

**TOWN OF DOUGLAS, MASSACHUSETTS**

**INDEPENDENT AUDITORS' REPORTS REQUIRED BY TITLE 2 U.S. *CODE OF FEDERAL REGULATIONS* PART 200, *UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS* (UNIFORM GUIDANCE) AND *GOVERNMENT AUDITING STANDARDS***

**FOR THE YEAR ENDED JUNE 30, 2024**

## **TOWN OF DOUGLAS, MASSACHUSETTS**

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CBIZ CPAs P.C.

53 State Street  
17th Floor  
Boston, MA 02109

P: 617.807.5000

**Independent Auditors' 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 Board of Selectmen  
**Town of Douglas, Massachusetts**

We have audited, in accordance with the auditing standards generally accepted in the United States of America (“GAAS”) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (“*Government Auditing Standards*”), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Douglas, Massachusetts (the “Town”), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town’s basic financial statements, and have issued our report thereon dated April 28, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town’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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Town’s 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 Town’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 have not been identified.

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

As part of obtaining reasonable assurance about whether the Town's 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 Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*CBIZ CPAs P.C.*

CBIZ CPAs P.C.  
Boston, MA  
April 28, 2025



CBIZ CPAs P.C.

53 State Street  
17th Floor  
Boston, MA 02109

P: 617.807.5000

**Independent Auditors' 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 Board of Selectmen  
**Town of Douglas, Massachusetts**

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

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

We have audited the Town of Douglas, Massachusetts (the “Town”)’s 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’s major federal programs for the year ended June 30, 2024. The Town’s major federal programs are identified in the summary of auditors’ results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town 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, 2024.

***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 Auditors’ Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town 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’s 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’s federal programs.

## ***Auditors' 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's 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's 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's 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's 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's 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 a 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 Auditors' 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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements. We issued our report thereon dated April 28, 2025 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 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. 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.

*CBIZ CPAs P.C.*

CBIZ CPAs P.C.

Boston, MA

April 28, 2025, except for the Report on the Schedule of Expenditures of Federal Awards, which is dated June 2, 2025.

# TOWN OF DOUGLAS, MASSACHUSETTS

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

### FOR THE YEAR ENDED JUNE 30, 2024

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| <i>Federal Agency</i>   | Federal Assistance<br>Listing<br>Number | Pass Through<br>Identifying<br>Number | Federal<br>Expenditures |
|---|---|---------------------------------------|-------------------------|
| Cluster   |   |                                       |                         |
| Pass-through Agency   |   |                                       |                         |
| Program Title   |   |                                       |                         |
| <b><i>U.S. Department of Agriculture</i></b>                                      |   |                                       |                         |
| Child Nutrition Cluster   |   |                                       |                         |
| Passed Through the Massachusetts Department of Elementary and Secondary Education |   |                                       |                         |
| School Breakfast Program  | 10.553                                  | DOENUT2024                            | \$ 66,495               |
| National School Lunch Program - Cash Assistance                                   | 10.555                                  | DOENUT2024                            | 182,275                 |
| National School Lunch Program - Non-Cash Assistance                               | 10.555                                  | DOENUT2024                            | 62,464                  |
| National School Lunch Program - Supply Chain Assistance                           | 10.555                                  | DOENUT2024                            | 32,384                  |
| Farm to School Grant Program  | 10.575                                  | DOENUT2024                            | <u>6,738</u>            |
| Total Child Nutrition Cluster   |   |                                       | <u>350,356</u>          |
| Total U.S. Department of Agriculture  |   |                                       | <u>350,356</u>          |
| <b><i>U.S. Department of Commerce</i></b>   |   |                                       |                         |
| Economic Development Cluster  |   |                                       |                         |
| Direct Federal Program  |   |                                       |                         |
| Economic Adjustment Assistance (EDA)  | 11.307                                  | N/A                                   | <u>2,230,167</u>        |
| Total Economic Development Cluster  |   |                                       | <u>2,230,167</u>        |
| Total U.S. Department of Commerce   |   |                                       | <u>2,230,167</u>        |
| <b><i>U.S. Department of Justice</i></b>  |   |                                       |                         |
| Direct Federal Program  |   |                                       |                         |
| Bulletproof Vest Partnership Program  | 16.607                                  | N/A                                   | 7,202                   |
| Equitable Sharing Program   | 16.922                                  | N/A                                   | <u>36,453</u>           |
| Total U.S. Department of Justice  |   |                                       | <u>43,655</u>           |
| <b><i>U.S. Department of Transportation</i></b>                                   |   |                                       |                         |
| Highway Safety Cluster  |   |                                       |                         |
| Passed Through the Massachusetts Executive Office of Public Safety                |   |                                       |                         |
| State and Community Highway Safety  | 20.600                                  | MRSP                                  | <u>1,095</u>            |
| Total Highway Safety Cluster  |   |                                       | <u>1,095</u>            |
| Total U.S. Department of Transportation   |   |                                       | <u>1,095</u>            |
| <b><i>U.S. Department of the Treasury</i></b>                                     |   |                                       |                         |
| Passed Through the Massachusetts Executive Office for                             |   |                                       |                         |
| Administration and Finance  |   |                                       |                         |
| COVID-19 - Coronavirus Relief Fund  | 21.019                                  | UNKNOWN                               | 177,033                 |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Fund                       | 21.027                                  | ARPA                                  | <u>283,029</u>          |
| Total U.S. Department of the Treasury   |   |                                       | <u>460,062</u>          |
| <b><i>Environmental Protection Agency</i></b>                                     |   |                                       |                         |
| Passed Through the Massachusetts Water Pollution Abatement Trust                  |   |                                       |                         |
| Drinking Water State Revolving Funds  | 66.468                                  | 4L-99191L22-DW-2022                   | <u>84,000</u>           |
| Total Environmental Protection Agency   |   |                                       | <u>84,000</u>           |

