

**COMMONWEALTH OF MASSACHUSETTS**

**UNIFORM GUIDANCE  
SINGLE AUDIT REPORT**

**YEAR ENDED JUNE 30, 2022**



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**INDEPENDENT AUDITORS' 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***

Mr. William McNamara, Comptroller  
Commonwealth of Massachusetts  
Boston, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Commonwealth of Massachusetts (Commonwealth), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Commonwealth's basic financial statements and have issued our report thereon dated June 20, 2023. Our report contains emphasis of matter paragraphs for the implementation of Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, correction of errors, and other auditors' report on the financial statements of the Massachusetts Department of Transportation. Our report also includes a reference to other auditors who audited the financial statements of certain activities, funds and component units of the Commonwealth, which represent the indicated percentages of total assets and total revenues as described in our report on the Commonwealth's financial statements and as presented in the following table.

| Opinion Unit  | Entity  | Percent of Opinion Unit's Total |                      |
|---|---|---------------------------------|----------------------|
|   |   | Assets                          | Revenues / Additions |
| <b>Governmental Activities</b>                      | Lotteries Fund; Massachusetts School Building Authority Fund        | 5.03%                           | 8.67%                |
| <b>Business-Type Activities</b>                     | University of Massachusetts; State Universities; Community Colleges | 73.03%                          | 10.29%               |
| <b>Lotteries Fund</b>                               | Lotteries Fund  | 8.02%                           | 100.00%              |
| <b>Massachusetts School Building Authority Fund</b> | Massachusetts School Building Authority Fund                        | 100.00%                         | 100.00%              |
| <b>University of Massachusetts</b>                  | University of Massachusetts   | 100.00%                         | 100.00%              |
| <b>State Universities</b>                           | State Universities  | 100.00%                         | 100.00%              |
| <b>Community Colleges</b>                           | Community Colleges  | 100.00%                         | 100.00%              |
| <b>Aggregate Remaining Fund Information</b>         | External Investment Trust Funds                                     | 26.47%                          | 54.27%               |

| Opinion Unit  | Entity   | Percent of Opinion Unit's Total |                      |
|---|--|---------------------------------|----------------------|
|   |  | Assets                          | Revenues / Additions |
| <b>Aggregate Discretely Presented Component Units</b> | Massachusetts Department of Transportation; Massachusetts Bay Transportation Authority; Commonwealth Health Insurance Connector; Massachusetts Convention Center Authority; Massachusetts Development Finance Agency; Massachusetts Clean Energy Center; Massachusetts Technology Park Corporation; Massachusetts Housing Partnership; Economic Development Entities; Higher Education Foundations | 89.96%                          | 98.05%               |

This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those other auditors. The financial statements of the Massachusetts Municipal Depository Trust, the Massachusetts Housing Partnership Fund, and the Massachusetts Growth Capital Corporation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or reportable instances of noncompliance associated with these entities.

### Report on Internal Control Over Financial Reporting

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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be material weaknesses.

### Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commonwealth'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*.

Mr. William McNamara, Comptroller  
Commonwealth of Massachusetts

### **The Commonwealth's Responses to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Commonwealth's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Commonwealth's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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 Commonwealth'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 Commonwealth's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

**CliftonLarsonAllen LLP**

Boston, Massachusetts  
May 31, 2023



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND  
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

Mr. William McNamara, Comptroller  
Commonwealth of Massachusetts  
Boston, Massachusetts

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

***Qualified and Unmodified Opinions***

We have audited the Commonwealth of Massachusetts' (the Commonwealth) 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 Commonwealth's major federal programs for the year ended June 30, 2022. The Commonwealth's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

As discussed in Note 1 to the schedule of expenditures of federal awards, the Commonwealth's basic financial statements include the operations of certain entities whose federal awards are not included in the accompanying schedule of expenditures of federal awards for the year ended June 30, 2022. Our audit, described below, did not include the operations of the entities identified in note 1 as these entities conducted separate audits in accordance with the Uniform Guidance, if required.

***Summary of Opinions***

| <b>Major Federal Program/Cluster</b>              | <b>Type of Opinion</b> |
|---|------------------------|
| Child and Adult Care Food Program                 | Qualified              |
| Unemployment Insurance                            | Qualified              |
| WIOA Cluster                                      | Qualified              |
| Highway Planning and Construction Cluster         | Qualified              |
| Low-Income Home Energy Assistance                 | Qualified              |
| Child Nutrition Cluster                           | Unmodified             |
| Moving to Work Demonstration Program              | Unmodified             |
| Crime Victim Assistance                           | Unmodified             |
| Emergency Rental Assistance                       | Unmodified             |
| Homeowner Assistance Fund                         | Unmodified             |
| Coronavirus State and Local Fiscal Recovery Funds | Unmodified             |

| Major Federal Program/Cluster  | Type of Opinion |
|--|-----------------|
| Rehabilitation Services - Vocational Rehabilitation Grants to States | Unmodified      |
| Education Stabilization Fund   | Unmodified      |
| Child Support Enforcement  | Unmodified      |
| Adoption Assistance  | Unmodified      |
| Childrens Health Insurance Program                                   | Unmodified      |
| Medicaid Cluster   | Unmodified      |
| Disability Insurance/SSI Cluster                                     | Unmodified      |

*Qualified Opinions on the Five Major Federal Programs Identified in the Preceding Table*

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the Commonwealth complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the identified major programs for the year ended June 30, 2022.

*Unmodified Opinion on Each of the Other Major Federal Programs Identified in the Preceding Table*

In our opinion, the Commonwealth 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 auditors' results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2022.

***Basis for Qualified and Unmodified Opinions***

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 Commonwealth 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 each major federal program. Our audit does not provide a legal determination of the Commonwealth's compliance with the compliance requirements referred to above.

***Matters Giving Rise to Qualified Opinion on the Five Major Federal Programs Identified in the Following Table***

As described in the accompanying schedule of findings and questioned costs, the Commonwealth did not comply with the requirements regarding:

| Program                                   | Assistance Listing        | Noncompliance                          | Finding Number |
|---|---------------------------|--|----------------|
| Child and Adult Care Food Program         | 10.558                    | Eligibility<br>Subrecipient Monitoring | 2022-004       |
| Unemployment Insurance                    | 17.225                    | Matching                               | 2022-005       |
| WIOA Cluster                              | 17.258, 17.259,<br>17.278 | Reporting - Financial                  | 2022-010       |
| WIOA Cluster                              | 17.258, 17.259,<br>17.278 | Reporting - FFATA                      | 2022-011       |
| Highway Planning and Construction Cluster | 20.205, 20.219            | Suspension and Debarment               | 2022-014       |
| Low-Income Home Energy Assistance         | 93.568                    | Reporting - FFATA                      | 2022-018       |

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

***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 Commonwealth's federal programs.

***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 Commonwealth'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 Commonwealth's compliance with the requirements of each 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 Commonwealth'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 Commonwealth'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 Commonwealth'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 other 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 2022-002, 2022-003, 2022-006, 2022-007, 2022-008, 2022-009, 2022-012, 2022-013, 2022-015, 2022-016, 2022-017, 2022-019, and 2022-020. Our opinion on each major federal program is not modified with respect to these matters.

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

#### **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. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-004, 2022-005, 2022-010, 2022-011, 2022-014, and 2022-018 to be material weaknesses.

*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 2022-002, 2022-003, 2022-006, 2022-007, 2022-008, 2022-009, 2022-012, 2022-013, 2022-015, 2022-016, 2022-017, 2022-019, and 2022-020 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 Commonwealth's response to internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. the Commonwealth's response was not subjected to the other 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Commonwealth as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Commonwealth's basic financial statements.

We issued our report thereon dated May 31, 2023, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements as a whole.

Mr. William McNamara, Comptroller  
Commonwealth of Massachusetts

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 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 expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

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**CliftonLarsonAllen LLP**

Boston, Massachusetts  
June 20, 2023

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2022**

| Assistance Listing                    | Program/Cluster Name  | Passed Through to Subrecipients | Federal Expenditures |
|---------------------------------------|---|---------------------------------|----------------------|
| <b>U.S Department of Agriculture:</b> |   |                                 |                      |
| 10.025                                | Plant and Animal Disease, Pest Control, and Animal Care   | \$ -                            | \$ 4,050,655         |
| 10.093                                | Voluntary Public Access and Habitat Incentive Program   | 116,986                         | 116,986              |
| 10.170                                | Specialty Crop Block Grant Program - Farm Bill  | 348,189                         | 373,448              |
| 10.171                                | Organic Certification Cost Share Programs   | 11,088                          | 11,088               |
| 10.525                                | Farm and Ranch Stress Assistance Network Competitive Grants Program                                 | -                               | 53,351               |
| 10.536                                | CACFP Training Grants   | 36,074                          | 41,530               |
| 10.541                                | Child Nutrition-Technology Innovation Grant   | -                               | 649,711              |
| 10.542                                | COVID-19 - Pandemic EBT Food Benefits   | -                               | 320,608,368          |
| 10.545                                | Farmers' Market Supplemental Nutrition Assistance Program Support Grants                            | 98,892                          | 98,892               |
| 10.557                                | WIC Special Supplemental Nutrition Program for Women, Infants, and Children                         | 75,459,479                      | 84,951,938           |
| 10.557                                | COVID-19 - WIC Special Supplemental Nutrition Program for Women, Infants, and Children              | 5,687,021                       | 5,687,021            |
|                                       | <b>Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children</b>            | <b>81,146,500</b>               | <b>90,638,959</b>    |
| 10.558                                | Child and Adult Care Food Program   | 52,415,950                      | 53,343,179           |
| 10.558                                | COVID-19 - Child and Adult Care Food Program  | 8,399,251                       | 8,412,371            |
|                                       | <b>Total Child and Adult Care Food Program</b>  | <b>60,815,201</b>               | <b>61,755,550</b>    |
| 10.560                                | State Administrative Expenses for Child Nutrition   | -                               | 5,253,883            |
| 10.572                                | WIC Farmers' Market Nutrition Program (FMNP)  | -                               | 451,946              |
| 10.576                                | Senior Farmers Market Nutrition Program   | -                               | 504,913              |
| 10.578                                | WIC Grants To States (WGS)  | -                               | 13,525               |
| 10.579                                | Child Nutrition Discretionary Grants Limited Availability   | 454,086                         | 454,086              |
| 10.649                                | COVID-19 - Pandemic EBT Administrative Costs  | 1,260,799                       | 4,919,308            |
| 10.664                                | Cooperative Forestry Assistance   | 213,154                         | 1,550,259            |
| 10.676                                | Forest Legacy Program   | 514,786                         | 677,885              |
| 10.680                                | Forest Health Protection  | -                               | 37,064               |
| 10.698                                | State & Private Forestry Cooperative Fire Assistance  | 34,647                          | 34,647               |
| 10.868                                | Rural Energy for America Program  | 39,917                          | 39,917               |
| 10.931                                | Agricultural Conservation Easement Program  | 1,143,863                       | 2,166,332            |
| <b>SNAP Cluster:</b>                  |   |                                 |                      |
| 10.551                                | Supplemental Nutrition Assistance Program   | 3,764                           | 3,392,038,170        |
| 10.551                                | COVID-19 - Supplemental Nutrition Assistance Program  | -                               | 500                  |
|                                       | <b>Total Supplemental Nutrition Assistance Program</b>  | <b>3,764</b>                    | <b>3,392,038,670</b> |
| 10.561                                | State Administrative Matching Grants for the Supplemental Nutrition Assistance Program              | 4,769,314                       | 77,375,218           |
| 10.561                                | COVID-19 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program   | -                               | 7,507,166            |
|                                       | <b>Total State Administrative Matching Grants for the Supplemental Nutrition Assistance Program</b> | <b>4,769,314</b>                | <b>84,882,384</b>    |
|                                       | <b>Total SNAP Cluster</b>   | <b>4,773,078</b>                | <b>3,476,921,054</b> |
| <b>Child Nutrition Cluster:</b>       |   |                                 |                      |
| 10.555                                | National School Lunch Program   | 537,305,150                     | 537,339,457          |
| 10.555                                | COVID-19 - National School Lunch Program  | 43,840,527                      | 43,843,187           |
|                                       | <b>Total National School Lunch Program</b>  | <b>581,145,677</b>              | <b>581,182,644</b>   |
| 10.559                                | Summer Food Service Program for Children  | 46,026,886                      | 46,561,628           |
| 10.559                                | COVID-19 - Summer Food Service Program for Children   | -                               | 12,837               |
|                                       | <b>Total Summer Food Service Program for Children</b>   | <b>46,026,886</b>               | <b>46,574,465</b>    |
| 10.582                                | Fresh Fruit and Vegetable Program   | 3,061,745                       | 3,230,055            |
|                                       | <b>Total Child Nutrition Cluster</b>  | <b>630,234,308</b>              | <b>630,987,164</b>   |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

