

CITY OF TAUNTON, MASSACHUSETTS

SINGLE AUDIT REPORT

YEAR ENDED JUNE 30, 2014

CITY OF TAUNTON, MASSACHUSETTS

June 30, 2014

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To the Honorable Mayor and Members of the City Council
City of Taunton
Taunton, Massachusetts

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*

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-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Taunton, Massachusetts ("the City"), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 24, 2015.

Our report includes a reference to other auditors who audited the financial statements of the Taunton Municipal Lighting Plant, as described in our report on March 24, 2015's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the 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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Internal Control over Financial Reporting

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.

Continued

City of Taunton, Massachusetts

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's 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 determination of financial statement amounts. 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.

Handwritten signature in cursive script that reads "Hague, Sabady & Co. PC".

Fall River, Massachusetts
March 24, 2015

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To the Honorable Mayor and Members of the City Council
City of Taunton
Taunton, Massachusetts

Independent Auditor's Report on Compliance for Each Major Program
and on Internal Control over Compliance Required by OMB Circular A-133

Report on Compliance for Each Major Federal Program

We have audited City of Taunton, Massachusetts's ("the City's") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of City's major federal programs for the year ended June 30, 2014. City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City's 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 City's 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 City's compliance.

Opinion on Each Major Federal Program

In our opinion, City 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, 2014.

City of Taunton, Massachusetts

Report on Internal Control over Compliance

Management of City 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 City's 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 OMB Circular A-133, 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 City's 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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Taunton, Massachusetts ("the City"), as of and for the year ended June 30, 2014 and the related notes to the financial statements, which collectively comprise the City's basic financial statements for the year then ended, and have issued our report thereon dated March 25, 2014, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the 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 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 financial statements or to the 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 Expenditure of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Fall River, Massachusetts
March 24, 2015

CITY OF TAUNTON, MASSACHUSETTS

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2014

	CFDA Number	Grantor/Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures	
<u>US Department of Agriculture</u>					
<i>Passed through from the Massachusetts Department of Early and Secondary Education</i>					
Food and nutrition Cluster					
School Breakfast Program	10.553	DOENUT	\$ 431,175	\$ 431,175	Major
National School Lunch Program - cash assistance	10.555	DOENUT	2,300,773	2,300,773	Major
National School Lunch program - non-cash assistance	10.555	DOENUT	233,593	233,593	Major
Summer Food Service	10.559	DOENUT	83,875	<u>83,875</u>	Major
Total National School Lunch Program Cluster				3,049,416	
Fresh Fruit and Vegetable Program	10.582	DOENUT	7,906	<u>7,906</u>	
Total US Department of Agriculture				<u>3,057,322</u>	
<u>US Department of Defense</u>					
<i>US Department of Defense (Direct)</i>					
US Airforce Junior ROTC	12.357	Unknown	130,177	<u>130,177</u>	
Total US Department of Defense				<u>130,177</u>	
<u>US Department of Housing and Urban Development</u>					
<i>US Department of Housing and Urban Development (Direct)</i>					
Community Development Block Grant - Entitlement Grants	14.218	B-13-MC-25-0034	877,478	877,478	
HOME Investment Partnerships Program	14.239	M13-DC250218	495,910	495,910	Major
CDBG- Brownfields Economic Development Initiative	14.246	B-11-BD-25-1009	424,385	<u>424,385</u>	
Total Direct Program				<u>1,797,773</u>	
<i>Passed through City of Taunton's Office of Economic and Community Development</i>					
Community Development Block Grant - Entitlement Grant	14.218	B-13-MC-25-0034	32,618	32,618	
Community Development Block Grant - Entitlement Grant	14.218	B-13-MC-25-0034	15,000	<u>15,000</u>	
Total pass-through from the City of Taunton's Office				<u>47,618</u>	
Total US Department of Housing and Urban Development				<u>1,845,391</u>	

CITY OF TAUNTON, MASSACHUSETTS

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2014

	<u>CFDA Number</u>	<u>Grantor/Pass-Through Grantor's Number</u>	<u>Program or Award Amount</u>	<u>Disbursements/ Expenditures</u>	
<u>US Department of Justice</u>					
<i>US Department of Justice (Direct)</i>					
Law Enforcement Block Grant	16.592	Unknown	16,182	16,182	
Secure Our Schools	16.710	Unknown	13,458	<u>13,458</u>	
Total US Department of Justice				<u>29,640</u>	
<u>US Department of Transportation</u>					
<i>US Department of Transportation (Direct)</i>					
Airport Improvement Program	20.106	Unknown	107,334	<u>107,334</u>	
Total US Department of Transportation				<u>107,334</u>	
<u>US Department of Environmental Protection Agency</u>					
<i>US Department of Environmental Protection Agency (Direct)</i>					
Brownfields Assessment Program	66.818	BF-96132101-2	200,000	18,440	Major
Brownfields RLF Program	66.818	BF-97180001-3	1,800,000	<u>436,909</u>	Major
Total US Department of Environmental Protection Agency				<u>455,349</u>	