*See notes to schedule of expenditures of federal awards.*

# TOWN OF DOUGLAS, MASSACHUSETTS

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2024

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| <i>Federal Agency</i>   | <i>Federal Assistance Listing Number</i> | <i>Pass Through Identifying Number</i> | <i>Federal Expenditures</i> |
|---|--|--|-----------------------------|
| Cluster   |  |  |                             |
| Pass-through Agency   |  |  |                             |
| Program Title   |  |  |                             |
| <b><i>U.S. Department of Education</i></b>  |  |  |                             |
| Special Education Cluster   |  |  |                             |
| Passed Through the Massachusetts Department of Elementary and Secondary Education                 |  |  |                             |
| Special Education Grants to States  | 84.027                                   | 240-000558-2024-0077                   | 287,602                     |
| Special Education Grants to States  | 84.027                                   | 240-708459-2023-0077                   | 2,624                       |
| Special Education Grants to States - ARP IDEA   | 84.027                                   | 252-563471-2022-0077                   | 4,446                       |
| Special Education Preschool Grants  | 84.173                                   | 262-000559-2024-0077                   | <u>11,414</u>               |
| Total Special Education Cluster   |  |  | 306,086                     |
| Passed Through the Massachusetts Department of Elementary and Secondary Education                 |  |  |                             |
| Title I Grants to Local Educational Agencies  | 84.010                                   | 305-698804-2023-0077                   | 16,777                      |
| Title I Grants to Local Educational Agencies  | 84.010                                   | 305-000549-2024-0077                   | <u>114,279</u>              |
| Supporting Effective Instruction State Grant  | 84.367                                   | 140-534192-2022-0077                   | 295                         |
| Supporting Effective Instruction State Grant  | 84.367                                   | 140-698814-2023-0077                   | 11,065                      |
| Supporting Effective Instruction State Grant  | 84.367                                   | 140-000546-2024-0077                   | 11,885                      |
| Student Support and Academic Enrichment Program   | 84.424                                   | 309-698818-2023-0077                   | 1,975                       |
| Student Support and Academic Enrichment Program   | 84.424                                   | 309-000548-2024-0077                   | 3,500                       |
| COVID-19 - Education Stabilization Fund - Supporting SEL Grant                                    | 84.425                                   | 332-787141-2024-0077                   | 24,697                      |
| COVID-19 - Education Stabilization Fund - ESSER   | 84.425D                                  | 115-498678-2021-0077                   | 14,754                      |
| COVID-19 - Education Stabilization Fund - ESSER   | 84.425D                                  | 119-563180-2022-0077                   | <u>144,208</u>              |
| Total U.S. Department of Education  |  |  | 649,521                     |
| <b><i>U.S. Department of Health and Human Services</i></b>  |  |  |                             |
| Direct Federal Program  |  |  |                             |
| Drug-Free Communities Support Program Grants  | 93.276                                   | N/A                                    | 2,862                       |
| Drug-Free Communities Support Program Grants  | 93.276                                   | N/A                                    | <u>7,353</u>                |
| Total U.S. Department of Health and Human Services  |  |  | 10,215                      |
| <b><i>U.S. Department of Homeland Security</i></b>  |  |  |                             |
| Direct Federal Program  |  |  |                             |
| COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters) - FEMA         | 97.036                                   | N/A                                    | 28                          |
| COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters) - Vaccine FEMA | 97.036                                   | N/A                                    | 447                         |
| Hazard Mitigation Grant   | 97.039                                   | N/A                                    | 11,127                      |
| ALERT Grant   | 97.137                                   | N/A                                    | <u>4,113</u>                |
| Total U.S. Department of Homeland Security  |  |  | <u>15,715</u>               |
| Total Federal Expenditures  |  |  | <u>\$ 3,844,786</u>         |