| Assistance Listing  | Program/Cluster Name   | Passed Through to Subrecipients | Federal Expenditures |
|---|--|---------------------------------|----------------------|
| <b><i>U.S. Department of Agriculture (continued):</i></b>       |  |                                 |                      |
| <b>Food Distribution Cluster:</b>                               |  |                                 |                      |
| 10.565  | Commodity Supplemental Food Program  | \$ 202,875                      | \$ 203,809           |
| 10.565  | COVID-19 - Commodity Supplemental Food Program   | 15,871                          | 15,871               |
|   | <b>Total Commodity Supplemental Food Program</b>   | <b>218,746</b>                  | <b>219,680</b>       |
| 10.568  | Emergency Food Assistance Program (Administrative Costs)   | 1,502,659                       | 1,615,282            |
| 10.568  | COVID-19 - Emergency Food Assistance Program (Administrative Costs)                                  | 604,663                         | 654,663              |
|   | <b>Total Emergency Food Assistance Program (Administrative Costs)</b>                                | <b>2,107,322</b>                | <b>2,269,945</b>     |
|   | <b>Total Food Distribution Cluster</b>   | <b>2,326,068</b>                | <b>2,489,625</b>     |
|   | <b>Total U.S. Department of Agriculture</b>  | <b>783,567,636</b>              | <b>4,604,900,146</b> |
| <b><i>U.S. Department of Commerce:</i></b>                      |  |                                 |                      |
| 11.407  | Interjurisdictional Fisheries Act of 1986  | -                               | 108,883              |
| 11.419  | Coastal Zone Management Administration Awards  | -                               | 2,750,505            |
| 11.420  | Coastal Zone Management Estuarine Research Reserves  | 45,841                          | 313,770              |
| 11.454  | Unallied Management Projects   | -                               | 548,080              |
| 11.463  | Habitat Conservation   | 11,523                          | 66,673               |
| 11.472  | Unallied Science Program   | 719,876                         | 879,587              |
| 11.474  | Atlantic Coastal Fisheries Cooperative Management Act  | -                               | 141,800              |
| <b>Economic Development Cluster:</b>                            |  |                                 |                      |
| 11.307  | COVID-19 - Economic Adjustment Assistance  | 43,425                          | 43,425               |
|   | <b>Total Economic Development Cluster</b>  | <b>43,425</b>                   | <b>43,425</b>        |
|   | <b>Total U.S. Department of Commerce</b>   | <b>820,665</b>                  | <b>4,852,723</b>     |
| <b><i>U.S. Department of Defense:</i></b>                       |  |                                 |                      |
| 12.113  | State Memorandum of Agreement Program for the Reimbursement of Technical Services                    | -                               | 640,642              |
| 12.400  | Military Construction, National Guard  | -                               | 354,846              |
| 12.401  | National Guard Military Operations and Maintenance (O&M) Projects                                    | -                               | 43,321,569           |
|   | <b>Total U.S. Department of Defense</b>  | <b>-</b>                        | <b>44,317,057</b>    |
| <b><i>U.S. Department of Housing and Urban Development:</i></b> |  |                                 |                      |
| 14.181  | Supportive Housing for Persons with Disabilities   | 2,632,174                       | 2,632,174            |
| 14.228  | Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii              | 22,771,184                      | 23,914,590           |
| 14.228  | COVID-19 - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii   | 17,195,946                      | 17,517,171           |
|   | <b>Total Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii</b> | <b>39,967,130</b>               | <b>41,431,761</b>    |
| 14.231  | Emergency Solutions Grant Program  | 3,973,083                       | 4,162,289            |
| 14.231  | COVID-19 - Emergency Solutions Grant Program   | 19,741,009                      | 19,977,014           |
|   | <b>Total Emergency Solutions Grant Program</b>   | <b>23,714,092</b>               | <b>24,139,303</b>    |
| 14.238  | Shelter Plus Care  | 37,278                          | 37,278               |
| 14.239  | Home Investment Partnerships Program   | -                               | 258,104,748          |
| 14.241  | Housing Opportunities for Persons with AIDS  | 322,518                         | 322,518              |
| 14.241  | COVID-19 - Housing Opportunities for Persons with AIDS   | 34,128                          | 34,128               |
|   | <b>Total Housing Opportunities for Persons with AIDS</b>   | <b>356,646</b>                  | <b>356,646</b>       |
| 14.261  | Homeless Response System Data and Performance  | -                               | 140,894              |
| 14.267  | Continuum of Care Program  | 13,657,723                      | 15,609,945           |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

| Assistance Listing  | Program/Cluster Name   | Passed Through to Subrecipients | Federal Expenditures |
|---|--|---------------------------------|----------------------|
| <b><i>U.S. Department of Housing and Urban Development (continued):</i></b> |  |                                 |                      |
| 14.275  | Housing Trust Fund   | \$ 5,050,146                    | \$ 5,347,366         |
| 14.326  | Project Rental Assistance Demonstration (PRA Demo) Program of Section 811 Supportive Housing for Persons with Disabilities | 1,333,404                       | 1,365,146            |
| 14.401  | Fair Housing Assistance Program State and Local  | -                               | 918,920              |
| 14.401  | COVID-19 - Fair Housing Assistance Program State and Local   | -                               | 15,000               |
|   | <b>Total Fair Housing Assistance Program State and Local</b>   | -                               | 933,920              |
| 14.880  | Family Unification Program (FUP)   | 2,804,292                       | 2,804,292            |
| 14.881  | Moving to Work Demonstration Program   | 334,792,542                     | 338,304,823          |
| 14.881  | COVID-19 - Moving to Work Demonstration Program  | 912,862                         | 1,109,492            |
|   | <b>Total Moving to Work Demonstration Program</b>  | 335,705,404                     | 339,414,315          |
| 14.896  | Family Self-Sufficiency Program  | 782,679                         | 782,679              |
| 14.906  | Healthy Homes Technical Studies Grants   | 200,812                         | 286,823              |
| <b>Section 8 Project-Based Cluster:</b>                                     |  |                                 |                      |
| 14.182  | Section 8 New Construction and Substantial Rehabilitation  | 472,807                         | 2,311,001            |
| 14.856  | Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation  | 7,571,738                       | 7,731,493            |
|   | <b>Total Section 8 Project-Based Cluster</b>   | 8,044,545                       | 10,042,494           |
| <b>Housing Voucher Cluster:</b>   |  |                                 |                      |
| 14.871  | Section 8 Housing Choice Vouchers  | 7,730,280                       | 7,730,280            |
|   | <b>Total Housing Voucher Cluster</b>   | 7,730,280                       | 7,730,280            |
|   | <b>Total U.S. Department of Housing and Urban Development</b>  | <b>442,016,605</b>              | <b>711,160,064</b>   |
| <b><i>U.S. Department of the Interior:</i></b>                              |  |                                 |                      |
| 15.608  | Fish and Wildlife Management Assistance  | -                               | 2,082                |
| 15.614  | Coastal Wetlands Planning, Protection and Restoration  | 1,095,661                       | 1,217,339            |
| 15.616  | Clean Vessel Act   | 636,082                         | 887,679              |
| 15.622  | Sportfishing and Boating Safety Act  | -                               | 180,683              |
| 15.634  | State Wildlife Grants  | -                               | 1,005,316            |
| 15.677  | Hurricane Sandy Disaster Relief Activities-FWS   | 93,624                          | 93,624               |
| 15.684  | White-nose Syndrome National Response Implementation   | -                               | 9,960                |
| 15.904  | Historic Preservation Fund Grants-In-Aid   | 235,788                         | 942,112              |
| 15.916  | Outdoor Recreation Acquisition, Development and Planning   | 836,533                         | 1,536,533            |
| 15.981  | Water Use and Data Research  | 91,339                          | 91,339               |
| <b>Fish and Wildlife Cluster:</b>   |  |                                 |                      |
| 15.605  | Sport Fish Restoration   | -                               | 3,282,649            |
| 15.611  | Wildlife Restoration and Basic Hunter Education  | 68,631                          | 7,863,042            |
|   | <b>Total Fish and Wildlife Cluster</b>   | 68,631                          | 11,145,691           |
|   | <b>Total U.S. Department of the Interior</b>   | <b>3,057,658</b>                | <b>17,112,358</b>    |
| <b><i>U.S. Department of the Justice:</i></b>                               |  |                                 |                      |
| 16.017  | Sexual Assault Services Formula Program  | 424,589                         | 447,395              |
| 16.021  | Justice Systems Response to Families   | 68,897                          | 193,785              |
| 16.034  | COVID-19 - Coronavirus Emergency Supplemental Funding Program  | 1,239,254                       | 3,952,292            |
| 16.123  | Community-Based Violence Prevention Program  | -                               | 33,895               |
| 16.320  | Services for Trafficking Victims   | 238,070                         | 999,751              |
| 16.540  | Juvenile Justice and Delinquency Prevention  | 94,093                          | 299,359              |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