The accompanying notes are an integral part of this schedule

CITY OF TAUNTON, MASSACHUSETTS

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2014

	<u>CFDA Number</u>	<u>Grantor/Pass-Through Grantor's Number</u>	<u>Program or Award Amount</u>	<u>Disbursements/ Expenditures</u>	
<u>US Department of Education</u>					
<i>Passed through Massachusetts Department of Early and Secondary Education:</i>					
Title I - School Improvement - FY13	84.010	323-040-3-0293-N	28,783	28,783	
Title I, Part A - FY13	84.010	Unknown	1,839,878	348,410	
Title I, Part A - FY14	84.010	Unknown	1,847,443	1,568,478	
Title I, Part A Carryover - FY13	84.010	Unknown	192,358	15,883	
Title I, at Risk Students - FY13	84.010	320-071-3-0293-N	30,000	2,446	
Title I, at Risk Students - FY14	84.010	320-095-4-0293-O	50,000	<u>45,220</u>	
Total Title I, Part A Cluster, passed through the Massachusetts Department of Early and Secondary Education				<u>2,009,220</u>	
Special Education Cluster (IDEA):					
<i>Passed through Massachusetts Department of Early and Secondary Education:</i>					
SPED Program Improvement - FY13	84.027	274-103-3-0293-N	58,462	23,132	Major
SPED Program Improvement - FY14	84.027	274-281-4-0293-O	33,028	22,812	Major
SPED IDEA, Part B - FY13	84.027	240-241-3-0293-N	1,688,689	18,915	Major
SPED IDEA, Part B - FY14	84.027	240-218-4-0293-O	2,230,417	2,059,297	Major
SPED IDEA, Part B Carryover - FY13	84.027	240-329-3-0293-N	1,340,339	197,779	Major
SPED IDEA, Part B Carryover - FY14	84.027	240-093-4-0293-O	634,309	626,010	Major
SPED Childhood Allocation - FY13	84.173	VC6000192003	77,418	1,190	Major
SPED Childhood Allocation - FY14	84.173	VC6000192003	74,895	70,197	Major
SPED Early Childhood Program Improvement - FY13	84.173	298-041-3-0293-N	4,750	3,390	Major
SPED Early Childhood Program Improvement - FY14	84.173	298-334-4-0293-O	4,275	3,050	Major
Total SPED Education Cluster (IDEA) passed through the Massachusetts Department of Early and Secondary Education				<u>3,025,772</u>	
Total SPED Education Cluster (IDEA)				<u>3,025,772</u>	

The accompanying notes are an integral part of this schedule

CITY OF TAUNTON, MASSACHUSETTS

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2014

	<u>CFDA Number</u>	<u>Grantor/Pass-Through Grantor's Number</u>	<u>Program or Award Amount</u>	<u>Disbursements/ Expenditures</u>
<u>US Department of Education (Continued)</u>				
<i>Passed through Massachusetts Department of Early and Secondary Education:</i>				
Vocational Education - Basic grants to States - FY13	84.048	400-036-3-0293-N	68,169	11,148
Vocational Education - Basic grants to States - FY14	84.048	400-008-4-0293-O	67,568	63,040
Elementary and Secondary School Counseling - FY12	84.215E	Q215E110310	363,430	1,259
Elementary and Secondary School Counseling - FY13	84.215E	Q215E110310	370,949	64,923
Elementary and Secondary School Counseling - FY14	84.215E	Q215E110310	379,188	311,946
Twenty-First Century Community Learning Center - FY13	84.287	647-071-3-0293-N	127,500	49,610
Twenty-First Century Community Learning Center - FY14	84.287	647-040-4-0293-O	173,485	159,320
Twenty-First Century Community Learning Center - FY13	84.287	647-093-3-0293-N	141,992	82,495
Twenty-First Century Community Learning Center - FY14	84.287	647-045-4-0293-O	26,008	18,831
Twenty-First Century Parker Power - FY14	84.287	647-082-4-0293-O	90,514	73,378
Title III English Language - FY13	84.365	180-056-3-0293-N	26,718	6,890
Title III English Language - FY14	84.365	180-057-4-0293-O	28,222	8,764
Title III English Language Carryover - FY13	84.365	180-062-3-0293-N	17,364	14,502
Title III English Language Carryover - FY14	84.365	180-064-4-0293-O	19,827	19,827
Title IIA - FY13	84.367	Unknown	352,756	132,650
Title IIA - FY14	84.367	Unknown	168,979	130,980
Title IIA Carryover, FY13	84.367	140-061-3-0293-N	113,730	94,740
Total passed through from the Massachusetts Department of Early and Secondary Education				<u>1,244,303</u>
Total U.S. Department of Education				<u>6,279,295</u>

