



## **COUNTY OF BARNSTABLE, MASSACHUSETTS**

Independent Auditor's Reports Pursuant  
to Government Auditing Standards  
and Uniform Guidance

For the Year Ended June 30, 2021

## TABLE OF CONTENTS

	<u>Page</u>
<b>Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i></b>	1
<b>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</b>	3
Schedule of Expenditures of Federal Awards	7
Notes to Schedule of Expenditures of Federal Awards	9
Schedule of Findings and Questioned Costs	10



**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**

**INDEPENDENT AUDITOR'S REPORT**

To the Honorable County Commissioners  
County of Barnstable, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Barnstable, Massachusetts (the County), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 26, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing 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 County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's 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.

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

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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.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County'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 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.

A handwritten signature in black ink that reads "Melanson".

Andover, Massachusetts  
September 26, 2022



**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**

**INDEPENDENT AUDITOR'S REPORT**

To the Honorable County Commissioners  
County of Barnstable, Massachusetts

**Report on Compliance for Each Major Federal Program**

We have audited the County of Barnstable, Massachusetts' (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2021. The County'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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the County'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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 the



County'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 the County's compliance.

***Basis for Qualified Opinion on COVID-19 – Coronavirus Relief Fund***

As described in the accompanying Schedule of Findings and Questioned Costs, the County did not comply with requirements regarding Assistance Listing 21.019 COVID-19 – Coronavirus Relief Fund as described in finding number 2021-001 for Subrecipient Monitoring.

Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

***Qualified Opinion on COVID-19 – Coronavirus Relief Fund***

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the COVID-19 – Coronavirus Relief Fund for the year ended June 30, 2021.

The County's response to the finding identified in our audit is described in the accompanying Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

***Unmodified Opinion on Each of the Other Major Federal Programs***

In our opinion, the County 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 other major federal programs identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs for the year ended June 30, 2021.

**Report on Internal Control Over Compliance**

Management of the County 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 the County'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 the Uniform Guidance, 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 the County'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 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 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, we did identify a deficiency in internal control over compliance, described in the accompanying Schedule of Findings and Questioned Costs as item 2021-001, that we consider to be a significant deficiency.

The County's response to the internal control over compliance finding identified in our audit is described in the accompanying Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Barnstable, Massachusetts (the County) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated September 26, 2022, 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.

A handwritten signature in black ink that reads "Melanson".

Andover, Massachusetts  
September 26, 2022





**COUNTY OF BARNSTABLE, MASSACHUSETTS**

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2021

<b>Federal Agency</b>	Federal	Pass Through	Federal	Passed
Cluster	AL	Identifying	Expenditures	Through to
Pass-through Agency	<u>Number</u>	<u>Number</u>		<u>Subrecipient</u>
Program Title				
<b>U.S. Department of Agriculture</b>				
SNAP Cluster				
Passed Through the University of Massachusetts				
Supplemental Nutrition Assistance Program	10.551	19-010097A00	\$ 6,634	\$ -
Total SNAP Cluster			6,634	-
Direct Program				
Farmers Market and Local Food Promotion Program	10.175	Not Applicable	2,358	-
Passed Through the Southeastern Massachusetts Pine Barron Alliance				
Cooperative Forestry Assistance	10.664	17-DG-14420004-249	1,847	-
Passed Through the Massachusetts Department of Agriculture				
Farm and Ranch Lands Protection Program	10.913	20AQUACAPECODCOOP000	37,500	-
Farm and Ranch Lands Protection Program	10.913	21AQUACAPECODSEMACE00	19,131	-
Total Farm and Ranch Lands Protection Program	10.913		<u>56,631</u>	<u>-</u>
Total U.S. Department of Agriculture			67,470	-
<b>U.S. Department of Commerce</b>				
Economic Development Cluster				
Direct Federal Program				
Economic Adjustment Assistance	11.307	Not Applicable	305,503	-
Passed Through the University of Massachusetts Dartmouth				
Economic Adjustment Assistance	11.307	ED20PHI3070037	<u>203,198</u>	<u>-</u>
Total Economic Adjustment Assistance	11.307		<u>508,701</u>	<u>-</u>
Total Economic Development Cluster			508,701	-
Direct Federal Program				
Economic Development Support for Planning Organizations	11.302	Not Applicable	70,741	-
Passed Through the WHOI/Sea Grant Program				
Sea Grant Support	11.417	Not Available	<u>350,142</u>	<u>-</u>
Total U.S. Department of Commerce			929,584	-
<b>U.S. Department of Housing and Urban Development</b>				
Direct Federal Program				
HOME Investment Partnerships Program	14.239	Not Applicable	436,398	-
Continuum of Care Program	14.267	Not Applicable	<u>180,558</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development			616,956	-
<b>U.S. Department of Justice</b>				
Direct Federal Program				
COVID-19 - Coronavirus Emergency Supplemental Funding	16.034	Not Applicable	58,008	-
Passed Through the Massachusetts Victim and Witness Assistance Board				
Crime Victim Assistance	16.575	Not Available	<u>266,079</u>	<u>-</u>
Total U.S. Department of Justice			324,087	-

