

TOWN OF FOXBOROUGH, MASSACHUSETTS

AUDITORS' REPORT AS REQUIRED BY
OMB CIRCULAR A-133
AND *GOVERNMENT AUDITING STANDARDS*
AND RELATED INFORMATION

FOR THE YEAR ENDED JUNE 30, 2005

TOWN OF FOXBOROUGH, MASSACHUSETTS

**AUDITORS' REPORT AS REQUIRED BY OMB CIRCULAR A-133
AND *GOVERNMENT AUDITING STANDARDS* AND RELATED INFORMATION
FOR THE YEAR ENDED JUNE 30, 2005**

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Honorable Board of Selectmen
Town of Foxborough, Massachusetts

Compliance

We have audited the compliance of the Town of Foxborough, Massachusetts' with the types of compliance requirements described in the U.S. Office of Management and Budget (*OMB Circular A-133 Compliance Supplement*) that are applicable to each of its major federal programs for the year ended June 30, 2005. The Town of Foxborough, Massachusetts' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Town of Foxborough, Massachusetts' management. Our responsibility is to express an opinion on the Town of Foxborough, Massachusetts' compliance based on our audit.

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 the Town of Foxborough, Massachusetts' 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. Our audit does not provide a legal determination of the Town of Foxborough, Massachusetts' compliance with those requirements.

In our opinion, the Town of Foxborough, Massachusetts complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005.

Internal Control Over Compliance

The management of the Town of Foxborough, Massachusetts is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Town of Foxborough, Massachusetts' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with *OMB Circular A-133*.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

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 of Foxborough, Massachusetts, as of and for the year ended June 30, 2005, and have issued our report thereon dated January 17, 2006. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Town of Foxborough, Massachusetts', basic financial statements. 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board of Selectmen, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

R. E. Brown & Company

January 17, 2006

**TOWN OF FOXBOROUGH, MASSACHUSETTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2005**

PROGRAM GRANTOR/PASS-THROUGH GRANTOR/PROGRAM OR CLUSTER TITLE	FEDERAL CFDA NUMBER	GRANTOR/ PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF JUSTICE			
DIRECT PROGRAM: BUREAU OF JUSTICE ASSISTANCE LOCAL LAW ENFORCEMENT BLOCK GRANT	16.592		\$ 8,256
TOTAL DIRECT PROGRAM - BUREAU OF JUSTICE ASSISTANCE			<u>8,256</u>
PASS THROUGH PROGRAMS - COMMONWEALTH OF MASSACHUSETTS: EXECUTIVE OFFICE OF PUBLIC SAFETY			
VIOLENCE AGAINST WOMEN FORMULA GRANT	16.588		1,405
SAFE & DRUG FREE SCHOOLS - VIOLENCE PREVENTION	84.186		<u>16,492</u>
TOTAL PASS-THROUGH PROGRAMS - EXECUTIVE OFFICE OF PUBLIC SAFETY			<u>17,897</u>
TOTAL U.S. DEPARTMENT OF JUSTICE:			<u>26,153</u>
U.S. DEPARTMENT OF EDUCATION			
PASS-THROUGH PROGRAMS FROM - COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF EDUCATION:			
TITLE I - FY 05	84.010	305-055-5-0099-F	124,742
TITLE I - FY 04	84.010	305-140-4-0099-E	19,697
PL 94-142 PROJECT SUPPORT - FY 05	84.027	240-140-5-0099-F	532,399
PL 94-142 PROJECT SUPPORT - FY 04	84.027	240-087-4-0099-E	66,227
SPED PROFESSIONAL DEVELOPMENT - FY 05	84.027	274-113-5-0099-F	8,844
SPED PROFESSIONAL DEVELOPMENT - FY 04	84.027	274-074-4-0099-E	594
TITLE V - FY 05	84.151	302-065-5-0099-F	3,967
TITLE V - FY 04	84.151	302-049-4-0099-E	157
EARLY CHILDHOOD - FY 05	84.173	262-087-5-0099-F	19,105
EARLY CHILDHOOD - FY 04	84.173	262-017-4-0099-E	3,833
DRUG FREE SCHOOLS - FY 05	84.186	331-173-5-0099-F	4,700
DRUG FREE SCHOOLS - FY 04	84.186	331-168-4-0099-E	1,629
ENHANCED EDUCATION THROUGH TECHNOLOGY - FY 05	84.318	160-123-5-0099-F	3,728
ENHANCED EDUCATION THROUGH TECHNOLOGY - FY 04	84.318	160-088-4-0099-E	5
TEACHER QUALITY - FY 05	84.367	140-142-5-0099-F	38,734
TEACHER QUALITY - FY 05	84.367	140-372-5-0099-F	2,028
TEACHER QUALITY - FY 04	84.367	140-007-4-0099-E	<u>5,717</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>836,106</u>
U.S. DEPARTMENT OF AGRICULTURE:			
PASS-THROUGH PROGRAMS FROM: COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF EDUCATION - BUREAU OF NUTRITION			
FOOD DISTRIBUTION	10.550	11-099	35,814
SCHOOL BREAKFAST PROGRAM	10.553	11-099	6,212
NATIONAL SCHOOL LUNCH PROGRAM	10.555	11-099	<u>113,089</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>155,115</u>