The accompanying notes are an integral part of this schedule

CITY OF TAUNTON, MASSACHUSETTS

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2014

	<u>CFDA Number</u>	<u>Grantor/Pass-Through Grantor's Number</u>	<u>Program or Award Amount</u>	<u>Disbursements/ Expenditures</u>	
<u>US Department of Health and Human Services</u>					
<i>Passed through Massachusetts Executive Office of Health and Human Services:</i>					
Medical Assistance Program	93.778	Unknown	304,785	<u>304,785</u>	
Total passed through program Massachusetts Executive Office of Health and Human Services				<u>304,785</u>	
Total US Department of Health and Human Services				<u>304,785</u>	
<u>US Department of Homeland Security</u>					
<i>US Department of Homeland Security (Direct)</i>					
Assistance to Firefighters Grant	97.044	EMW-2012-FO-05515	124,000	124,000	
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2011-FH-00861	1,345,784	<u>570,384</u>	Major
Total US Department of Justice (Direct)				<u>694,384</u>	
<i>Passed through State United Way Organization</i>					
Emergency Food and Shelter Program	97.024	Unknown	2,564	<u>2,564</u>	
Total pass-through from State United Way Organization				<u>2,564</u>	
Total US Department of Homeland Security				<u>696,948</u>	
Total Federal Expenditures				<u>\$ 12,906,241</u>	

The accompanying notes are an integral part of this schedule

CITY OF TAUNTON, MASSACHUSETTS

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2014

NOTE 1. Definition of Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards presents activity of all financial assistance programs of the City of Taunton, Massachusetts. All federal financial assistance received directly from a federal agency as well as federal financial assistance passed through other governmental agencies is included on this schedule.

NOTE 2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting.

(a) School Cafeteria Programs

The City accounts for local, state, and federal expenditures of the National School Lunch and School Breakfast programs in one combined fund. Program expenditures in the accompanying schedule of expenditures of federal awards represent federal reimbursements for meals provided during the fiscal year ending June 30, 2014.

(b) Food Distribution Program

Noncash contributions of commodities under the Food Distribution program are received under a state distribution formula and are valued at federally published wholesale prices for purposes of this schedule. Such commodities are not recorded in the financial records, although memorandum records are maintained.

NOTE 3. Subrecipients:

Of the Federal Expenditures presented in the Schedule of Expenditures, the City provided Federal awards to subrecipients as follows:

Program Title	Federal CFDA Number	Amount Provided To Subrecipients
Community Development Block Grant - Entitlement	14.218	\$ 103,038
HOME Investment Partnership Development Initiative	14.239	90,000
Title II, Part A	84.367	6,537

Continued

CITY OF TAUNTON, MASSACHUSETTS

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2014

NOTE 4. Program Income:

Of the federal expenditures and award amounts presented in the Schedule of Expenditures of Federal Awards, the City included program income as follows:

Program Title	Federal CFDA Number	Amount Recorded As Program Income
National School Lunch Program Cluster	10.555	\$ 810,985
Community Development Block Grant	14.218	49,874
HOME Investment Partnership Program	14.239	56,462
Brownfields Pilots Cooperative Agreements	66.818	53,261

NOTE 5. Loan Transactions

Included in the Schedule of Expenditures of Federal Awards there were loans totaling \$484,869 related to the Community Development Block Grant (CDBG) and loans totaling \$447,469 related to HOME Investment Partnership Program, for the year ended June 30, 2014.

NOTE 6. Program Cluster:

In accordance with Support AE_ .105 of OMB Circular No. A-133, Audits of States, Local Governments and Non-Profit Organizations, certain programs have been clustered in determining major programs. The following represent the cluster programs:

National School Lunch Cluster

National School Breakfast Program	10.553
National School Lunch Program	10.555
Summer Food Service	10.559

Community Development Block Grant Cluster

Community Development Block Grant – Entitlement Grants	14.218
CDBG - Brownfields Economic Development Initiative	14.246

Special Education Cluster

SPED - Program Improvement - FY12	84.027
SPED Preschool Grants	84.173

NOTE 7. Non-Cash Assistance

Included within the expenditures of the Child Nutrition Cluster in the Schedule of Expenditures of Federal Awards is \$233,593 of USDA donated agricultural commodities that the City received during fiscal year 2014.