| Assistance Listing  | Program/Cluster Name  | Passed Through to Subrecipients | Federal Expenditures |
|---|---|---------------------------------|----------------------|
| <b><i>U.S. Department of Justice (continued):</i></b>                               |   |                                 |                      |
| 16.543  | Missing Children's Assistance   | \$ -                            | \$ 615,424           |
| 16.550  | State Justice Statistics Program for Statistical Analysis Centers                 | -                               | 132,466              |
| 16.554  | National Criminal History Improvement Program (NCHIP)                             | -                               | 871,906              |
| 16.575  | Crime Victim Assistance   | 44,599,886                      | 51,364,145           |
| 16.576  | Crime Victim Compensation   | -                               | 603,634              |
| 16.582  | Crime Victim Assistance/Discretionary Grants                                      | 47,637                          | 130,871              |
| 16.585  | Drug Court Discretionary Grant Program  | 127,574                         | 263,516              |
| 16.588  | Violence Against Women Formula Grants   | 1,668,639                       | 2,911,122            |
| 16.593  | Residential Substance Abuse Treatment for State Prisoners                         | 40,854                          | 96,147               |
| 16.609  | Project Safe Neighborhoods  | 467,388                         | 496,031              |
| 16.710  | Public Safety Partnership and Community Policing Grants                           | -                               | 3,385,813            |
| 16.735  | PREA Program: Strategic Support for PREA Implementation                           | -                               | 48,482               |
| 16.738  | Edward Byrne Memorial Justice Assistance Grant Program                            | 2,997,729                       | 4,647,020            |
| 16.741  | DNA Backlog Reduction Program   | -                               | 1,089,429            |
| 16.742  | Paul Coverdell Forensic Sciences Improvement Grant Program                        | 20,086                          | 370,613              |
| 16.745  | Criminal and Juvenile Justice and Mental Health Collaboration Program             | 161,468                         | 177,473              |
| 16.746  | Capital Case Litigation Initiative  | 111,967                         | 204,177              |
| 16.750  | Support for Adam Walsh Act Implementation Grant Program                           | -                               | 24,730               |
| 16.751  | Edward Byrne Memorial Competitive Grant Program                                   | 115,360                         | 194,236              |
| 16.754  | Harold Rogers Prescription Drug Monitoring Program                                | -                               | 466,355              |
| 16.812  | Second Chance Act Reentry Initiative  | 80,987                          | 216,297              |
| 16.820  | Postconviction Testing of DNA Evidence  | 148,181                         | 343,736              |
| 16.825  | Smart Prosecution Initiative  | -                               | 278,230              |
| 16.827  | Justice Reinvestment Initiative   | 135,116                         | 308,251              |
| 16.831  | Children of Incarcerated Parents  | -                               | 42,561               |
| 16.833  | National Sexual Assault Kit Initiative  | -                               | 1,062,464            |
| 16.835  | Body Worn Camera Policy and Implementation  | -                               | 44,586               |
| 16.836  | Indigent Defense  | -                               | 32,374               |
| 16.838  | Comprehensive Opioid, Stimulant, and Substance Abuse Program                      | 164,736                         | 1,595,961            |
| 16.839  | STOP School Violence  | 126,157                         | 235,652              |
| 16.842  | Opioid Affected Youth Initiative  | -                               | 354,072              |
| 16.922  | Equitable Sharing Program   | -                               | 375,617              |
| <b><i>Total U.S. Department of the Justice</i></b>                                  |   | <b>53,078,668</b>               | <b>78,909,868</b>    |
| <b><i>U.S. Department of Labor:</i></b>   |   |                                 |                      |
| 17.002  | Labor Force Statistics  | -                               | 2,007,589            |
| 17.005  | Compensation and Working Conditions   | -                               | 166,693              |
| 17.225  | Unemployment Insurance  | 2,840,088                       | 1,547,180,959        |
| 17.225  | COVID-19 - Unemployment Insurance   | 50,000                          | 2,777,505,058        |
| <b>Total Unemployment Insurance</b>   |   | <b>2,890,088</b>                | <b>4,324,686,017</b> |
| 17.235  | Senior Community Service Employment Program                                       | 1,268,599                       | 1,393,226            |
| 17.235  | COVID-19 - Senior Community Service Employment Program                            | 174,082                         | 192,375              |
| <b>Total Senior Community Service Employment Program</b>                            |   | <b>1,442,681</b>                | <b>1,585,601</b>     |
| 17.245  | Trade Adjustment Assistance   | 803,025                         | 4,720,634            |
| 17.268  | H-1B Job Training Grants  | 372,436                         | 420,956              |
| 17.271  | Work Opportunity Tax Credit Program (WOTC)  | -                               | 254,324              |
| 17.273  | Temporary Labor Certification for Foreign Workers                                 | 574                             | 621,142              |
| 17.277  | WIOA National Dislocated Worker Grants / WIA National Emergency Grants            | 1,723,249                       | 2,341,523            |
| 17.277  | COVID-19 - WIOA National Dislocated Worker Grants / WIA National Emergency Grants | 924,346                         | 1,140,417            |
| <b>Total WIOA National Dislocated Worker Grants / WIA National Emergency Grants</b> |   | <b>2,647,595</b>                | <b>3,481,940</b>     |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

| Assistance Listing                                      | Program/Cluster Name  | Passed Through to Subrecipients | Federal Expenditures |
|---|---|---------------------------------|----------------------|
| <b>U.S. Department of Labor (continued):</b>            |   |                                 |                      |
| 17.285  | Apprenticeship USA Grants   | \$ 649,818                      | \$ 1,204,497         |
| 17.504  | Consultation Agreements   | -                               | 1,265,237            |
| 17.600  | Mine Health and Safety Grants   | -                               | 163,992              |
| <b>Employment Services Cluster:</b>                     |   |                                 |                      |
| 17.207  | Employment Service/Wagner-Peyser Funded Activities  | 4,677,511                       | 13,601,179           |
| 17.801  | Jobs for Veterans State Grants  | 332,938                         | 2,864,974            |
|   | <b>Total Employment Services Cluster</b>  | <b>5,010,449</b>                | <b>16,466,153</b>    |
| <b>WIOA Cluster:</b>                                    |   |                                 |                      |
| 17.258  | WIOA Adult Program  | 7,682,731                       | 8,598,675            |
| 17.259  | WIOA Youth Activities   | 9,557,720                       | 12,426,138           |
| 17.278  | WIOA Dislocated Worker Formula Grants   | 8,576,501                       | 13,231,162           |
|   | <b>Total WIOA Cluster</b>   | <b>25,816,952</b>               | <b>34,255,975</b>    |
|   | <b>Total U.S. Department of Labor</b>   | <b>39,633,618</b>               | <b>4,391,300,750</b> |
| <b>U.S. Department of Transportation:</b>               |   |                                 |                      |
| 20.232  | Commercial Driver's License Program Implementation Grant  | -                               | 34,665               |
| 20.320  | Rail Line Relocation and Improvement  | -                               | 22,840               |
| 20.505  | Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research                     | 31,260                          | 263,653              |
| 20.509  | Formula Grants for Rural Areas and Tribal Transit Program   | 3,477,049                       | 3,830,472            |
| 20.509  | COVID-19 - Formula Grants for Rural Areas and Tribal Transit Program  | 4,887,679                       | 4,969,029            |
|   | <b>Total Formula Grants for Rural Areas and Tribal Transit Program</b>  | <b>8,364,728</b>                | <b>8,799,501</b>     |
| 20.528  | Rail Fixed Guideway Public Transportation System State Safety Oversight Formula Grant Program                 | -                               | 1,430,884            |
| 20.614  | National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants and Cooperative Agreements | -                               | 86,701               |
| 20.700  | Pipeline Safety Program State Base Grant  | -                               | 1,525,327            |
| 20.703  | Interagency Hazardous Materials Public Sector Training and Planning Grants                                    | 68,472                          | 291,235              |
| 20.933  | National Infrastructure Investments   | 3,683,315                       | 3,683,315            |
| 20.935  | State and Local Government Data Analysis Tools for Roadway Safety   | -                               | 197,656              |
| <b>Federal Motor Carrier Safety Assistance Cluster:</b> |   |                                 |                      |
| 20.218  | Motor Carrier Safety Assistance   | 15,334                          | 2,964,151            |
| 20.237  | Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements                    | -                               | 1,145,682            |
|   | <b>Total Federal Motor Carrier Safety Assistance Cluster</b>  | <b>15,334</b>                   | <b>4,109,833</b>     |
| <b>Highway Planning and Construction Cluster:</b>       |   |                                 |                      |
| 20.205  | Highway Planning and Construction   | 5,222,729                       | 644,237,859          |
| 20.205  | COVID-19 - Highway Planning and Construction  | -                               | 768,002              |
|   | <b>Total Highway Planning and Construction</b>  | <b>5,222,729</b>                | <b>645,005,861</b>   |
| 20.219  | Recreational Trails Program   | 1,647,050                       | 1,888,456            |
|   | <b>Total Highway Planning and Construction Cluster</b>  | <b>6,869,779</b>                | <b>646,894,317</b>   |
| <b>Federal Transit Cluster:</b>                         |   |                                 |                      |
| 20.526  | Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs                               | 3,233,379                       | 3,233,379            |
|   | <b>Total Federal Transit Cluster</b>  | <b>3,233,379</b>                | <b>3,233,379</b>     |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

