

**TOWN OF BOURNE, MASSACHUSETTS  
GAO AND UNIFORM GUIDANCE REPORTS  
YEAR ENDED JUNE 30, 2021**



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**TOWN OF BOURNE, MASSACHUSETTS**  
**GAO AND UNIFORM GUIDANCE REPORTS**  
**YEAR ENDED JUNE 30, 2021**

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**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***

Honorable Board of Selectmen  
Town of Bourne, 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 activities, each major fund, and the aggregate remaining fund information of the Town of Bourne, Massachusetts, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town of Bourne, Massachusetts' basic financial statements, and have issued our report thereon dated April 8, 2022.

**Internal Control Over Financial Reporting**

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

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Boston, Massachusetts  
April 8, 2022



**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**

Honorable Board of Selectmen  
Town of Bourne, Massachusetts

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

We have audited the Town of Bourne, 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 Bourne, Massachusetts' major federal programs for the year ended June 30, 2021. The Town of Bourne, Massachusetts' major federal programs are identified in the summary of auditors' 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.

***Auditors' Responsibility***

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

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

In our opinion, the Town of Bourne, 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.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2021-001, 2021-002, and 2021-003. Our opinion on the major federal program is not modified with respect to these matters.

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

This report is replacing a previously issued report. The report has been re-issued due to the subsequent discovery of information that changed the results of testing on the follow-up of a prior audit finding for a program that is no longer considered a major program. The previously reported finding 2021-004 has been removed from the Schedule of Findings and Questioned Costs.

### **Report on Internal Control Over Compliance**

Management of the Town of Bourne, 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 Bourne, 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 the 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 Bourne, 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 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 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 certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2021-001 through 2021-003, that we consider to be significant deficiencies.

Honorable Board of Selectmen  
Town of Bourne, Massachusetts

The Town of Bourne, Massachusetts' response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Town of Bourne, 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 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 of Bourne, Massachusetts, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Town of Bourne, Massachusetts. We issued our report thereon dated April 8, 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 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.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Boston, Massachusetts

October 21, 2022, except for the schedule of expenditures of federal awards,  
which is dated April 8, 2022

**TOWN OF BOURNE, MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2021**

<b>Federal Grantor/ Pass-Through Grantor/ Program</b>	<b>Assistance Listing Number</b>	<b>Pass-through Identifying Number</b>	<b>Federal Expenditures</b>	<b>Passed- Through To Subrecipient</b>
<b>U.S. Department of Agriculture</b>				
<u>Passed-through the State Department of Elementary &amp; Secondary Education:</u>				
<i>Child Nutrition Cluster</i>				
School Breakfast Program - Cash Assistance	10.553	01-036	\$ 109,165	\$ -
National School Lunch Program - Cash Assistance	10.555	01-036	398,461	-
COVID-19 National School Lunch Program - Cash Assistance	10.555	01-036	10,406	-
National School Lunch Program - Non-Cash Assistance (Commodities)	10.555	01-036	36,452	-
Subtotal Assistance Listing Number 10.555			<u>445,319</u>	<u>-</u>
Total U.S. Department of Agriculture			554,484	-
<b>U.S. Department of the Interior</b>				
<u>Passed-through the Massachusetts Department of Fish and Game:</u>				
Clean Vessel Act	15.616	TOWNOFBOURNE9222FY15	20,000	-
<b>U.S. Department of Justice</b>				
<u>Passed-through the State Executive Office of Public Safety:</u>				
Edward Byrne Memorial Formula Grant	16.751	Not Available	38,220	-
<b>U.S. Department of Treasury</b>				
<u>Passed-through Massachusetts Office of Administration and Finance:</u>				
COVID-19 Coronavirus Relief Fund	21.019	Not Available	1,321,757	-
<u>Passed-through the State Department of Elementary &amp; Secondary Education:</u>				
COVID-19 Coronavirus Relief Fund School Reopening	21.019	102-401353-2021-0036	404,279	-
COVID-19 Coronavirus Relief Fund School Lunch	21.019	01-036	5,729	-
Subtotal Assistance Listing Number 21.019			<u>1,731,765</u>	<u>-</u>
Total U.S. Department of Treasury			1,731,765	-
<b>U.S. Department of Education</b>				
<u>Direct Program:</u>				
Impact Aid	84.041	Not Applicable	152,155	-
<u>Passed-through the State Department of Elementary &amp; Secondary Education:</u>				
Title I Distribution (Fiscal Year 2021)	84.010	305-413348-2021-0036	186,903	-
Title I Distribution (Fiscal Year 2020)	84.010	305-321554-2020-0036	92,760	-
Title I Distribution (Fiscal Year 2019)	84.010	305-239099-2019-0036	33,863	-
Subtotal Assistance Listing Number 84.010			<u>313,526</u>	<u>-</u>
<i>Special Education Cluster</i>				
SPED 94-142 Allocation (Fiscal Year 2021)	84.027	240-433000-2021-0036	324,664	-
SPED 94-142 Allocation (Fiscal Year 2020)	84.027	240-345029-2020-0036	68,570	-
SPED 94-142 Allocation (Fiscal Year 2019)	84.027	240-235692-2019-0036	48,063	-
SPED Program Improvement (Fiscal Year 2021)	84.027	274-486128-2021-0036	8,742	-
<u>Passed-through the State Department of Early Education and Care:</u>				
SPED Early Childhood Allocation (Fiscal Year 2021)	84.173	262-443326-2021-0036	5,303	-
SPED Early Childhood Allocation (Fiscal Year 2020)	84.173	262-345031-2020-0036	96	-
Subtotal Special Education Cluster			<u>455,438</u>	<u>-</u>
<u>Passed-through the State Department of Elementary &amp; Secondary Education:</u>				
Title IIA - Improving Teacher Quality (Fiscal Year 2021)	84.367	140-424581-2021-0036	40,904	-
Title IIA - Improving Teacher Quality (Fiscal Year 2020)	84.367	140-321555-2020-0036	634	-
Title IIA - Improving Teacher Quality (Fiscal Year 2019)	84.367	140-239134-2019-0036	387	-
Subtotal Assistance Listing Number 84.367			<u>41,925</u>	<u>-</u>
Title IVA - Student Support and Academic Enrichment (Fiscal Year 2021)	84.424	309-424583-2021-0036	10,239	-
Title IVA - Student Support and Academic Enrichment (Fiscal Year 2020)	84.424	309-321557-2020-0036	7,614	-
Title IVA - Student Support and Academic Enrichment (Fiscal Year 2019)	84.424	309-239169-2019-0036	2,700	-
Subtotal Assistance Listing Number 84.424			<u>20,553</u>	<u>-</u>
ESSER-I COVID Relief (Fiscal Year 2021)	84.425D	113-379477-2021-0036	254,875	-
ESSER-II COVID Relief (Fiscal Year 2021)	84.425D	115-497122-2021-0036	385,453	-
Subtotal Assistance Listing Number 84.425D			<u>640,328</u>	<u>-</u>
Total U.S. Department of Education			1,623,925	-

