

CITY OF NORTH ADAMS, MASSACHUSETTS

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

FOR THE YEAR ENDED JUNE 30, 2022

CITY OF NORTH ADAMS, MASSACHUSETTS

**Independent Auditor's 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 Mayor
City of North Adams, 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, each major fund, and the aggregate remaining fund information of the City of North Adams, Massachusetts, as of and for the year ended June 30, 2022, (except for the North Adams Retirement System, which is as of and for the year ended December 31, 2021), and the related notes to the financial statements, which collectively comprise the City of North Adams, Massachusetts' basic financial statements and have issued our report thereon dated June 28, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of North Adams, 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 City of North Adams, Massachusetts' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of North Adams, 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 City of North Adams, 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 & Associates, LLC
South Deerfield, Massachusetts

June 28, 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 Mayor
City of North Adams, Massachusetts

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of North Adams, 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 City of North Adams, Massachusetts’ major federal programs for the year ended June 30, 2022. The City of North Adams, 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 City of North Adams, 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 City of North Adams, 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 City of North Adams, 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 City of North Adams, 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 City of North Adams, 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 City of North Adams, 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 City of North Adams, 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 City of North Adams, 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 City of North Adams, 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 governmental activities, each major fund, and the aggregate remaining fund information of the City of North Adams, Massachusetts, as of and for the year ended June 30, 2022, (except for the North Adams Retirement System, which is as of and for the year ended December 31, 2021), and the related notes to the financial statements, which collectively comprise the City of North Adams, Massachusetts' basic financial statements. We issued our report thereon, dated June 28, 2023, 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 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 & Associates, LLC
South Deerfield, Massachusetts

June 28, 2023

**CITY OF NORTH ADAMS, 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 Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U. S. Department of Agriculture				
Passed Through Commonwealth of Massachusetts				
Department of Elementary and Secondary Education:				
Child Nutrition Cluster:				
School Breakfast Program - COVID-19	10.553	02-209	\$ -	\$ 309,638
National School Lunch Program - COVID19	10.555	02-209	-	707,046
After-School Snacks - COVID-19	10.555	02-209	-	10,684
Emergency Operating Costs	10.555	02-209	-	40,332
Supply Chain Assistance	10.555	02-209	-	33,296
Summer Food Service Program for Children - COVID-19	10.559	02-209	-	79,012
Fresh Fruits and Vegetables	10.582	02-209	-	15,002
Non-Cash Financial Assistance - Commodities	10.555	02-209	-	81,669
Total Child Nutrition Cluster			-	1,276,679
Child and Adult Care Food Program:				
Child and Adult Care Food Program - School Supper	10.558	02-209	-	20,584
Child and Adult Care Food Program - Cash in Lieu of Commodities	10.558	02-209	-	1,462
Child and Adult Care Food Program - Emergency Operating Costs	10.558	02-209	-	6,561
Total Child and Adult Care Food Program			-	28,607
School P-EBT Administrative Reimbursement	10.649	02-209	-	2,456
Total U. S. Department of Agriculture			-	1,307,742
U. S. Department of Housing and Urban Development				
Passed Through Commonwealth of Massachusetts				
Department of Housing and Community Development:				
Community Development Block Grants/State's Program:				
Mini-Entitlement Program - 2019	14.228	ME-G-2019-00168	-	31,732
Mini-Entitlement Program - 2020	14.228	ME-G-2020-00180	16,671	660,000
Mini-Entitlement Program - 2021	14.228	ME-G-2021-00191	-	1,349
CARES Act COVID-19 - CDBG-CV	14.228	CDBG-CV-2020-00027	-	39,363
Program Income	14.228		-	615
Total Community Development Block Grants/State's Program			16,671	733,059
Other Income:				
Section 108 Program Income	14.248		-	217,466
Total U. S. Department of Housing and Urban Development			16,671	950,525
U. S. Department of Justice				
Direct Programs:				
Berkshire County Regional Task Force	16.738		-	34,352
Total U. S. Department of Justice			-	34,352
TOTAL PAGE 1 OF 5			\$ 16,671	\$ 2,292,619

