



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

Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Selectmen and School Committee
To the Town of Millbury, Massachusetts

We have performed the procedures enumerated below, which were agreed to by the management of the Town of Millbury, Massachusetts (the Town), solely to assist the Town in evaluating the Town's compliance with the requirements applicable to the preparation and filing of the Town's End-of-Year Financial Report (EOYR) for the year ended June 30, 2021. The Town's management is responsible for its compliance with those requirements.

The Town 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 (DESE) *Compliance Supplement for Massachusetts School Districts Agreed Upon Procedures Engagements* related to the End-of-Year Financial Report prepared by the Town for the year ended June 30, 2021. 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. We have listed instances of noncompliance in the accompanying Schedule of Findings.

We were engaged by the Town to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants (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.

Merrimack, New Hampshire
Andover, Massachusetts
Greenfield, Massachusetts
Ellsworth, Maine

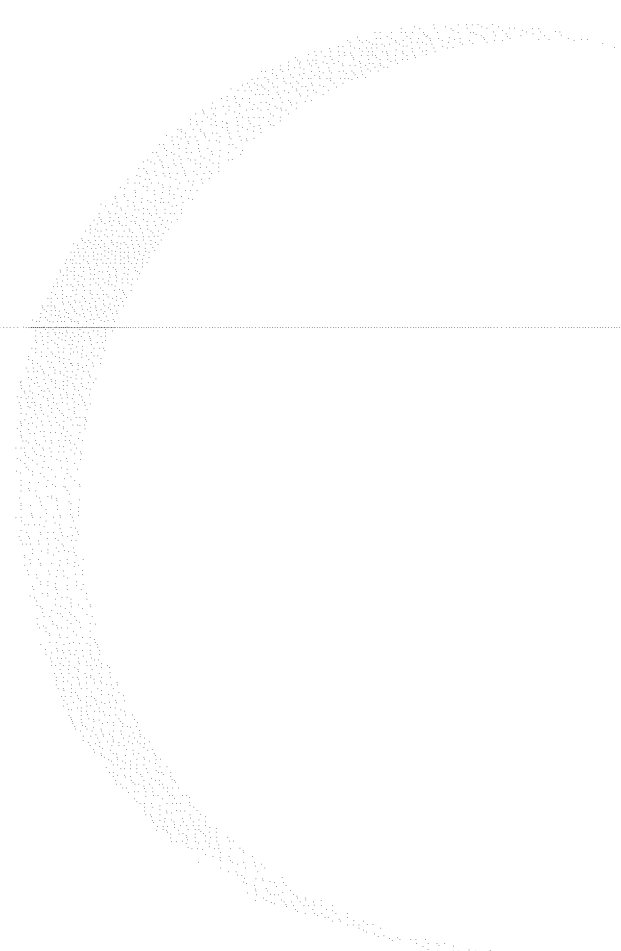
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We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

Melanson

Andover, Massachusetts
June 21, 2022



SCHEDULE OF FINDINGS

1. Properly Report Capital Expenditures on Schedule 1

Applicable DESE Compliance Requirement: 10

DESE's compliance supplement requires that if the Town received a lump sum wait list or progress payment from the Massachusetts School Building Authority (MSBA), the revenue should be reported on line 130 and expenses reported for paydown of principal, or Purchase of Land and Buildings, if applicable.

Finding

Expenditures related to MSBA projects were not reported accurately on Schedule 1 as the amount reported included total project expenditures. Consequently, Line 2100, Purchase of Land & Buildings, Column 5, is overstated by \$7,809,546.

Recommendation

We understand that an amendment has been filed to correct this issue.

2. Properly Report Town Costs in Accordance with the Written Agreement

Applicable DESE Compliance Requirement: 12, 21

DESE requires that Town expenditures on behalf of the School be allocated on the End-of-Year Financial Report based on a methodology that is included in a written agreement between the Town and the School.

Finding

While the Town and School have a written indirect cost agreement, various elements were not reported in accordance with the agreement.

Recommendation

The written agreement between the Town and School should be updated to reflect current allocations.