| Assistance Listing                                    | Program/Cluster Name  | Passed Through to Subrecipients | Federal Expenditures |
|---|---|---------------------------------|----------------------|
| <b>U.S. Department of Transportation (continued):</b> |   |                                 |                      |
| <b>Transit Services Programs Cluster:</b>             |   |                                 |                      |
| 20.513  | Enhanced Mobility of Seniors and Individuals with Disabilities          | \$ 2,367,487                    | \$ 7,905,578         |
| 20.516  | Job Access and Reverse Commute Program                                  | 86,165                          | 86,165               |
|   | <b>Total Transit Services Programs Cluster</b>                          | <b>2,453,652</b>                | <b>7,991,743</b>     |
| <b>Highway Safety Cluster:</b>                        |   |                                 |                      |
| 20.600  | State and Community Highway Safety                                      | 1,904,471                       | 4,498,627            |
| 20.616  | National Priority Safety Programs                                       | 969,740                         | 3,452,742            |
|   | <b>Total Highway Safety Cluster</b>                                     | <b>2,874,211</b>                | <b>7,951,369</b>     |
|   | <b>Total U.S. Department of Transportation</b>                          | <b>27,594,130</b>               | <b>686,516,418</b>   |
| <b>U.S. Department of the Treasury:</b>               |   |                                 |                      |
| 21.016  | Equitable Sharing   | -                               | 210,140              |
| 21.019  | COVID-19 - Coronavirus Relief Fund                                      | 111,194,362                     | 566,023,618          |
| 21.023  | COVID-19 - Emergency Rental Assistance Program                          | 551,219,530                     | 579,991,636          |
| 21.026  | COVID-19 - Homeowner Assistance Fund                                    | 65,056,444                      | 67,002,892           |
| 21.027  | COVID-19 - Coronavirus State And Local Fiscal Recovery Funds            | -                               | 1,412,084,054        |
|   | <b>Total U.S. Department of Treasury</b>                                | <b>727,470,336</b>              | <b>2,625,312,340</b> |
| <b>Equal Employment Opportunity Commission:</b>       |   |                                 |                      |
| 30.001  | Employment Discrimination Title VII of the Civil Rights Act of 1964     | -                               | 1,501,491            |
|   | <b>Total Equal Employment Opportunity Commission</b>                    | <b>-</b>                        | <b>1,501,491</b>     |
| <b>National Endowment for the Arts:</b>               |   |                                 |                      |
| 45.025  | Promotion of the Arts Partnership Agreements                            | 1,009,900                       | 1,009,900            |
| 45.025  | COVID-19 - Promotion of the Arts Partnership Agreements                 | 851,000                         | 862,346              |
|   | <b>Total Promotion of the Arts Partnership Agreements</b>               | <b>1,860,900</b>                | <b>1,872,246</b>     |
| 45.310  | Grants to States  | 1,104,604                       | 3,963,379            |
| 45.310  | COVID-19 - Grants to States   | 1,814,185                       | 3,016,985            |
|   | <b>Total Grants to States</b>   | <b>2,918,789</b>                | <b>6,980,364</b>     |
|   | <b>Total National Endowment for the Arts</b>                            | <b>4,779,689</b>                | <b>8,852,610</b>     |
| <b>National Science Foundation:</b>                   |   |                                 |                      |
| 47.076  | Education and Human Resources   | -                               | 44,824               |
|   | <b>Total National Science Foundation</b>                                | <b>-</b>                        | <b>44,824</b>        |
| <b>Small Business Administration:</b>                 |   |                                 |                      |
| 59.061  | State Trade Expansion   | 359,900                         | 362,400              |
|   | <b>Total Small Business Administration</b>                              | <b>359,900</b>                  | <b>362,400</b>       |
| <b>U.S. Department of Veterans Affairs:</b>           |   |                                 |                      |
| 64.005  | Grants to States for Construction of State Home Facilities              | -                               | 44,453,899           |
| 64.005  | COVID-19 - Grants to States for Construction of State Home Facilities   | -                               | 1,185,976            |
|   | <b>Total Grants to States for Construction of State Home Facilities</b> | <b>-</b>                        | <b>45,639,875</b>    |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

| Assistance Listing   | Program/Cluster Name   | Passed Through to Subrecipients | Federal Expenditures |
|--|--|---------------------------------|----------------------|
| <b><i>U.S. Department of Veterans Affairs (continued):</i></b> |  |                                 |                      |
| 64.014   | Veterans State Domiciliary Care  | \$ -                            | \$ 2,312,786         |
| 64.015   | Veterans State Nursing Home Care   | -                               | 11,390,153           |
| 64.015   | COVID-19 - Veterans State Nursing Home Care  | -                               | 214,115              |
|  | <b>Total Veterans State Nursing Home Care</b>  | -                               | 11,604,268           |
|  | <b>Total U.S. Department of Veterans Affairs</b>   | -                               | <b>59,556,929</b>    |
| <b><i>U.S. Environmental Protection Agency:</i></b>            |  |                                 |                      |
| 66.032   | State Indoor Radon Grants  | -                               | 89,017               |
| 66.034   | Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act | -                               | 637,844              |
| 66.040   | Diesel Emissions Reduction Act (DERA) State Grants   | 3,000                           | 46,839               |
| 66.204   | Multipurpose Grants to States and Tribes   | 21,251                          | 78,639               |
| 66.312   | COVID-19 - State Environmental Justice Cooperative Agreement Program   | -                               | 19,788               |
| 66.442   | Water Infrastructure Improvements for the Nation Small and Underserved Communities Emerging Contaminants Grant Program   | 341,525                         | 341,525              |
| 66.444   | Lead Testing in School and Child Care Program Drinking Water (SDWA 1464(d))  | -                               | 309,135              |
| 66.454   | Water Quality Management Planning  | 194,872                         | 588,885              |
| 66.456   | National Estuary Program   | 578,699                         | 1,522,002            |
| 66.461   | Regional Wetland Program Development Grants  | -                               | 34,780               |
| 66.472   | Beach Monitoring and Notification Program Implementation Grants  | -                               | 163,656              |
| 66.605   | Performance Partnership Grants   | 1,074,068                       | 14,858,690           |
| 66.608   | Environmental Information Exchange Network Grant Program and Related Assistance  | -                               | 81,256               |
| 66.700   | Consolidated Pesticide Enforcement Cooperative Agreements  | -                               | 436,913              |
| 66.701   | Toxic Substances Compliance Monitoring Cooperative Agreements  | -                               | 164,632              |
| 66.707   | TSCA Title IV State Lead Grants Certification of Lead-Based Paint Professionals  | -                               | 291,541              |
| 66.802   | Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements                            | -                               | 845,831              |
| 66.804   | Underground Storage Tank (UST) Prevention, Detection, and Compliance Program   | -                               | 465,171              |
| 66.805   | Leaking Underground Storage Tank Trust Fund Corrective Action Program  | -                               | 835,190              |
|  | <b>Total U.S. Environmental Protection Agency</b>  | <b>2,213,415</b>                | <b>21,811,334</b>    |
| <b><i>U.S. Department of Energy:</i></b>                       |  |                                 |                      |
| 81.041   | State Energy Program   | -                               | 1,195,580            |
| 81.042   | Weatherization Assistance for Low-Income Persons   | 6,735,608                       | 7,356,188            |
| 81.086   | Conservation Research and Development  | -                               | 90,511               |
|  | <b>Total U.S. Department of Energy</b>   | <b>6,735,608</b>                | <b>8,642,279</b>     |
| <b><i>U.S. Department of Education:</i></b>                    |  |                                 |                      |
| 84.002   | Adult Education - Basic Grants to States   | 9,460,269                       | 11,324,563           |
| 84.010   | Title I Grants to Local Educational Agencies   | 221,055,357                     | 234,770,742          |
| 84.011   | Migrant Education State Grant Program  | -                               | 1,053,566            |
| 84.013   | Title I State Agency Program for Neglected and Delinquent Children and Youth   | 794,014                         | 1,053,609            |
| 84.048   | Career and Technical Education -- Basic Grants to States   | 17,215,479                      | 19,999,788           |
| 84.126   | Rehabilitation Services Vocational Rehabilitation Grants to States   | 701,693                         | 56,556,013           |
| 84.144   | Migrant Education Coordination Program   | -                               | 57,003               |
| 84.161   | Rehabilitation Services Client Assistance Program  | -                               | 228,451              |
| 84.177   | Rehabilitation Services Independent Living Services for Older Individuals Who are Blind                                  | -                               | 609,537              |
| 84.181   | Special Education-Grants for Infants and Families  | 2,002,534                       | 6,970,798            |
| 84.181   | COVID-19 - Special Education-Grants for Infants and Families   | 4,621                           | 62,935               |
|  | <b>Total Special Education-Grants for Infants and Families</b>   | <b>2,007,155</b>                | <b>7,033,733</b>     |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

| Assistance Listing  | Program/Cluster Name  | Passed Through to Subrecipients | Federal Expenditures |
|---|---|---------------------------------|----------------------|
| <b>U.S. Department of Education (continued):</b>          |   |                                 |                      |
| 84.184  | School Safety National Activities   | \$ -                            | \$ 699,154           |
| 84.187  | Supported Employment Services for Individuals with the Most Significant Disabilities  | -                               | 390,450              |
| 84.196  | Education for Homeless Children and Youth   | 1,028,839                       | 1,413,073            |
| 84.282  | Charter Schools   | 1,267,052                       | 1,451,477            |
| 84.287  | Twenty-First Century Community Learning Centers   | 19,920,555                      | 21,215,879           |
| 84.305  | Education Research, Development and Dissemination   | -                               | 285,956              |
| 84.334  | Gaining Early Awareness and Readiness for Undergraduate Programs  | 2,085,388                       | 3,596,916            |
| 84.358  | Rural Education   | 349                             | 349                  |
| 84.365  | English Language Acquisition State Grants   | 14,400,122                      | 15,379,063           |
| 84.367  | Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)   | 28,370,417                      | 31,231,199           |
| 84.368  | Competitive Grants for State Assessments  | -                               | 1,463,103            |
| 84.369  | Grants for State Assessments and Related Activities   | -                               | 8,740,977            |
| 84.371  | Comprehensive Literacy Development  | 2,011,665                       | 2,171,432            |
| 84.372  | Statewide Longitudinal Data Systems   | -                               | 702,712              |
| 84.421  | Disability Innovation Fund (DIF)  | -                               | 855,405              |
| 84.424  | Student Support and Academic Enrichment Program   | 14,861,657                      | 16,975,800           |
| <b>Education Stabilization Fund</b>                       |   |                                 |                      |
| 84.425C   | COVID-19 - Governor's Emergency Education Relief (GEER I and II) Fund   | 9,785,955                       | 21,772,720           |
| 84.425D   | COVID-19 - Elementary and Secondary School Emergency Relief (ESSER I and II) Fund   | 405,078,196                     | 433,731,136          |
| 84.425R   | COVID-19 - Coronavirus Response and Relief Supplemental Appropriations Act, 2021—Emergency Assistance for Non-Public Schools (CRRSA EANS) | -                               | 8,080,979            |
| 84.425U   | COVID-19 - American Rescue Plan—Elementary and Secondary School Emergency Relief (ARP ESSER)  | 230,254,969                     | 256,969,425          |
| 84.425W   | COVID-19 - American Rescue Plan – Elementary and Secondary School Emergency Relief –Homeless Children and Youth                           | 1,782,193                       | 1,806,154            |
| <b>Total Education Stabilization Fund</b>                 |   | <b>646,901,313</b>              | <b>722,360,414</b>   |
| <b>Special Education Cluster (IDEA):</b>                  |   |                                 |                      |
| 84.027  | Special Education Grants to States  | 261,498,119                     | 291,570,181          |
| 84.027  | COVID-19 - Special Education Grants to States   | 25,935,691                      | 26,558,307           |
| <b>Total Special Education Grants to States</b>           |   | <b>287,433,810</b>              | <b>318,128,488</b>   |
| 84.173  | Special Education Preschool Grants  | 7,100,848                       | 9,282,650            |
| 84.173  | COVID-19 - Special Education Preschool Grants   | 2,321,739                       | 2,349,000            |
| <b>Total Special Education Preschool Grants</b>           |   | <b>9,422,587</b>                | <b>11,631,650</b>    |
| <b>Total Special Education Cluster (IDEA)</b>             |   | <b>296,856,397</b>              | <b>329,760,138</b>   |
| <b>Total U.S. Department of Education</b>                 |   | <b>1,278,937,721</b>            | <b>1,491,380,502</b> |
| <b>National Archives and Records Administration:</b>      |   |                                 |                      |
| 89.003  | National Historical Publications and Records Grants   | 12,178                          | 39,046               |
| <b>Total National Archives and Records Administration</b> |   | <b>12,178</b>                   | <b>39,046</b>        |
| <b>U.S. Election Assistance Commission:</b>               |   |                                 |                      |
| 90.401  | Help America Vote Act Requirements Payments   | -                               | 2,879,948            |
| 90.404  | 2018 HAVA Election Security Grants  | -                               | 2,416,889            |
| <b>Total U.S. Election Assistance Commission</b>          |   | <b>-</b>                        | <b>5,296,837</b>     |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