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

**CITY OF NORTH ADAMS, 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 Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U. S. Department of Transportation				
Direct Program:				
Federal Aviation Administration - Airport Improvement Program				
Project No. 3-25-0036-030-2019 - Wildlife Hazard Assessments	20.106		\$ -	\$ 5,486
Project No. 3-25-0036-031-2020 - CARES Act - Remove Runway	20.106		-	30,000
Project No. 3-25-0036-032-2020 - Airport Perimeter Fence Installation	20.106		-	56,169
Project No. 3-25-0036-033-2022 - Remove Taxiway	20.106		-	49,843
Project No. 3-25-0036-034-2022 - Hangar	20.106		-	1,073
Total Airport Improvement Program			-	142,571
Total U. S. Department of Transportation			-	142,571
U. S. Department of Treasury				
Direct Program:				
Coronavirus State and Local Fiscal Recovery Fund				
Passed Through Commonwealth of Massachusetts	21.027		-	297,431
Department of Revenue:				
Coronavirus Relief Fund Municipal Assistance	21.019		-	253,683
Total U. S. Department of Treasury			-	551,114
Environmental Protection Agency				
Direct Program:				
Brownfields Assessment and Cleanup Cooperative Agreements				
Agreement No. BF00A0037	66.818		-	69,102
Total Environmental Protection Agency			-	69,102
TOTAL PAGE 2 OF 5			\$ -	\$ 762,787

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

**CITY OF NORTH ADAMS, 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 Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U. S. Department of Education				
Direct Program:				
Berkshire Regional Arts Integration Network Project Award No. U351C170078	84.351		\$ -	\$ 109,780
Passed Through Commonwealth of Massachusetts Department of Elementary and Secondary Education:				
Title I Grants to Local Educational Agencies:				
Title I - 2021	84.010A	305-403425-2021-0209	-	102,205
Title I - 2022	84.010A	305-542882-2022-0209	-	483,876
Title I At-Risk Students - 2021	84.010A	320-432988-2021-0209	-	12,500
Turnaround Assistance - 2022	84.010	325-556009-2022-0209	-	25,000
Total Title I Grants to Local Educational Agencies			-	<u>623,581</u>
Special Education Cluster:				
Special Education PL 94-142 Allocation - 2021	84.027A	240-432933-2021-0209	-	314,636
Special Education PL 94-142 Allocation - 2022	84.027A	240-532468-2022-0209	-	269,596
Special Education Program Improvement - 2021	84.027	274-484196-2021-0209	-	4,426
American Rescue Plan Individuals with Disabilities - 2022	84.027	252-532471-2022-0209	-	80,075
Special Education Early Childhood Allocation - 2021	84.173A	262-432935-2021-0209	-	17,319
Special Education Early Childhood Allocation - 2022	84.173A	262-532469-2022-0209	-	17,606
Special Education Early Childhood Program Improvement - 2021	84.173	298-481128-2021-0209	-	2,355
Total Special Education Cluster			-	<u>706,013</u>
Education for Homeless Children and Youth:				
McKinney Homeless - 2021	84.196	310-385693-2021-0209	-	33,222
McKinney Homeless - 2022	84.196	310-572971-2022-0209	-	61,902
Total Education for Homeless Children and Youth			-	<u>95,124</u>
Twenty-First Century Community Learning Centers:				
21st Century Community Learning Center - 2021	84.287	645-405529-2021-0209	-	53,627
21st Century Community Learning Center - 2022	84.287	644-510828-2022-0209	-	20,000
21st Century Community Learning Center - 2022	84.287	646-558173-2022-0209	-	10,500
Total Twenty-First Century Community Learning Centers			-	<u>84,127</u>
TOTAL PAGE 3 OF 5			\$ -	\$ 1,618,625