*Continued*

*See accompanying Notes to Schedule of Expenditures of Federal Awards.*



**TOWN OF BOURNE, MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

*Continued*

<b>Federal Grantor/ Pass-Through Grantor/ Program</b>	<b>Assistance Listing Number</b>	<b>Pass-through Identifying Number</b>	<b>Federal Expenditures</b>	<b>Passed- Through To Subrecipient</b>
<b>U.S. Department of Health and Human Services</b>				
<u>Passed-through the State Department of Health and Human Services:</u>				
<i>Medicaid Cluster</i>				
School-Based Medicaid Reimbursement Program	93.778	1953656	\$ 91,187	\$ -
<b>U.S. Department of Homeland Security</b>				
<u>Passed-through the State Office of Emergency Management:</u>				
Emergency Management Performance Grants	97.042	FY20EMPG1900000BOURN	4,138	-
Total			<u>\$ 4,063,719</u>	<u>\$ -</u>

*See accompanying Notes to Schedule of Expenditures of Federal Awards.*

**TOWN OF BOURNE, MASSACHUSETTS**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2021**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Town of Bourne, Massachusetts and is presented on the modified cash basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards with the exception of CFDA 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE 2 U.S. DEPARTMENT OF AGRICULTURE**

The amount reported for the National School Lunch Program – Non-Cash Assistance (Commodities) represents nonmonetary assistance and is reported in the schedule at the fair market value of the commodities received. The amounts reported for the National School Lunch Program – Cash Assistance, COVID 19 National School Lunch Program – Cash Assistance, and School Breakfast Program – Cash Assistance represent cash receipts from federal reimbursements.

**NOTE 3 U.S. DEPARTMENT OF EDUCATION**

The amount reported for the Impact Aid program represents federal cash receipts.

**NOTE 4 U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES**

The amount reported for the School-Based Medicaid Reimbursement Program represents federal reimbursements for the Administrative Activity Claims.

**NOTE 5 U.S. DEPARTMENT OF HOMELAND SECURITY**

The amounts reported for the Emergency Management Performance Grants represent federal cash receipts.

**NOTE 6 INDIRECT COSTS**

The Town of Bourne, Massachusetts did not elect to use the 10% de minimis indirect cost rate identified in §200.414 of the Uniform Guidance.