| Assistance Listing                                   | Program/Cluster Name  | Passed Through to Subrecipients | Federal Expenditures |
|--|---|---------------------------------|----------------------|
| <b>U.S. Department of Health and Human Services:</b> |   |                                 |                      |
| 93.042   | Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals             | \$ 508,287                      | \$ 508,287           |
| 93.043   | Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services                       | 368,748                         | 368,748              |
| 93.043   | COVID-19 - Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services            | 32,302                          | 32,302               |
|  | <b>Total Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services</b>          | <b>401,050</b>                  | <b>401,050</b>       |
| 93.048   | COVID-19 - Special Programs for the Aging, Title IV, and Title II, Discretionary Projects                                 | 468,348                         | 472,858              |
| 93.052   | National Family Caregiver Support, Title III, Part E  | 4,251,526                       | 4,251,526            |
| 93.052   | COVID-19 - National Family Caregiver Support, Title III, Part E   | 28,244                          | 28,244               |
|  | <b>Total National Family Caregiver Support, Title III, Part E</b>   | <b>4,279,770</b>                | <b>4,279,770</b>     |
| 93.069   | Public Health Emergency Preparedness  | 3,469,525                       | 11,871,271           |
| 93.070   | Environmental Public Health and Emergency Response  | 168,322                         | 1,366,503            |
| 93.071   | Medicare Enrollment Assistance Program  | 184,003                         | 184,813              |
| 93.072   | Lifespan Respite Care Program   | -                               | 112,697              |
| 93.079   | Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance | -                               | 66,948               |
| 93.090   | Guardianship Assistance   | -                               | 7,568,042            |
| 93.090   | COVID-19 - Guardianship Assistance  | -                               | 737,693              |
|  | <b>Total Guardianship Assistance</b>  | <b>-</b>                        | <b>8,305,735</b>     |
| 93.092   | Affordable Care Act (ACA) Personal Responsibility Education Program   | 566,695                         | 871,119              |
| 93.103   | Food and Drug Administration Research   | -                               | 725,075              |
| 93.103   | COVID-19 - Food and Drug Administration Research  | -                               | 151,633              |
|  | <b>Total Food and Drug Administration Research</b>  | <b>-</b>                        | <b>876,708</b>       |
| 93.104   | Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)                     | 344,120                         | 845,725              |
| 93.110   | Maternal and Child Health Federal Consolidated Programs   | 49,911                          | 333,112              |
| 93.110   | COVID-19 - Maternal and Child Health Federal Consolidated Programs  | -                               | 308,509              |
|  | <b>Total Maternal and Child Health Federal Consolidated Programs</b>  | <b>49,911</b>                   | <b>641,621</b>       |
| 93.116   | Project Grants and Cooperative Agreements for Tuberculosis Control Programs   | -                               | 1,728,761            |
| 93.127   | Emergency Medical Services for Children   | 155,250                         | 289,072              |
| 93.130   | Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices                 | -                               | 243,377              |
| 93.136   | Injury Prevention and Control Research and State and Community Based Programs   | 5,037,378                       | 9,574,326            |
| 93.136   | COVID-19 - Injury Prevention and Control Research and State and Community Based Programs                                  | 40,635                          | 71,632               |
|  | <b>Total Injury Prevention and Control Research and State and Community Based Programs</b>                                | <b>5,078,013</b>                | <b>9,645,958</b>     |
| 93.150   | Projects for Assistance in Transition from Homelessness (PATH)  | 1,527,488                       | 1,529,242            |
| 93.153   | Coordinated Services and Access to Research for Women, Infants, Children, and Youth                                       | 326,772                         | 483,116              |
| 93.155   | COVID-19 - Rural Health Research Centers  | 1,550,256                       | 1,550,256            |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

| Assistance Listing   | Program/Cluster Name  | Passed Through to Subrecipients | Federal Expenditures |
|--|---|---------------------------------|----------------------|
| <b>U.S. Department of Health and Human Services (continued):</b> |   |                                 |                      |
| 93.165   | Grants to States for Loan Repayment   | \$ -                            | \$ 550,000           |
| 93.184   | Disabilities Prevention   | 26,902                          | 382,920              |
| 93.197   | Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children | -                               | 321,037              |
| 93.234   | Traumatic Brain Injury State Demonstration Grant Program  | 39,194                          | 239,594              |
| 93.235   | Title V State Sexual Risk Avoidance Education (Title V State SRAE) Program  | 302,065                         | 705,157              |
| 93.236   | Grants to States to Support Oral Health Workforce Activities  | -                               | 330,685              |
| 93.240   | State Capacity Building   | -                               | 604,156              |
| 93.240   | COVID-19 - State Capacity Building  | -                               | 81,539               |
|  | <b>Total State Capacity Building</b>  | -                               | 685,695              |
| 93.241   | State Rural Hospital Flexibility Program  | -                               | 329,792              |
| 93.243   | Substance Abuse and Mental Health Services Projects of Regional and National Significance   | 1,616,802                       | 3,931,862            |
| 93.251   | Early Hearing Detection and Intervention  | 51,041                          | 235,651              |
| 93.262   | Occupational Safety and Health Program  | -                               | 350,703              |
| 93.262   | COVID-19 - Occupational Safety and Health Program   | -                               | 139,218              |
|  | <b>Total Occupational Safety and Health Program</b>   | -                               | 489,921              |
| 93.268   | Immunization Cooperative Agreements   | 57,840                          | 78,295,440           |
| 93.268   | COVID-19 - Immunization Cooperative Agreements  | 13,738,744                      | 28,057,507           |
|  | <b>Total Immunization Cooperative Agreements</b>  | 13,796,584                      | 106,352,947          |
| 93.270   | Viral Hepatitis Prevention and Control  | -                               | 503,270              |
| 93.296   | State Partnership Grant Program to Improve Minority Health  | -                               | 27,035               |
| 93.301   | Small Rural Hospital Improvement Grant Program  | 77,016                          | 77,016               |
| 93.314   | Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program  | -                               | 116,065              |
| 93.323   | Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)  | -                               | 4,639,294            |
| 93.323   | COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)   | 198,244,349                     | 504,023,936          |
|  | <b>Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)</b>   | 198,244,349                     | 508,663,230          |
| 93.324   | State Health Insurance Assistance Program   | 752,262                         | 971,246              |
| 93.336   | Behavioral Risk Factor Surveillance System  | -                               | 774,037              |
| 93.354   | COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response                            | 4,811,000                       | 13,389,995           |
| 93.367   | Flexible Funding Model - Infrastructure Development and Maintenance for State Manufactured Food Regulatory Programs                                 | -                               | 421,558              |
| 93.369   | ACL Independent Living State Grants   | -                               | 378,373              |
| 93.387   | National and State Tobacco Control Program  | -                               | 1,552,573            |
| 93.391   | COVID-19 - Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises       | 422,265                         | 1,622,041            |
| 93.426   | Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke  | 132,289                         | 1,811,692            |
| 93.432   | ACL Centers for Independent Living  | -                               | 1,530,305            |
| 93.432   | COVID-19 - ACL Centers for Independent Living   | -                               | 519,459              |
|  | <b>Total ACL Centers for Independent Living</b>   | -                               | 2,049,764            |
| 93.435   | Innovative State and Local Public Health Strategies to prevent and Manage Diabetes and Heart Disease and Stroke                                     | 913,340                         | 1,763,707            |
| 93.464   | ACL Assistive Technology  | -                               | 603,427              |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

| Assistance Listing   | Program/Cluster Name   | Passed Through to Subrecipients | Federal Expenditures |
|--|--|---------------------------------|----------------------|
| <b>U.S. Department of Health and Human Services (continued):</b> |  |                                 |                      |
| 93.471   | Title IV-E Kinship Navigator Program   | \$ -                            | \$ 88,590            |
| 93.495   | COVID-19 - Community Health Workers for Public Health Response and Resilient                         | 10,149                          | 73,473               |
| 93.497   | COVID-19 - Family Violence Prevention and Services/ Sexual Assault/Rape Crisis Services and Supports | 805                             | 805                  |
| 93.556   | MaryLee Allen Promoting Safe and Stable Families Program   | -                               | 5,092,771            |
| 93.556   | COVID-19 - MaryLee Allen Promoting Safe and Stable Families Program                                  | -                               | 370,285              |
|  | <b>Total MaryLee Allen Promoting Safe and Stable Families Program</b>                                | -                               | 5,463,056            |
| 93.558   | Temporary Assistance for Needy Families  | -                               | 389,650,739          |
| 93.558   | COVID-19 - Temporary Assistance for Needy Families   | -                               | 27,853,223           |
|  | <b>Total Temporary Assistance for Needy Families</b>   | -                               | 417,503,962          |
| 93.563   | Child Support Enforcement  | -                               | 75,298,797           |
| 93.566   | Refugee and Entrant Assistance State/Replacement Designee Administered Programs                      | 3,428,643                       | 16,726,131           |
| 93.566   | COVID-19 - Refugee and Entrant Assistance State/Replacement Designee Administered Programs           | 159,291                         | 159,291              |
|  | <b>Total Refugee and Entrant Assistance State/Replacement Designee Administered Programs</b>         | 3,587,934                       | 16,885,422           |
| 93.568   | Low-Income Home Energy Assistance  | 92,646,650                      | 93,891,304           |
| 93.568   | COVID-19 - Low-Income Home Energy Assistance   | 182,352,854                     | 183,016,517          |
|  | <b>Total Low-Income Home Energy Assistance</b>   | 274,999,504                     | 276,907,821          |
| 93.569   | Community Services Block Grant   | 17,336,277                      | 18,282,718           |
| 93.569   | COVID-19 - Community Services Block Grant  | 6,694,434                       | 6,921,505            |
|  | <b>Total Community Services Block Grant</b>  | 24,030,711                      | 25,204,223           |
| 93.583   | Refugee and Entrant Assistance Wilson/Fish Program   | 440,988                         | 482,503              |
| 93.586   | State Court Improvement Program  | -                               | 402,333              |
| 93.586   | COVID-19 - State Court Improvement Program   | 10,000                          | 86,583               |
|  | <b>Total State Court Improvement Program</b>   | 10,000                          | 488,916              |
| 93.590   | Community-Based Child Abuse Prevention Grants  | 607,990                         | 609,544              |
| 93.590   | COVID-19 - Community-Based Child Abuse Prevention Grants   | -                               | 146,664              |
|  | <b>Total Community-Based Child Abuse Prevention Grants</b>   | 607,990                         | 756,208              |
| 93.597   | Grants to States for Access and Visitation Programs  | -                               | 160,443              |
| 93.599   | Chafee Education and Training Vouchers Program (ETV)   | -                               | 956,500              |
| 93.599   | COVID-19 - Chafee Education and Training Vouchers Program (ETV)                                      | -                               | 736,742              |
|  | <b>Total Chafee Education and Training Vouchers Program (ETV)</b>                                    | -                               | 1,693,242            |
| 93.603   | Adoption and Legal Guardianship Incentive Payments   | -                               | 1,342,603            |
| 93.630   | Developmental Disabilities Basic Support and Advocacy Grants   | 142,154                         | 1,221,107            |
| 93.630   | COVID-19 - Developmental Disabilities Basic Support and Advocacy Grants                              | -                               | 43,206               |
|  | <b>Total Developmental Disabilities Basic Support and Advocacy Grants</b>                            | 142,154                         | 1,264,313            |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

