

TOWN OF BLACKSTONE, MASSACHUSETTS
UNIFORM GUIDANCE REPORTS
YEAR ENDED JUNE 30, 2024



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE 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 Blackstone, Massachusetts

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the Town of Blackstone, Massachusetts' (the Town) 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 the Town's major federal program for the year ended June 30, 2024. The Town's major federal program is 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 its major federal program for the year ended June 30, 2024.

Basis for Opinion on the 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; 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 the 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 program.

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 the 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.

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 2024-001 and 2024-002. Our opinion on the major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the Town's responses to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Town's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002 to be significant deficiencies.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the Town's responses to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Town's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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.

Honorable Board of Selectmen
Town of Blackstone, Massachusetts

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 September 2, 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.



CliftonLarsonAllen LLP

Boston, Massachusetts
January 24, 2026

**TOWN OF BLACKSTONE, MASSACHUSETTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-Through Grantor/ Program	Assistance Listing Number	Pass-Through Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Treasury				
Passed-Through the State Department of Revenue:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Not Available	\$ 913,339	\$ -
Total Expenditures of Federal Awards			<u>\$ 913,339</u>	<u>\$ -</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**TOWN OF BLACKSTONE, MASSACHUSETTS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2024**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Town of Blackstone, Massachusetts (the Town) under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of 2 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, changes in net position, or cash flows of the Town.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement.

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

**TOWN OF BLACKSTONE, MASSACHUSETTS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

Section I – Summary of Auditors’ Results

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 Subpart F, Section 516(a) of the Uniform Guidance? X yes _____ no

Identification of Major Federal Programs

21.027 COVID-19 Coronavirus State and Local Fiscal Recovery Funds

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 BLACKSTONE, MASSACHUSETTS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Section II – Financial Statement Findings

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

Section III – Findings and Questioned Costs – Major Federal Programs

UNITED STATES DEPARTMENT OF TREASURY

2024 – 001

Federal Agency:	U.S. Department of Treasury
Federal Programs:	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
Assistance Listing Number:	21.027
Pass-Through Agency:	State Department of Revenue
Pass-Through Number(s):	Not Available
Award Period:	July 1, 2023 – June 30, 2024
Compliance Requirement:	Reporting
Type of Finding:	Significant Deficiency in Internal Control Over Compliance, Other Matters

Criteria or Specific Requirement: Per the U.S. Treasury's Project and Expenditure Report User Guide, each State and Local Fiscal Recovery Fund (SLFRF) recipient is required to submit periodic reports with current performance and/or financial information including background information about the SLFRF projects that are the subjects of the reports; and financial information with details about obligations, expenditures, director payments, and subawards. The Project and Expenditure Reports are required to be submitted by specified dates in the User Guide to the U.S. Department of Treasury.

Condition: The annual project and expenditure report selected for testing was not submitted by the required due date.

Context: The condition above occurred for the one annual report that was due during the year under audit.

Questioned Costs: None.

Cause: Procedures were not in place to file the report timely.

Effect: The report was filed after the due date.

Repeat Finding: No

Recommendation: We recommend procedures be strengthened to file reports timely.

Views of Responsible Officials: Management agrees with the finding.

**TOWN OF BLACKSTONE, MASSACHUSETTS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

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

UNITED STATES DEPARTMENT OF TREASURY

2024 – 002

Federal Agency:	U.S. Department of Treasury
Federal Programs:	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
Assistance Listing Number:	21.027
Pass-Through Agency:	State Department of Revenue
Pass-Through Number(s):	Not Available
Award Period:	July 1, 2023 – June 30, 2024
Compliance Requirement:	Procurement, Suspension and Debarment
Type of Finding:	Significant Deficiency in Internal Control Over Compliance, Other Matters

Criteria or Specific Requirement: The Code of Federal Regulations (CFR) Title 2 Part 200.214 states that nonfederal entities are subject to the nonprocurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR part 180. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities. Nonfederal entities must verify that contracts with certain parties are not debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

Condition: The Town did not document verification that certain vendors were not suspended or debarred from participation in Federal assistance programs or activities. The vendors in our audit sample were not suspended or debarred.

Context: The condition above occurred for four vendors in our audit sample.

Questioned Costs: None.

Cause: Procedures were not in place to document the verification that all vendors were not suspended or debarred from participation in Federal assistance programs or activities.

Effect: Lack of verification of vendors' debarment or suspension status could cause federal grant funds to be expended with vendors that are excluded from participation in Federal assistance programs or activities.

Repeat Finding: No

Recommendation: We recommend to annually (at a minimum) document the verification that all vendors are not suspended or debarred from participation in Federal assistance programs or activities.

Views of Responsible Officials: Management agrees with the finding.



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