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

**CITY OF NORTH ADAMS, 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 Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U. S. Department of Education				
Improving Teacher Quality State Grants:				
Teacher Quality - 2021	84.367A	140-403423-2021-0209	\$ -	\$ 32,956
Teacher Quality - 2022	84.367A	140-542881-2022-0209	-	32,750
Total Improving Teacher Quality State Grants			-	65,706
Student Support and Academic Enrichment Program:				
Student Support and Academic Enrichment - 2021	84.424A	309-403426-2021-0209	-	15,169
Student Support and Academic Enrichment - 2022	84.424A	309-542884-2022-0209	-	36,631
Total Student Support and Academic Enrichment Program			-	51,800
Education Stabilization Fund:				
Governor's Emergency Education Relief - 2021	84.425C	423-484491-2021-0209	-	9,560
Elementary and Secondary School Emergency Relief I - 2021	84.425D	113-387292-2021-0209	-	144,265
Elementary and Secondary School Emergency Relief II - 2022	84.425D	115-510812-2022-0209	-	1,647,004
Elementary and Secondary School Emergency Relief III - 2022	84.425U	119-582066-2022-0209	-	214,739
Mass Grad - 2022	84.425D	324-614253-2022-0209	-	3,900
My Career and Academic Plan - 2022	84.425D	434-511507-2022-0209	-	2,500
American Rescue Plan Homeless Children and Youth II - 2022	84.425W	302-629530-2022-0209	-	3,964
Total Education Stabilization Fund			-	2,025,932
Total U. S. Department of Education - page 4 of 5			-	2,143,438
Total U. S. Department of Education - page 3 of 5			-	1,618,625
Total U. S. Department of Education			-	3,762,063
TOTAL PAGE 4 OF 5			\$ -	\$ 2,143,438

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

**CITY OF NORTH ADAMS, 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 Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U. S. Department of Homeland Security				
Federal Emergency Management Agency				
Direct Program:				
Assistance to Firefighters Grants Program:				
Assistance to Firefighters - Grant No. EMW-2020-FG-19048	97.044		\$ -	\$ 15,664
Assistance to Firefighters - Fire Tech Rescue	97.044		-	1,126
Total Assistance to Firefighters Grants Program			-	16,790
Passed Through Commonwealth of Massachusetts				
Executive Office of Public Safety and Homeland Security:				
Disaster Grants Public Assistance - COVID-19	97.036	DR-4496	-	108,509
Emergency Management Performance Grants:				
Emergency Management Performance Grant - FFY 2020	97.042		-	1,204
Emergency Management Performance Grant - FFY 2021	97.042		-	5,382
Total Emergency Management Performance Grants			-	6,586
Total U. S. Department of Homeland Security			-	131,885
TOTAL PAGE 5 OF 5			-	131,885
TOTAL PAGE 4 OF 5			-	2,143,438
TOTAL PAGE 3 OF 5			-	1,618,625
TOTAL PAGE 2 OF 5			-	762,787
TOTAL PAGE 1 OF 5			16,671	2,292,619
TOTAL FEDERAL AWARDS EXPENDED			\$ 16,671	\$ 6,949,354

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

**CITY OF NORTH ADAMS, 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 City of North Adams, 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 City of North Adams, Massachusetts, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of North Adams, 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 City of North Adams, Massachusetts, did not use the de minimus indirect cost rate.

NOTE D – FOOD DISTRIBUTION

The City of North Adams, 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.

NOTE E – U.S. DEPARTMENT OF HOMELAND SECURITY PROGRAMS

U. S. Department of Homeland Security's Disaster Grants – Public Assistance (Presidentially Declared Disaster) expenditures are recognized when the Federal Emergency Management Administration (FEMA) approves the City of North Adams, Massachusetts' project worksheets (PW) and the City has incurred eligible expenditures. The amounts reported in the Schedule includes \$108,509 of expenditures incurred in prior fiscal years but awarded by FEMA in the current fiscal year.

NOTE F – GUARANTEED LOANS

The City of North Adams, Massachusetts has guaranteed loans outstanding under the Community Development Block Grant Section 108 Loan Guarantees program. The City had \$204,000 outstanding as of June 30, 2022. During fiscal year 2022, the City paid \$210,000 principal and \$7,466 interest on the loans. The loans mature through August 1, 2022. The loan costs are reimbursed to the City from the Massachusetts Museum of Contemporary Art, Inc., through a loan receivable agreement.

**CITY OF NORTH ADAMS, 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: *Unmodified*

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 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 federal programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555, 10.559	Child Nutrition Cluster
14.228	Community Development Block Grants/State’s Program
84.425	Education Stabilization Fund

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

Auditee qualified as low-risk auditee? X Yes ___ No

**CITY OF NORTH ADAMS, MASSACHUSETTS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

SECTION IV – PRIOR YEAR FINDINGS

None reported.