**TOWN OF BOURNE, MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2021**

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***Section I – Summary of Auditors' Results***

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***Financial Statements***

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes        X   no
  - Significant deficiency(ies) identified that are not considered to be material weakness(es)? \_\_\_\_\_ yes        X   none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        X   no

***Federal Awards***

1. Internal control over major federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes        X   no
  - Significant deficiency(ies) identified that are not considered to be material weakness(es)?   X   yes      \_\_\_\_\_ none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?   X   yes      \_\_\_\_\_ no

***Identification of Major Federal Programs***

21.019

COVID-19 Coronavirus Relief Fund

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

\$   750,000  

Auditee qualified as low-risk auditee pursuant to Uniform Guidance?

\_\_\_\_\_ yes        X   no

**TOWN OF BOURNE, MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section II – Financial Statement Findings***

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Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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2021 – 001

Federal Agency:	U.S. Department of Treasury
Federal Programs:	Coronavirus Relief Fund
Assistance Listing Number:	21.019
Pass-through Agency:	Massachusetts Office of Administration and Finance
Pass-through Number(s):	Not Available
Award Period:	March 1, 2020 – December 31, 2021
Type of Finding:	Significant Deficiency in Internal Control over Compliance Other Matters

**Criteria or Specific Requirement:** 2 CFR, Part 200, 200.303 requires an auditee to establish and maintain effective internal control over federal awards to ensure compliance with federal statutes, regulations and the terms and conditions of the federal award. The Town of Bourne, Massachusetts should have internal controls designed to ensure compliance with those allowable cost provisions.

**Condition:** Internal controls were not in place to ensure payroll charges submitted for reimbursement were properly calculated.

**Questioned Costs:** None Reportable.

**Context:** 2 out of 60 payroll transactions tested were improperly calculated resulting in an incorrect amount charged to the grant.

**Cause:** The Town did not have adequate procedures in place to ensure payroll charges submitted for reimbursement were properly calculated.

**Effect:** The expenses charged are subject to disallowance and are considered questioned costs.

**Recommendation:** We recommend management implement procedures to ensure payroll amounts charged to grants are properly calculated.

**Views of Responsible Officials:** There is no disagreement with the audit finding.

**TOWN OF BOURNE, MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section III – Findings and Questioned Costs – Major Federal Programs (continued)***

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2021 – 002

Federal Agency:	U.S. Department of Treasury
Federal Programs:	Coronavirus Relief Fund
Assistance Listing Number:	21.019
Pass-through Agency:	Massachusetts Office of Administration and Finance
Pass-through Number(s):	Not Available
Award Period:	March 1, 2020 – December 31, 2021
Type of Finding:	Significant Deficiency in Internal Control over Compliance Other Matters

**Criteria or Specific Requirement:** 2 CFR, Part 200, 200.303 requires an auditee to establish and maintain effective internal control over federal awards to ensure compliance with federal statutes, regulations and the terms and conditions of the federal award. The Town of Bourne, Massachusetts should have internal controls designed to ensure compliance with those allowable cost provisions.

**Condition:** Internal controls were not in place to ensure payroll charges submitted for reimbursement were allowable.

**Questioned Costs:** None Reportable.

**Context:** 1 out of 60 payroll transactions tested was for the payout of comp time, which is not an allowable cost as it's not a necessary expenditure related to COVID-19.

**Cause:** The Town did not have adequate procedures in place to ensure payroll charges submitted for reimbursement were allowable under the grant program.

**Effect:** The expenses charged are subject to disallowance and are considered questioned costs.

**Recommendation:** We recommend management implement procedures to ensure payroll amounts charged to grants are allowable expenses.

**Views of Responsible Officials:** There is no disagreement with the audit finding.

**TOWN OF BOURNE, MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section III – Findings and Questioned Costs – Major Federal Programs (continued)***

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2021 – 003

Federal Agency:	U.S. Department of Treasury
Federal Programs:	Coronavirus Relief Fund
Assistance Listing Number:	21.019
Pass-through Agency:	Massachusetts Office of Administration and Finance
Pass-through Number(s):	Not Available
Award Period:	March 1, 2020 – December 31, 2021
Type of Finding:	Significant Deficiency in Internal Control over Compliance Other Matters

**Criteria or Specific Requirement:** 2 CFR, Part 200, 200.309 states that a nonfederal agency may charge to the federal award only allowable costs incurred during the period of performance.

**Condition:** Expenditures were charged to the grant outside of the period of performance.

**Questioned Costs:** None Reportable.

**Context:** 1 out of 60 payroll transactions tested included pay dates prior to the grant start date.

**Cause:** The Town did not have adequate procedures in place to ensure expenditures were charged to the grant within the period of performance.

**Effect:** The Town did not comply with the period of performance compliance requirement.

**Recommendation:** We recommend management implement procedures to ensure expenditures are charged to grants only during the period of performance.

**Views of Responsible Officials:** There is no disagreement with the audit finding.