*See notes to schedule of expenditures of federal awards.*

# **TOWN OF DOUGLAS, MASSACHUSETTS**

## **NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

### **FOR THE YEAR ENDED JUNE 30, 2024**

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#### **NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the Town of Douglas, Massachusetts (the “Town”) under programs of the federal government for the year ended June 30, 2024. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) 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, it is not intended to and does not present the financial position or changes in net position of the Town.

#### **NOTE 2 – 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 to reimbursement.

The amounts reported for the National School Lunch Program – Non-Cash Assistance represent the fair value of commodities received.

Expenditures awarded from the Federal Emergency Management Agency (FEMA), must be presented on the Schedule when: 1) FEMA has approved the Town’s project worksheet (PW) and 2) the Town has incurred the eligible expenditures. The amount reported for Disaster Grants – Public Assistance (Presidentially Declared Disasters), AL 97.036, represents expenditures incurred in prior years that were approved by FEMA during fiscal year 2024.

#### **NOTE 3 - DE MINIMIS COST RATE**

The Town has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

#### **NOTE 4 - SUBRECIPIENTS**

The Town did not provide federal awards to subrecipients.

#### **NOTE 5 – LOW-RISK AUDITEE STATUS**

The Town did not meet the requirements of being a low-risk auditee due to late submission of the fiscal year 2023 single audit report.

# TOWN OF DOUGLAS, MASSACHUSETTS

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2024

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### SECTION I – SUMMARY OF AUDITORS’ RESULTS

#### *FINANCIAL STATEMENTS*

Type of auditors’ report issued on whether the financial statements audited were prepared in accordance with GAAP:

*Unmodified*

Internal control over financial reporting:

|   |                              |   |
|---|------------------------------|---|
| • Material weakness(es) identified?       | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No            |
| • Significant deficiency(ies) identified? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> None reported |

Non-compliance material to financial statements noted?

Yes  No

#### *FEDERAL AWARDS*

Internal control over major federal programs:

|   |                              |   |
|---|------------------------------|---|
| • Material weakness(es) identified?       | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No            |
| • Significant deficiency(ies) identified? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> None reported |

Type of auditors’ 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  No

Identification of major federal programs:

#### NAME OF FEDERAL PROGRAM OR CLUSTER

#### ASSISTANCE LISTING NUMBER(S)

Economic Adjustment Assistance (EDA)  
Coronavirus State and Local Fiscal Recovery Fund

11.307

21.027

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

Yes  No

**TOWN OF DOUGLAS, MASSACHUSETTS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2024**

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**SECTION II – FINANCIAL STATEMENT AND NONCOMPLIANCE FINDINGS**

None.

**SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None.

**SECTION IV - SCHEDULE OF PRIOR YEAR FINDINGS**

There were no findings reported in the prior year.