CITY OF TAUNTON, MASSACHUSETTS

Schedule of Findings and Questioned Costs

Year Ended June 30, 2014

Summary of Audit Results

Financial Statements:

We have audited the financial statements of the City of Taunton, Massachusetts, as of and for the year ended June 30, 2014 and have issued our reports thereon dated March 24, 2015. We conducted our audit 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 with the requirements of the *U.S. Office of Management and Budget (OMB) Circular A-133*. The results of our audit are as follows:

Type of Report issued on the Financial Statements	Unmodified
Internal Control over Financial Reporting:	
Significant Deficiencies Identified?	No
Material Weaknesses Identified?	No
Noncompliance Material to the Financial Statements Noted?	No

Federal Awards

Internal Control over Major Programs:

Significant Deficiencies Identified?	No
Material Weaknesses Identified?	No

Type of Report on Compliance for Major Programs:

Child Nutrition Cluster (CFDA 10.553, 10.555 and 10.559)	Unmodified
HOME Investment Partnership Program (CFDA 14.239)	Unmodified
Brownfields Pilot Cooperative Agreement (CFDA 66.818)	Unmodified
SPED Program Improvement (CFDA 84.027 and 84.173)	Unmodified
Staffing for Adequate Fire and Emergency Response (CFDA 97.083)	Unmodified

Disclosure of Audit Findings required to be reported under Section .510(a) Of OMB Circular A-133:	No
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Identification of Major Programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Child Nutrition Cluster	10.553, 10.555 and 10.559
HOME Investment Partnership Program	14.239
Brownfields Pilot Cooperative Agreement	66.818
SPED Program Improvement	84.027 and 84.173
Staffing for Adequate Fire and Emergency Response	97.083

Threshold for distinguishing Type A and Type B Programs was \$387,187.

The City of Taunton, Massachusetts does not qualify as a low risk auditee.

CITY OF TAUNTON, MASSACHUSETTS

Schedule of Findings and Questioned Costs

Year Ended June 30, 2014

Findings - Financial Statement Audit:

None Noted.

Findings and Questioned Costs for Federal Awards:

None Noted.

CITY OF TAUNTON, MASSACHUSETTS

Summary of Prior Year Audit Findings

Year Ended June 30, 2014

Findings - Financial Statement Audit

None Noted.

Findings Which are Required to be Reported Over Major Programs

Finding 2013-001

The Office of Economic and Community Development did not comply with the Compliance Requirements for Housing Quality Standards

Information on Federal Program:

U.S. Department of Housing and Urban Development, HOME Investment Partnerships Program - CFDA No. 14.239; Grant ID - Various; Grant Period – Various

Condition:

The Office of Economic and Community Development did not perform on-site inspections of rental housing occupied by tenants to determine compliance with housing quality standards.

Recommendation:

It was recommended that the Office of Economic and Community Development implement a system to monitor and conduct on-site inspections of rental housing no less than: (a) every 3 years for projects containing 1 to 4 units, (b) every 2 years for projects containing 5 to 25 units, and © every year for projects containing 26 or more units.

Current Status:

This funding has been resolved in the current year.

Finding 2013-002

The School Lunch Department did not Maintain Required Equipment Records.

Information on Federal Programs:

U.S. Department of Agriculture, passed through the Massachusetts Department of Early and Secondary Education, National School Lunch Program Cluster - CFDA 10.553, 10.555, and 10.559; Grant Period July 1, 2012 through June 30, 2013.

Condition:

The School Department did not require all employees who work solely on a single Federal award to provide certifications signed by the employee or supervisor.

Recommendation:

The School Department should develop a policy to ensure that all employees will be paid out of one single Federal award complete semi-annual certifications to file as part of a semi-annual procedure. Each employee should have a certification on record based on Circular A-87h. (3) as revised by 2 CFR 225.

Current Status:

This finding has been resolved in the current year.

CITY OF TAUNTON, MASSACHUSETTS

Summary of Prior Year Audit Findings

Year Ended June 30, 2014

Findings - Financial Statement Audit

None Noted.

Findings Which are Required to be Reported Over Major Programs

Finding 2013-003

The School Lunch Department Did Not Obtain or Maintain Payroll Certification for Employees Who Work for a Single Federal Program

Information on Federal Program:

U.S. Department of Agriculture, passed through the Massachusetts Department of Early and Secondary Education, National School Lunch Program Cluster - CFDA 10.553, 10.555, and 10.559; Grant Period July 1, 2012 through June 30, 2013.

Condition:

The School Department did not require all employees who work solely on a single Federal award to provide certifications signed by the employee or supervisor.

Recommendation:

The School Department should develop a policy to ensure that all employees will be paid out of one single Federal award complete semi-annual certifications to file as part of a semi-annual procedure. Each employee should have a certification on record based on Circular *A-87h* (3) as revised by 2 *CFR* 225.

Current Status:

This finding has been resolved in the current year.