(continued)

The accompanying notes are an integral part of this schedule.

(continued)

COUNTY OF BARNSTABLE, MASSACHUSETTS

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2021

<b>U.S. Department of Transportation</b>				
Passed Through the Massachusetts Department of Transportation				
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	108054	191,267	-
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	112302	423,410	-
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	110885	<u>8,717</u>	<u>-</u>
Total Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505		<u>623,394</u>	<u>-</u>
Total U.S. Department of Transportation			623,394	-
<b>U.S. Department of the Treasury</b>				
Passed Through the Massachusetts Executive Office for Administration and Finance				
COVID-19 - Coronavirus Relief Fund	21.019	FY21COUNTYBARNSCOVID	271,287	169,754
Passed Through the Massachusetts Department of Public Health				
COVID-19 - Coronavirus Relief Fund	21.019	INTF1208PP1W20153025	40,000	-
COVID-19 - Coronavirus Relief Fund	21.019	INTF1208PP1W20153025	<u>200,000</u>	<u>-</u>
Total COVID-19 - Coronavirus Relief Fund	21.019		<u>511,287</u>	<u>169,754</u>
Total U.S. Department of the Treasury			511,287	169,754
<b>Environmental Protection Agency</b>				
Direct Federal Program				
Southeast New England Coastal Watershed Restoration Program	66.129	Not Applicable	130,746	-
Passed Through Restore America's Estuaries				
Southeast New England Coastal Watershed Restoration Program	66.129	SNEPWG18-0-CCC	219,603	-
Passed Through the University of Southern Maine				
Southeast New England Coastal Watershed Restoration Program	66.129	SNEP1-09	<u>37,878</u>	<u>-</u>
Total Southeast New England Coastal Watershed Restoration Program	66.129		<u>388,227</u>	<u>-</u>
Passed Through the Massachusetts Department of Environmental Protection				
Nonpoint Source Implementation Grants	66.460	CTEQE5014CTYBARNSTABLE	<u>194,854</u>	<u>-</u>
Total Environmental Protection Agency			583,081	-
<b>U.S. Department of Health and Human Services</b>				
Direct Federal Program				
COVID-19 - Provider Relief Funds	93.498	Not Applicable	76	-
Passed Through the National Association of Cities and Counties				
Medical Reserve Corps Small Grant Program	93.008	MRC 15-0099	780	-
Passed Through the Massachusetts Department of Public Health				
Public Health Emergency Preparedness	93.069	MAHB-19	156,323	-
Substance Abuse and Mental Health Services Project of Regional and National Significance	93.243	Not Available	133,802	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	INTF2903P01190128223	32,920	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	INTF2354M04301822071	64,751	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	INTF2354M04160222077	168,645	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	Not Available	<u>144,881</u>	<u>-</u>
Total Block Grants for Prevention and Treatment of Substance Abuse	93.959		411,197	-
Passed Through the Massachusetts Executive Office of Elder Affairs				
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	CTELD0364SHINEPROGRAM	<u>72,092</u>	<u>-</u>
Total U.S. Department of Health and Human Services			774,270	-
<b>U.S. Corporation for National and Community Service</b>				
Passed Through the Massachusetts Service Alliance				
AmeriCorps State and National	94.006	Not Available	<u>267,752</u>	<u>-</u>
Total U.S. Corporation for National and Community Service			<u>267,752</u>	<u>-</u>
Total Federal Expenditures			<u>\$ 4,697,881</u>	<u>\$ 169,754</u>

The accompanying notes are an integral part of this schedule.