| Assistance Listing   | Program/Cluster Name   | Passed Through to Subrecipients | Federal Expenditures |
|--|--|---------------------------------|----------------------|
| <b>U.S. Department of Health and Human Services (continued):</b> |  |                                 |                      |
| 93.631   | Developmental Disabilities Projects of National Significance   | \$ -                            | \$ 113,236           |
| 93.634   | Support for Ombudsman and Beneficiary Counseling Programs for States Participating in Financial Alignment Model Demonstrations for Dually Eligible Individuals | 211,758                         | 712,620              |
| 93.643   | Children's Justice Grants to States  | -                               | 293,026              |
| 93.645   | Stephanie Tubbs Jones Child Welfare Services Program   | -                               | 4,249,472            |
| 93.645   | COVID-19 - Stephanie Tubbs Jones Child Welfare Services Program  | -                               | 160,749              |
|  | <b>Total Stephanie Tubbs Jones Child Welfare Services Program</b>  | -                               | 4,410,221            |
| 93.658   | Foster Care Title IV-E   | -                               | 94,661,418           |
| 93.658   | COVID-19 - Foster Care Title IV-E  | -                               | 3,898,997            |
|  | <b>Total Foster Care Title IV-E</b>  | -                               | 98,560,415           |
| 93.659   | Adoption Assistance  | -                               | 36,668,008           |
| 93.659   | COVID-19 - Adoption Assistance   | -                               | 3,443,404            |
|  | <b>Total Adoption Assistance</b>   | -                               | 40,111,412           |
| 93.665   | COVID-19 - Emergency Grants to Address Mental and Substance Use Disorders During COVID-19  | 123,000                         | 3,157,510            |
| 93.667   | Social Services Block Grant  | -                               | 79,642,480           |
| 93.669   | Child Abuse and Neglect State Grants   | -                               | 1,723,254            |
| 93.669   | COVID-19 - Child Abuse and Neglect State Grants  | -                               | 184,575              |
|  | <b>Total Child Abuse and Neglect State Grants</b>  | -                               | 1,907,829            |
| 93.671   | Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services  | 1,901,863                       | 1,928,618            |
| 93.671   | COVID-19 - Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services   | 598,088                         | 598,088              |
|  | <b>Total Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services</b>   | 2,499,951                       | 2,526,706            |
| 93.674   | John H. Chafee Foster Care Program for Successful Transition to Adulthood  | -                               | 7,176,718            |
| 93.747   | Elder Abuse Prevention Interventions Program   | -                               | 303,075              |
| 93.747   | COVID-19 - Elder Abuse Prevention Interventions Program  | -                               | 262,524              |
|  | <b>Total Elder Abuse Prevention Interventions Program</b>  | -                               | 565,599              |
| 93.767   | Children's Health Insurance Program  | -                               | 584,163,369          |
| 93.767   | COVID-19 - Children's Health Insurance Program   | -                               | 38,920,613           |
|  | <b>Total Children's Health Insurance Program</b>   | -                               | 623,083,982          |
| 93.788   | Opioid STR   | 38,959,802                      | 51,099,917           |
| 93.800   | Organized Approaches to Increase Colorectal Cancer Screening   | -                               | 456,594              |
| 93.810   | Paul Coverdell National Acute Stroke Program National Center for Chronic Disease Prevention and Health Promotion   | -                               | 994,703              |
| 93.817   | Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities   | 540,000                         | 753,101              |
| 93.870   | Maternal, Infant and Early Childhood Home Visiting Grant   | 4,513,931                       | 5,669,385            |
| 93.870   | COVID-19 - Maternal, Infant and Early Childhood Home Visiting Grant  | 204,895                         | 276,284              |
|  | <b>Total Maternal, Infant and Early Childhood Home Visiting Grant</b>  | 4,718,826                       | 5,945,669            |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

| Assistance Listing   | Program/Cluster Name  | Passed Through to Subrecipients | Federal Expenditures |
|--|---|---------------------------------|----------------------|
| <b>U.S. Department of Health and Human Services (continued):</b> |   |                                 |                      |
| 93.889   | National Bioterrorism Hospital Preparedness Program   | \$ 2,501,719                    | \$ 3,527,123         |
| 93.889   | COVID-19 - National Bioterrorism Hospital Preparedness Program  | -                               | 54,143               |
|  | <b>Total National Bioterrorism Hospital Preparedness Program</b>  | <b>2,501,719</b>                | <b>3,581,266</b>     |
| 93.898   | Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations  | 630,787                         | 2,535,418            |
| 93.913   | Grants to States for Operation of State Offices of Rural Health   | -                               | 232,653              |
| 93.917   | HIV Care Formula Grants   | 30,097,366                      | 33,623,297           |
| 93.917   | COVID-19 - HIV Care Formula Grants  | 110,854                         | 227,839              |
|  | <b>Total HIV Care Formula Grants</b>  | <b>30,208,220</b>               | <b>33,851,136</b>    |
| 93.940   | HIV Prevention Activities Health Department Based   | 4,058,835                       | 9,220,485            |
| 93.944   | Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance   | -                               | 426,718              |
| 93.946   | Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs   | -                               | 189,730              |
| 93.946   | COVID-19 - Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs  | -                               | 11,859               |
|  | <b>Total Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs</b>  | <b>-</b>                        | <b>201,589</b>       |
| 93.958   | Block Grants for Community Mental Health Services   | 13,067,802                      | 13,694,911           |
| 93.958   | COVID-19 - Block Grants for Community Mental Health Services  | 7,584,012                       | 8,171,737            |
|  | <b>Total Block Grants for Community Mental Health Services</b>  | <b>20,651,814</b>               | <b>21,866,648</b>    |
| 93.959   | Block Grants for Prevention and Treatment of Substance Abuse  | 19,488,087                      | 40,338,418           |
| 93.959   | COVID-19 - Block Grants for Prevention and Treatment of Substance Abuse   | 5,196,102                       | 6,836,027            |
|  | <b>Total Block Grants for Prevention and Treatment of Substance Abuse</b>   | <b>24,684,189</b>               | <b>47,174,445</b>    |
| 93.977   | Sexually Transmitted Diseases (STD) Prevention and Control Grants   | -                               | 1,615,623            |
| 93.977   | COVID-19 - Sexually Transmitted Diseases (STD) Prevention and Control Grants  | -                               | 1,400,902            |
|  | <b>Total Sexually Transmitted Diseases (STD) Prevention and Control Grants</b>  | <b>-</b>                        | <b>3,016,525</b>     |
| 93.978   | Sexually Transmitted Diseases (STD) Provider Education Grants   | -                               | 605,962              |
| 93.981   | Improving Student Health and Academic Achievement through Nutrition, Physical Activity and the Management of Chronic Conditions in Schools              | 36,478                          | 379,864              |
| 93.981   | COVID-19 - Improving Student Health and Academic Achievement through Nutrition, Physical Activity and the Management of Chronic Conditions in Schools   | 158,332                         | 286,672              |
|  | <b>Total Improving Student Health and Academic Achievement through Nutrition, Physical Activity and the Management of Chronic Conditions in Schools</b> | <b>194,810</b>                  | <b>666,536</b>       |
| 93.982   | COVID-19 - Mental Health Disaster Assistance and Emergency Mental Health  | 1,198,076                       | 1,198,076            |
| 93.991   | Preventive Health and Health Services Block Grant   | 875,808                         | 3,294,678            |
| 93.994   | Maternal and Child Health Services Block Grant to the States  | 2,201,877                       | 11,252,400           |
| 93.997   | Assisted Outpatient Treatment   | 570,227                         | 570,227              |
| <b>Aging Cluster:</b>  |   |                                 |                      |
| 93.044   | Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers  | 8,731,142                       | 11,178,604           |
| 93.044   | COVID-19 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers   | 919,330                         | 1,129,395            |
|  | <b>Total Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers</b>                                       | <b>9,650,472</b>                | <b>12,307,999</b>    |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

| Assistance Listing   | Program/Cluster Name  | Passed Through to Subrecipients | Federal Expenditures  |
|--|---|---------------------------------|-----------------------|
| <b>U.S. Department of Health and Human Services (continued):</b> |   |                                 |                       |
| <b>Aging Cluster (continued):</b>                                |   |                                 |                       |
| 93.045   | Special Programs for the Aging, Title III, Part C, Nutrition Services                                     | \$ 10,125,601                   | \$ 10,125,601         |
| 93.045   | COVID-19 - Special Programs for the Aging, Title III, Part C, Nutrition Services                          | 3,295,537                       | 3,547,444             |
|  | <b>Total Special Programs for the Aging, Title III, Part C, Nutrition Services</b>                        | 13,421,138                      | 13,673,045            |
| 93.053   | Nutrition Services Incentive Program  | 3,262,331                       | 4,580,870             |
|  | <b>Total Aging Cluster</b>  | 26,333,941                      | 30,561,914            |
| <b>CCDF Cluster:</b>   |   |                                 |                       |
| 93.575   | Child Care and Development Block Grant  | -                               | 172,662,791           |
| 93.575   | COVID-19 - Child Care and Development Block Grant   | 287,730,750                     | 372,190,938           |
|  | <b>Total Child Care and Development Block Grant</b>   | 287,730,750                     | 544,853,729           |
| 93.596   | Child Care Mandatory and Matching Funds of the Child Care and Development Fund                            | -                               | 87,333,594            |
|  | <b>Total CCDF Cluster</b>   | 287,730,750                     | 632,187,323           |
| <b>Head Start Cluster :</b>                                      |   |                                 |                       |
| 93.600   | Head Start  | -                               | 144,663               |
|  | <b>Total Head Start Cluster</b>   | -                               | 144,663               |
| <b>Medicaid Cluster:</b>   |   |                                 |                       |
| 93.775   | State Medicaid Fraud Control Units  | -                               | 4,645,980             |
| 93.777   | State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare              | -                               | 12,269,523            |
| 93.777   | COVID-19 - State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare   | -                               | 819,296               |
|  | <b>Total State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare</b> | -                               | 13,088,819            |
| 93.778   | Medical Assistance Program  | -                               | 12,828,459,368        |
| 93.778   | COVID-19 - Medical Assistance Program   | -                               | 1,039,568,682         |
|  | <b>Total Medical Assistance Program</b>   | -                               | 13,868,028,050        |
|  | <b>Total Medicaid Cluster</b>   | -                               | 13,885,762,849        |
|  | <b>Total U.S. Department of Health and Human Services</b>   | <b>992,987,544</b>              | <b>17,129,032,803</b> |
| <b>Social Security Administration:</b>                           |   |                                 |                       |
| 96.008   | Social Security - Work Incentives Planning and Assistance Program   | -                               | 234,810               |
| <b>Disability Insurance/SSI Cluster:</b>                         |   |                                 |                       |
| 96.001   | Social Security Disability Insurance  | -                               | 48,246,156            |
|  | <b>Total Disability Insurance/SSI Cluster</b>   | -                               | 48,246,156            |
|  | <b>Total Social Security Administration</b>   | -                               | <b>48,480,966</b>     |
| <b>U.S. Department of Homeland Security:</b>                     |   |                                 |                       |
| 97.008   | Non-Profit Security Program   | 823,688                         | 823,688               |
| 97.012   | Boating Safety Financial Assistance   | -                               | 2,110,950             |
| 97.023   | Community Assistance Program State Support Services Element (CAP-SSSE)                                    | -                               | 169,512               |
| 97.029   | Flood Mitigation Assistance   | 229,610                         | 243,586               |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

