BERLIN-BOYLSTON REGIONAL SCHOOL DISTRICT

REPORT ON APPLYING AGREED UPON PROCEDURES OVER COMPLIANCE APPLIABLE TO MASSACHUSETTS SCHOOL DISTRICTS' END-OF-YEAR FINANCIAL REPORT

YEAR ENDED JUNE 30, 2023

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YEAR ENDED JUNE 30, 2023

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES OVER COMPLIANCE APPLICABLE TO MASSACHUSETTS SCHOOL DISTRICTS' END-OF-YEAR FINANCIAL REPORT

To the Honorable School Committee
Berlin-Boylston Regional School District

We have performed the procedures enumerated below, related to the requirements set forth in the Massachusetts Department of Elementary and Secondary Education's (the DESE) *Compliance Supplement for Massachusetts School Districts Agreed Upon Procedures Engagements* related to the End-of-Year Financial Report (the EOYR) prepared by the Berlin-Boylston Regional School District (the District) for the year ended June 30, 2023. The District's management is responsible for its compliance with those requirements.

The engaging party, the District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose specified in the Massachusetts Department of Elementary and Secondary Education's *Compliance Supplement for Massachusetts School Districts Agreed Upon Procedures Engagements* related to the End-of-Year Financial Report prepared by the District for the year ended June 30, 2023. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. For purposes of performing these procedures, findings were reported only if they exceeded 3% of Line 1850 in the EOYR.

Our procedures and results are reported in the attached Schedule of DESE EOYR Compliance Supplement Procedures and Results.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with specified requirements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the District and is not intended to be and should not be used by anyone other than these specified parties.

Powers & Sullivan, LLC

March 18, 2024

b. When intervening computations or calculations are required between the records and the schedules, trace reported data elements to supporting worksheets or other documentation that link the schedules to the data.	Traced the number of students included in the summary rider listings reported on the EOYR back to the detailed transportation reports and determined the number of reimbursable and non-reimbursable riders reported on the EOYR were properly calculated.	Performed procedure without exception.
C. Determine if the District's accounting system meets the following DESE requirements:		
a. Determine whether the District uses an accounting system that 1) provides for the reporting of all instructional costs by school location and 2) is in accordance with 603 CMR 10.03 (3)(a).	Obtained copies of the District's expenditure reports and observed that the District's accounting ledger account structure includes specific account segments for each school location. Obtained copies of the District's expenditure reports and inspected to confirm that the accounting system is in accordance with 603 CMR 10.03 (3)(a).	Performed procedure without exception.
b. Determine if the accounting system is supported by up-to-date written policies and procedures and that the policies and procedures are followed on a uniform and consistent basis.	Obtained a current set of policies and procedures related to the accounting system and determined that such policies are followed.	Performed procedure without exception.
c. Determine if the District maintains written policies and procedures related to the classification of salaries and expenses by program, function and object and that the policies and procedures are followed on a uniform and consistent basis.	Obtained a current set of policies and procedures related to the classification of salaries and expenses by program, function, and object and agree that such policies are followed.	Performed procedure without exception.
2. Obtain written representation from management that the reports provided to the auditor are true copies of the EOYR submitted or electronically transmitted to the Department.	Obtained a signed Representation Letter from management which states that the reports provided are true copies of the EOYR submitted or electronically transmitted to DESE.	Performed procedure without exception.
3. Determine that the District submitted a signed Certification Statement.	Obtained signed Certification Statement submitted to DESE.	Performed procedure without exception.

II. Expenditures		
A. By School Committee and B. By City or Town		
3. Trace the amounts reported for general fund education expenditures from Schedule 1, line 1850 to the municipal accounting ledgers and to the District accounting ledgers. Also, trace the expenditures reported on the District's accounting ledgers to expenditures reported on Schedule 1. These amounts should agree. If a crosswalk exists between the accounting ledgers and the EOYR, verify [determine] that the crosswalk agrees with the accounting ledgers in total and trace a sample of expenditures from the crosswalk to the accounting ledger.	Traced amounts reported for General Fund education expenditures from Schedule 1, line 1850 to the accounting ledger report/crosswalk. Traced the General Fund education expenditures reported on the District's accounting ledger/crosswalk to expenditures reported on Schedule 1. Determined that the crosswalk agrees with the accounting ledger in total and traced all expenditures from the crosswalk to the general ledger.	Performed procedures without exception.
4. Trace the amounts reported for a sample of DESE functions (i.e., teachers, principals), object codes (i.e., professional salaries (01), other salaries (02), and other expenditures (04-06)) and DESE programs (i.e., regular day, special education, etc.) in Schedule 1 to the detail in the accounting ledgers or to the crosswalk, if applicable. These amounts should agree.	Selected a sample of DESE functions reported in Schedule 1 and traced the amounts reported by function, object code, and DESE program to the general ledger report/crosswalk.	Performed procedure without exception.
5. Test Extraordinary Maintenance (4300) expenditures for the following: Verify [determine] that expenditures do not include salaries; verify [determine] that the expenditures include applicable principal portions of a loan or the cost of a lease/purchase agreement; and verify [determine] that expenditures classified as Extraordinary Maintenance (4300) do not exceed the per project per school dollar limit for extraordinary maintenance of $150,000. Trace the expenditures to the detail in the accounting ledgers.	Obtained detailed expenditure report for Extraordinary Maintenance expenditures reported on Schedule 1 of the EOYR and determined that these expenditures do not include salaries and that these expenditures include applicable principal portions of a loan or the cost of a lease/purchase agreement, if applicable. Determined that these expenditures do not exceed the per project per school dollar limit for extraordinary maintenance of $150,000.	Not applicable - The District did not have any Extraordinary Maintenance expenditures in 2023.