SEE ACCOMPANYING NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**TOWN OF FOXBOROUGH, MASSACHUSETTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2005**

PROGRAM GRANTOR/PASS-THROUGH GRANTOR/PROGRAM OR CLUSTER TITLE	FEDERAL CFDA NUMBER	GRANTOR/ PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF HOMELAND SECURITY			
DIRECT PROGRAM:			
FIREFIGHTERS ASSISTANCE GRANT	97.044		<u>26,050</u>
TOTAL DIRECT PROGRAM			<u>26,050</u>
PASS-THROUGH PROGRAM FROM: MASSACHUSETTS EMERGENCY MANAGEMENT AGENCY			
PUBLIC ASSISTANCE GRANT	97.036	FEMA-3175-DR-MA	<u>101,320</u>
TOTAL PASS-THROUGH PROGRAM			<u>101,320</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>127,370</u>
U. S. DEPARTMENT OF TRANSPORTATION			
PASS-THROUGH PROGRAM FROM: COMMONWEALTH OF MASSACHUSETTS EXECUTIVE OFFICE OF PUBLIC SAFETY			
STATE & COMMUNITY HIGHWAY SAFETY GRANT	20.600		<u>2,370</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>2,370</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,147,114</u>

SEE ACCOMPANYING NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**TOWN OF FOXBOROUGH, MASSACHUSETTS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2005**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting policies and financial reporting practices permitted for municipalities in Massachusetts are prescribed by the Uniform Municipal Accounting System (UMAS) promulgated by the Commonwealth of Massachusetts Department of Revenue. The significant accounting policies followed by the Town are as follows:

A. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant transactions of the Town. The receipts and proceeds from Federal grants are recorded on the modified accrual basis whereby revenue is recognized when it becomes available and measurable. Disbursements of Federal grant funds are recorded on the accrual basis.

II. SCOPE OF AUDIT

The Town of Foxborough, Massachusetts (the Town) is a governmental agency established by the laws of the Commonwealth of Massachusetts. All operations related to the Town's Federal grant programs, (Department of Agriculture, Department of Education, Department of Homeland Security, the Department of Justice, and the Department of Transportation), are included in the scope of the OMB Circular A-133 Audit Requirements for audits of state and local governments (the Single Audit). The Department of Homeland Security has been designated as the Town's oversight agency for the Single Audit.

III. PERIOD AUDITED

Single audit testing procedures were performed for Town Federal grant transactions during the year ended June 30, 2005.

IV. FOOD DISTRIBUTION

Non-cash 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.

V. SCHOOL LUNCH PROGRAM

The Town accounts for local, state and federal expenditures of the National School Lunch program in one combined fund. Program expenditures in the accompanying Schedule of Expenditures of Federal Awards represent federal reimbursements for meals provided during fiscal 2005.

VI. SUBRECIPIENTS

The Town of Foxborough, Massachusetts passed no federal awards through to subrecipients during the period under audit.

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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

To the Honorable Board of Selectmen
Town of Foxborough, Massachusetts

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 of Foxborough, Massachusetts as of and for the year ended June 30, 2005, which collectively comprise the Town of Foxborough, Massachusetts' basic financial statements and have issued our report thereon dated January 17, 2006. We conducted our audit in accordance with 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Foxborough, Massachusetts' internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Foxborough, Massachusetts' financial statements are free of 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*.

This report is intended solely for the information and use of the Board of Selectmen, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

R. E. Brown & Company

January 17, 2006

**TOWN OF FOXBOROUGH, MASSACHUSETTS
SCHEDULE OF CURRENT YEAR FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2005**

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the Town of Foxborough, Massachusetts.
2. No reportable conditions relating to the audit of the basic financial statements are reported in the 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*.
3. No instances of noncompliance material to the basic financial statements of the Town of Foxborough, Massachusetts were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award program are reported in the report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with OMB Circular A-133.
5. The report on compliance for the major federal award program for the Town of Foxborough, Massachusetts expresses an unqualified opinion.
6. There were no audit findings relative to the major federal award program for the Town of Foxborough, Massachusetts reported.
7. The program tested as a major program included:

NAME	CFDA NO.
Special Education – Grants to States & Early Childhood Allocation Cluster of Programs	84.027 & 84.173

8. A threshold of \$300,000 was used to distinguish between **Type A** and **Type B** programs as those terms are defined in OMB Circular A-133.
9. The Town of Foxborough, Massachusetts was determined to be a low-risk auditee.

B. FINDINGS – BASIC FINANCIAL STATEMENT AUDIT – None.

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM
AUDIT – None.**

**TOWN OF FOXBOROUGH, MASSACHUSETTS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2005**

There were no significant uncorrected prior year findings that affect the current audit.