| Assistance Listing  | Program/Cluster Name  | Passed Through to Subrecipients | Federal Expenditures     |
|---|---|---------------------------------|--------------------------|
| <b><i>U.S. Department of Homeland Security (continued):</i></b> |   |                                 |                          |
| 97.036  | Disaster Grants - Public Assistance (Presidentially Declared Disasters)                             | \$ 3,056,798                    | \$ 3,977,069             |
| 97.036  | COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)                  | 143,804,673                     | 326,721,937              |
|   | <b>Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)</b>                | <b>146,861,471</b>              | <b>330,699,006</b>       |
| 97.039  | Hazard Mitigation Grant   | 1,176,514                       | 1,357,592                |
| 97.039  | COVID-19 - Hazard Mitigation Grant  | -                               | 389,414                  |
|   | <b>Total Hazard Mitigation Grant</b>  | <b>1,176,514</b>                | <b>1,747,006</b>         |
| 97.041  | National Dam Safety Program   | -                               | 125,503                  |
| 97.042  | Emergency Management Performance Grants   | 2,449,749                       | 9,189,747                |
| 97.043  | State Fire Training Systems Grants  | -                               | 19,836                   |
| 97.044  | Assistance to Firefighters Grant  | -                               | 396,000                  |
| 97.047  | BRIC: Building Resilient Infrastructure and Communities   | 147,416                         | 290,315                  |
| 97.050  | COVID-19 - Presidential Declared Disaster Assistance to Individuals and Households - Other Needs    | -                               | 10,803,987               |
| 97.056  | Port Security Grant Program   | 32,000                          | 1,037,032                |
| 97.067  | Homeland Security Grant Program   | 15,213,914                      | 18,613,492               |
| 97.091  | Homeland Security Biowatch Program  | -                               | 1,490,208                |
| 97.132  | Financial Assistance for Targeted Violence and Terrorism Prevention                                 | -                               | 981                      |
|   | <b>Total U.S. Department of Homeland Security</b>   | <b>166,934,362</b>              | <b>377,760,849</b>       |
| <b>Research And Development Cluster:</b>                        |   |                                 |                          |
| <b><i>U.S. Department of Commerce:</i></b>                      |   |                                 |                          |
| 11.417  | Sea Grant Support   | 134,307                         | 144,541                  |
| 11.474  | Atlantic Coastal Fisheries Cooperative Management Act   | -                               | 86,567                   |
|   | <b>Total U.S. Department of Commerce</b>  | <b>134,307</b>                  | <b>231,108</b>           |
| <b><i>U.S. Department of the Interior:</i></b>                  |   |                                 |                          |
| 15.615  | Cooperative Endangered Species Conservation Fund  | -                               | 8,714                    |
| 15.634  | State Wildlife Grants   | 66,494                          | 141,968                  |
| 15.677  | Hurricane Sandy Disaster Relief Activities-FWS  | -                               | 25,686                   |
|   | <b>Total U.S. Department of the Interior</b>  | <b>66,494</b>                   | <b>176,368</b>           |
| <b><i>U.S. Department of Health and Human Services:</i></b>     |   |                                 |                          |
| 93.073  | Birth Defects and Developmental Disabilities - Prevention and Surveillance                          | 617,082                         | 1,086,328                |
| 93.946  | Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs | -                               | 174,269                  |
| 93.958  | COVID-19 - Block Grants for Community Mental Health Services  | -                               | 154,360                  |
|   | <b>Total U.S. Department of Health and Human Services</b>   | <b>617,082</b>                  | <b>1,414,957</b>         |
|   | <b>Total Research And Development Program Cluster</b>   | <b>817,883</b>                  | <b>1,822,433</b>         |
|   | <b>Total Expenditures of Federal Awards</b>   | <b>\$ 4,531,017,616</b>         | <b>\$ 32,318,967,027</b> |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COMMONWEALTH OF MASSACHUSETTS**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2022**

**NOTE 1 SINGLE AUDIT REPORTING ENTITY**

For purposes of complying with U.S. Code of Federal Regulations Title 2, *Grants and Agreements Part 200; Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance), the Commonwealth of Massachusetts (the Commonwealth) reporting entity is defined in Note 1 to its June 30, 2022 basic financial statements; except that the Massachusetts School Building Authority, the Pension Reserves Investment Trust Fund, the Massachusetts Municipal Depository Trust, the Massachusetts State Lottery Commission, the Institutions of Higher Education (which include the University of Massachusetts, the State Universities, and the Community Colleges), and all of the discretely presented component units are excluded, except for the Massachusetts Department of Transportation (MassDOT). Accordingly, the accompanying Schedule of Expenditures of Federal Awards (SEFA or Schedule) presents the federal award programs administered by the Commonwealth, as defined above, for the year ended June 30, 2022.

**NOTE 2 BASIS OF PRESENTATION**

Federal award program titles are reported as presented by Assistance Listing Number (ALN) in the System for Award Management (SAM). U.S. Department of Education (ED) subprograms are identified by a subprogram alpha character after the ALN and presented by ED subprogram title.

The accompanying SEFA is presented on the cash basis of accounting. The SEFA is drawn primarily from the Massachusetts Management Accounting and Reporting System (MMARS), the centralized accounting system. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards with the exception of the Coronavirus Relief Fund (Assistance Listing 21.019) and Coronavirus State and Local Fiscal Recovery Funds (Assistance Listing 21.027 ), which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement.

The Commonwealth receives payments from the federal government on behalf of Medicare eligible patients for whom it has provided medical services at its state operated medical facilities. Since these payments represent insurance coverage provided directly to individuals under the Medicare entitlement program, they are not included as federal financial assistance.

**NOTE 3 MATCHING COSTS**

Matching costs, i.e., the nonfederal share of certain program costs, are not included in the accompanying Schedule except for the Commonwealth's share of Unemployment Insurance.

**COMMONWEALTH OF MASSACHUSETTS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2022**

**NOTE 4 RELATIONSHIP TO FEDERAL FINANCIAL REPORTS**

The regulations and guidelines governing the preparation of federal financial reports vary by federal agency and among programs administered by the same agency. Accordingly, the amounts reported in the federal financial reports may not necessarily reconcile with the amounts reported in the accompanying Schedule.

**NOTE 5 NONCASH AWARDS**

The Commonwealth is the recipient of federal financial assistance programs that do not result in cash receipts or disbursements. Noncash awards received by the Commonwealth are included in the Schedule as follows:

| Assistance<br>Listing | Program Title                             | Noncash<br>Award               |
|-----------------------|---|--------------------------------|
| 10.542                | COVID-19 - Pandemic EBT Food Benefits     | \$ 320,608,368                 |
| 10.551                | Supplemental Nutrition Assistance Program | 3,392,013,244                  |
| 10.555                | National School Lunch Program             | 38,465,435                     |
| 10.558                | Child and Adult Care Food Program         | 3,847                          |
| 93.268                | Immunization Cooperative Agreements       | 71,772,178                     |
|                       | Total Noncash Awards                      | <u><u>\$ 3,822,863,072</u></u> |

Commodity inventories for the Food Donation Program at June 30, 2022 totaled \$3,285,125.

**NOTE 6 UNEMPLOYMENT INSURANCE PROGRAM (UI) (ASSISTANCE LISTING 17.225)**

The U.S. Department of Labor, in consultation with the OMB, has determined that for the purpose of audits and reporting under the Uniform Guidance, Commonwealth UI funds as well as federal funds should be considered federal awards for determining Type A programs. The Commonwealth receives federal funds for administrative purposes. Commonwealth unemployment taxes must be deposited to a Commonwealth account in the Federal Unemployment Trust Fund, used only to pay benefits under the federally approved Commonwealth law. Commonwealth UI funds as well as federal funds are included on the Schedule. The following schedule provides a breakdown of the state and federal portions of the total expended amount under Assistance Listing 17.225:

|  |                                |
|--|--------------------------------|
| Commonwealth UI Funds - Benefits             | \$ 1,468,795,276               |
| Federal UI Funds - Benefits                  | 8,308,740                      |
| Federal UI Funds - Administration            | 70,076,943                     |
| COVID-19 - Federal UI Funds - Benefits       | 2,733,621,000                  |
| COVID-19 - Federal UI Funds - Administration | 43,884,058                     |
| Total Expenditures                           | <u><u>\$ 4,324,686,017</u></u> |

**COMMONWEALTH OF MASSACHUSETTS**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2022**

**NOTE 7 10% DE MINIMIS COST RATE**

The Commonwealth does not use the 10% De Minimis Indirect Cost rate exclusively, but each department that has a direct grant will have a negotiated rate with the cognizant federal agency who issued the award.

**NOTE 8 LOANS**

The HOME Investor Partnership Program (Assistance Listing 14.239) is administered by the Commonwealth's Executive Office of Housing and Livable Communities to expand the supply of affordable housing in the Commonwealth. Details of the Fiscal Year 2022 loan activity is as follows:

| Balance<br>Beginning  | Additions            | Deletions             | Balance<br>Ending     |
|-----------------------|----------------------|-----------------------|-----------------------|
| <u>\$ 243,070,470</u> | <u>\$ 14,239,920</u> | <u>\$ (3,283,315)</u> | <u>\$ 254,027,075</u> |

As required by Uniform Guidance, the value of new loans made during the fiscal year plus the beginning balance of loans outstanding is included in the SEFA.

**NOTE 9 DONATED PERSONAL PROTECTIVE EQUIPMENT (UNAUDITED)**

During fiscal year 2022, the Commonwealth of Massachusetts did not receive donated personal protective equipment (PPE) from the federal government in response to the COVID-19 pandemic.