## COUNTY OF BARNSTABLE, MASSACHUSETTS

### Notes to Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2021

#### **Note 1. Summary of Significant Accounting Policies**

- The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the County of Barnstable, Massachusetts (the County) under programs of the federal government for the year ended June 30, 2021. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (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 County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.
- Expenditures reported on the Schedule are reported on the modified 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 to reimbursement.

#### **Note 2. De Minimis Cost Rate**

The County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

#### **Note 3. Donated Personal Protective Equipment (PPE) (Unaudited)**

During fiscal year 2021, the County did not receive donated PPE from federal sources.

#### **Note 4. Provider Relief Funds**

Expenditures of Provider Relief Funds (AL #93.498) awarded from the U.S. Department of Health and Human Services (HHS) are presented on the Schedule in accordance with the reporting period established by the HHS reporting portal requirements.

**COUNTY OF BARNSTABLE, MASSACHUSETTS**

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2021

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified?  yes  no
- Significant deficiencies identified?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

**Federal Awards**

Internal control over major federal programs:

- Material weaknesses identified?  yes  no
- Significant deficiencies identified?  yes  none reported

Type of auditor's report issued on compliance for major programs:

Metropolitan Transportation Planning and State  
and Non-Metropolitan Planning and Research  
COVID-19 – Coronavirus Relief Fund Unmodified  
Qualified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  yes  no

Identification of major federal programs:

<b>AL Number(s)</b>	<b>Name of Federal Program or Cluster</b>
20.505	Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research
21.019	COVID-19 – Coronavirus Relief Fund

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

Auditee qualified as low-risk auditee?  yes  no

## SECTION II - FINANCIAL STATEMENT FINDINGS

None.

## SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

### **2021-001**      *Improve Controls and Compliance with Subrecipient Monitoring Process*

**Federal Agency:** U.S. Department of Treasury

**Award Name:** COVID-19 – Coronavirus Relief Fund

**AL Number(s):** 21.019

**Award Year:** 2021

**Compliance Requirement:** Subrecipient Monitoring

#### Type of Finding

Compliance

Internal Control Over Compliance - Significant Deficiency

#### Criteria or Specific Requirement

Uniform Guidance requires a pass-through entity to (1) identify the award and applicable requirements to the subrecipient by providing the information described in 2 CFR section 200.331(a), (2) evaluate each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward as defined in 2 CFR section 200.331(b), and (3) monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, complies with the terms and conditions of the subaward, and achieves performance goals as described in 2 CFR section 200.331(d) through (f). Management of the County is also responsible for establishing policies and procedures in accordance with Uniform Guidance and maintaining effective internal control over compliance with federal requirements that have a direct and material effect on a federal program. 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.

#### Condition and Context

Documentation of the County's compliance with the subrecipient monitoring requirements was not provided.

#### Cause

Weaknesses in the design and operation of internal control over compliance.

#### Effect

Due to the weaknesses in internal controls, there is a risk that federal amounts expended by the County's subrecipients could not be allowable or in accordance with applicable federal requirements.

Audit evidence obtained indicated that the County reviewed invoices submitted by subrecipients for allowability prior to the disbursement of funds. As a result, no questioned costs are reported, as disbursements to subrecipients appear to be for allowable activities and costs.

Recommendation

The County should establish and implement policies and procedures in order to comply with the Uniform Guidance. These policies and procedures should be inclusive of subrecipient monitoring requirements to appropriately comply with federal guidelines.

Views of Responsible Official and Planned Corrective Action

Management's views and corrective action plan is included at the end of this report after the summary schedule of prior year audit findings and status.

**SECTION IV - SCHEDULE OF PRIOR YEAR FINDINGS**

There were no findings in the prior year.



**BARNSTABLE COUNTY**  
SUPERIOR COURTHOUSE  
3195 MAIN STREET  
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BARNSTABLE, MASSACHUSETTS 02630

September 26, 2022

County of Barnstable, Massachusetts – Corrective Action Plan

Audit Finding Reference Number

2021-001 – Improve Controls and Compliance with Subrecipient Monitoring Process

Planned Corrective Action

Barnstable County will establish and implement uniform policies and procedures for subrecipient monitoring

Contact Person

Carol Coppola, Finance Director  
County of Barnstable, Massachusetts

Anticipated Completion Date

March 2023