[determine] that BAN's are not included in these functions. Trace the reported costs to the treasurer's debt schedule. Trace the reported amount to the detail in the accounting ledgers. These amounts should agree. ***Note: If the District received a lump sum wait list or progress payment from the Massachusetts School Building Authority (MSBA), verify [determine] that the revenue was reported on line 130 and that expenses were reported for paydown of principal (8100) or Purchase of Land and Buildings (7100, 7200) if applicable.***	and to detail in the accounting ledgers and determined that BAN's are not included in these functions. If the District received a lump sum wait list or progress payment from the Massachusetts School Building Authority (MSBA), determined that the revenue was reported on line 130 and that expenses were reported for paydown of principal (8100) or Purchase of Land and Buildings (7100,7200).	
11. Trace the expenditures for tuition payments to other public-school Districts in state (9100), to out of state schools (9200), to non-public schools (9300), to member collaboratives (9400), and assessments to member regional school Districts (9500) to the detail in the accounting ledgers. These amounts should agree. Note: If the District prepaid FY24 special education tuition, verify [determine] that prepaid tuition was not included as an FY23 expense. If the District prepaid FY23 tuition from FY22, that amount should be included as an FY23 expense.	Traced the expenditures for tuition payments to other public-school Districts in state (9100), to out of state schools (9200), to non-public schools (9300), to member collaboratives (9400), and assessments to member regional school Districts (9500) to the accounting ledgers. Inspected supporting documentation (invoices) for prepaid special education tuition and determined that the District did not include FY24 special education tuition as an expenditure on the EOYR, but if the District prepaid FY23 tuition from FY22, that amount was included as an FY23 expenditure on the EOYR.	Performed procedure without exception.
12. For municipal expenditures that result in services directly related to the school committee:		
a. Obtain a copy of a written agreement between the School Committee and municipal officials documenting agreed upon methodologies to be used when allocating, distributing or assigning Municipal expenditures to the District.	Not applicable as this is a regional school district.	

e. Ensure amounts reported as Districtwide expenditures cannot be assigned to a specific school.	Determined that Districtwide expenditures were not assignable to a specific school.	Not applicable as there were no district-wide costs reported.
Schedule 4		
15. Ascertain the methodology used to allocate, distribute, or assign special education costs to the placement categories on Schedule 4 and review the propriety of the methodology. Test the amounts reported on Schedule 4 using this methodology. These amounts should agree.	Obtained the methodology used to allocate, distribute, or assign special education costs to the placement categories on Schedule 4. Determined through comparison that the methodology was consistent with prior years and is based on the number of special education students reported by placement code or direct expenditures reported by placement code. Recalculated the amounts reported on Schedule 4 based on the methodology.	Performed procedures without exception.
Schedule 7		
16. Trace the transportation expenditures reported on Schedule 7 to the transportation expenditures reported on Schedule 1. These amounts should agree. Ensure that all expenditures reported do not include unliquidated encumbrances. Determine the methodology used to allocate transportation expenditures on Schedule 7 and verify [determine] the accuracy of the allocations. Also, if applicable, verify [determine] that reimbursable expenditures have been reduced by transportation revenue received from students transported.	Traced transportation expenditures reported on Schedule 7 to transportation expenditures reported on Schedule 1 and determined that expenditures reported did not include unliquidated encumbrances. Obtained supporting documentation of the District's methodology used to allocate transportation expenditures on Schedule 7 and recalculated the amounts reported based on the methodology. If transportation fees are reported on Schedule 1, traced reimbursable expenditures reported to the underlying support (and ensured that expenditures were reduced by any transportation revenue received).	Performed procedures without exception.
17. Determine if there is adequate detail to support amounts reported (expenses and riders) for special education pupils transported outside the District.	Obtained supporting documentation (reports from accounting system and rider lists) to support amounts reported (expenses and riders)	Performed procedure without exception.

Part A.1 as filed/amended to determine if all changes were reported.		
21. Determine amounts budgeted in Schedule 19 Part A.2 are consistent with methodologies outlined in the agreement noted in procedure II A. 4 a. above.	Obtained documentation to support the amounts budgeted in Schedule 19, Part A.2. Recalculated the amounts in accordance with the methodologies identified in procedure II A. 4 a. above.	Performed procedure without exception.
22. Determine that retiree health insurance (5250) is reported separately.	Observed Line 7490 to confirm whether amounts were reported for retiree health insurance (5250) and that retiree health insurance (5250) is reported separately.	Performed procedure without exception.