of Agriculture as part of the National School Lunch program. The amounts reported as non-cash assistance represent the fair market value of these commodities received during the year.

The amounts reported as cash assistance represent federal reimbursement for meals provided.

**TOWN OF BROOKFIELD, MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022**

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: *Adverse*

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_Yes      X  No
- Significant deficiency(ies) identified that is (are) not considered to be material weakness(es)? \_\_\_\_\_Yes      X  None Reported

Noncompliance material to financial statements noted? \_\_\_\_\_Yes      X  No

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified? \_\_\_\_\_Yes      X  No
- Significant deficiency(ies) identified that is (are) not considered to be material weakness(es)? \_\_\_\_\_Yes      X  None Reported

Type of Auditor’s Report issued on compliance for major federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_Yes      X  No

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	U. S. Department of Treasury – Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? \_\_\_\_\_Yes      X  No

**SECTION II – FINANCIAL STATEMENT FINDINGS**

None reported.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None reported.

**SECTION IV – PRIOR YEAR FINDINGS**

None reported.