**NOTE 10 DISASTER GRANTS – PUBLIC ASSISTANCE (ASSISTANCE LISTING 97.036)**

After a Presidential-Declared Disaster, FEMA provides a Public Assistance Grant to reimburse eligible costs associated with repair, replacement, or restoration of disaster-damaged facilities; and costs associated with Commonwealth's response to the COVID-19 public health emergency. The federal government reimburses in the form of cost-shared grants which requires state matching funds. For the year ended June 30, 2022, the amount included in the accompanying schedule for Disaster Grants – Public Assistance (Assistance Listing 97.036) includes \$66,465,764 of approved eligible expenditures that were incurred in a prior year.

**COMMONWEALTH OF MASSACHUSETTS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2022**

**NOTE 11 REBATES FROM THE SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)**

During fiscal year 2022, the Commonwealth received cash rebates from infant formula manufacturers in the amount of \$22,787,966 on sales of formula to participants in the WIC program (Assistance Listing 10.557), which are not included in the Schedule. Rebate contracts with infant formula manufacturers are authorized by Code of Federal Regulations, Title 7: Agriculture, Subtitle B, Chapter II, Subchapter A, Part 246.16a as a cost containment measure. Rebates represent a reduction of expenditures previously incurred for WIC food benefit costs. Applying the rebates received to such costs enabled the Commonwealth to extend program benefits to more participants than could have been serviced this fiscal year in the absence of the rebate contract.

**NOTE 12 CCDF CLUSTER (ASSISTANCE LISTINGS 93.575 AND 93.596)**

Expenditures reported in the Schedule for the Child Care Development Fund (CCDF) Cluster include the following funding sources:

|                                    |                       |
|------------------------------------|-----------------------|
| CCDBG                              | \$ 172,662,791        |
| CCDF Mandatory and Matching        | 87,333,594            |
| CCDF CRRSA                         | 68,592,528            |
| CCDF ARP Child Stabilization Funds | 303,598,410           |
| Total Expenditures                 | <u>\$ 632,187,323</u> |

**NOTE 13 EMERGENCY HOUSING VOUCHERS**

In accordance with reporting requirements established by U.S. Department of Housing and Urban Development Notice PIH 2021-25 (HA), Section 8.k., the Schedule includes \$-0- in Emergency Housing Vouchers (EHV) under the Housing Choice Voucher Program (Assistance Listing 14.871).

The Schedule includes \$1,159,811 in EHV funding issued under the American Rescue Plan Act of 2021 under the Moving to Work Demonstration Program (Assistance Listing 14.881). In addition, the COVID-19 amount reported on the Schedule under Assistance Listing 14.881 is net of prior year adjustments to expenditures previously reported against funding issued under the CARES Act.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022**

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***Section I – Summary of the Auditors' Results***

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- |  |                       |                                |  |
|--|-----------------------|--------------------------------|--|
| 1. Type of auditors' report issued:                            | Unmodified            |                                |  |
| 2. Internal control over financial reporting:                  |                       |                                |  |
| • Material weakness(es) identified?                            | <u>    X    </u> yes  | <u>          </u> no           |  |
| • Significant deficiency(ies) identified?                      | <u>          </u> yes | <u>    X    </u> none reported |  |
| 3. Noncompliance material to basic financial statements noted? |                       |                                |  |
|  | <u>          </u> yes | <u>    X    </u> no            |  |

***Federal Awards***

- |   |                      |                                 |  |
|---|----------------------|---------------------------------|--|
| 1. Internal control over major federal programs:  |                      |                                 |  |
| • Material weakness(es) identified?   | <u>    X    </u> yes | <u>          </u> no            |  |
| • Significant deficiency(ies) identified?   | <u>    X    </u> yes | <u>          </u> none reported |  |
| 2. Type of auditors' report issued on compliance for major federal programs:                          |                      |                                 |  |
|   | See table below      |                                 |  |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? |                      |                                 |  |
|   | <u>    X    </u> yes | <u>          </u> no            |  |

|  |                      |
|--|----------------------|
| Dollar threshold used to distinguish between Type A and Type B programs: | \$ <u>48,478,450</u> |
|--|----------------------|

|  |                       |                     |
|--|-----------------------|---------------------|
| Auditee qualified as low-risk auditee? | <u>          </u> yes | <u>    X    </u> no |
|--|-----------------------|---------------------|

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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***Section I – Summary of the Auditors' Results (Continued)***

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**Identification of Major Programs**

| Major Program  | Assistance Listing     | Opinion    |
|--|------------------------|------------|
| Child and Adult Care Food Program                                    | 10.558                 | Qualified  |
| Child Nutrition Cluster  | 10.555, 10.559, 10.582 | Unmodified |
| Moving to Work Demonstration Program                                 | 14.881                 | Unmodified |
| Crime Victim Assistance  | 16.575                 | Unmodified |
| Unemployment Insurance   | 17.225                 | Qualified  |
| WIOA Cluster   | 17.258, 17.259, 17.278 | Qualified  |
| Highway Planning and Construction Cluster                            | 20.205, 20.219         | Qualified  |
| Emergency Rental Assistance  | 21.023                 | Unmodified |
| Homeowner Assistance Fund  | 21.026                 | Unmodified |
| Coronavirus State and Local Fiscal Recovery Funds                    | 21.027                 | Unmodified |
| Rehabilitation Services - Vocational Rehabilitation Grants to States | 84.126                 | Unmodified |
| Education Stabilization Fund   | 84.425                 | Unmodified |
| Child Support Enforcement  | 93.563                 | Unmodified |
| Low-Income Home Energy Assistance                                    | 93.568                 | Qualified  |
| Adoption Assistance  | 93.659                 | Unmodified |
| Children's Health Insurance Program                                  | 93.767                 | Unmodified |
| Medicaid Cluster   | 93.775, 93.777, 93.778 | Unmodified |
| Disability Insurance/SSI Cluster                                     | 96.001                 | Unmodified |

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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***Section II – Financial Statement Findings***

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**Finding 2022-001**

Executive Office of Labor and Workforce Development

Finding Title: Accounting and Financial Reporting – Unemployment Compensation Trust Fund

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Repeat Finding: Yes, 2021-001

**Condition:** The Executive Office of Labor and Workforce Development (EOLWD) is responsible for maintaining the books and records of the Unemployment Compensation Trust Fund (Fund), which is reported as a major enterprise fund in the Commonwealth's Annual Comprehensive Financial Report (ACFR). This responsibility includes recording monthly summary information from EOLWD's delegated system in the Massachusetts Management Accounting and Reporting System (MMARS), the Office of the Comptroller's (CTR) accounting information system and providing the CTR with year-end adjustments and accruals (GAAP package) to facilitate the CTR's preparation of the ACFR in accordance with accounting principles generally accepted in the United States of America (GAAP).

The results of our audit procedures identified systemic accounting and financial reporting deficiencies that have resulted in untimely and inaccurate information. Specifically, there is a lack of controls surrounding the cash, benefits, and federal draw reconciliations that resulted in material misstatements of beginning net position, federal revenue, and the overdraw of federal pandemic related unemployment funds.

We also identified the following:

1. Certain transactions related to May and June of 2022 were not recorded in MMARS until October of 2022.
2. Cash was not reconciled until March 2023 and there remains a \$44.1 million difference between the bank balance and book balance. This amount is immaterial to the financial statements.
3. EOLWD's GAAP package for the Unemployment Compensation Trust Fund was not received timely and required multiple revisions (based on CTR's review) prior to it being provided (February 2023) to us for audit purposes.
4. A standard daily process to draw down federal pandemic funds and state unemployment compensation funds was not followed, and the interpretation of the data provided from the unemployment system was inaccurate. Furthermore, the ad hoc process that was used introduced systematic errors in calculating the amounts of federal and state funds to be drawn to pay benefits.
5. EOLWD has not developed formal (written) monthly or annual financial close and reporting processes specific to the reconciliation of activity and accounts to MMARS and preparation of the annual GAAP package for the CTR.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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***Section II – Financial Statement Findings (Continued)***

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**Finding 2022-001 (Continued)**

**Criteria:** Management is responsible for the preparation and fair presentation of the ACFR in accordance with GAAP. Further, internal control, as defined by auditing standards generally accepted in the United States of America (U.S. GAAS), is a process effected by management and other personnel that is designed to provide reasonable assurance about the achievement of an entity's objectives with regard to the reliability of financial reporting. It is also critical that internal controls are implemented and performed on a timely basis to ensure reliability of financial reporting.

**Effect:** The following was the effect from the conditions previously described:

1. Federal pandemic related grant programs were overdrawn by approximately \$2.49 billion for the period April 6, 2020 through June 30, 2022. This resulted in the following: a) a reduction of the fiscal year 2022 beginning net position of approximately \$1.9 billion; b) a reduction of 2022 federal revenue of approximately \$500 million; and c) the establishment of the "overdraws of federal pandemic-related unemployment insurance benefits" liability of approximately \$2.5 billion.
2. There were no draws on the state unemployment compensation trust fund bank account for approximately five (5) months during fiscal year 2022.
3. Delayed the issuance of the ACFR.

**Cause:** Procedures are not in place to:

- Accurately drawdown funds from the federal pandemic related grant programs and the state unemployment compensation trust fund.
- Reconcile the Fund's activities and balances between the bank accounts, MMARS, and unemployment insurance benefit systems.
- Accurately prepare the GAAP package for the CTR's ACFR.

**Recommendation:** We recommend EOLWD design and implement a system of internal control that reconciles all accounts and balances of the Fund's delegated system to the unemployment insurance bank accounts and MMARS on a monthly basis and no later than 30 days after the end of any given month.

We recommend EOLWD investigate the cash variance of \$44.1 million and take appropriate action.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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***Section II – Financial Statement Findings (Continued)***

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**Finding 2022-001 (Continued)**

We recommend EOLWD design and implement procedures to ensure that the annual GAAP package submitted to CTR considers all balances and transactions to be reported in accordance with GAAP. Such procedures should include documentation as to how balances are calculated for the following items:

- a. Employer Unemployment Insurance Contributions Receivable
- b. Allowance for Uncollectible Employer Taxes Receivable
- c. Benefits (Accounts) Payable
- d. Benefits Overpayments Receivable
- e. Allowance for Uncollectible Benefits Overpayments Receivable
- f. Employer Credit Balances
- g. Overdraw of Federal Pandemic Funds

Such a system should be formally documented and designed in a manner that would provide the ability to produce an unaudited financial statement within 45 days after month or year-end.

**Views of Responsible Officials and Corrective Actions:**

**Identified Error**

The Executive Office of Labor and Workforce Development (EOLWD) has engaged in several projects with consultants from August 2021 through February of 2023 to identify internal control improvements, process redesign and automation that would address the recommendations referred to in this document. On February 15, 2023, EOLWD eliminated the reporting issue that was causing the overdraw of federal funds.

Upon identifying the error, EOLWD has amended internal processes and reporting to ensure federal funding sources are appropriately drawn upon to pay benefits for federal relief programs. Additionally, EOLWD has added audit procedures to the quarterly financial statement preparation process consistent with auditor guidance that compares the funding sources of benefits paid to amounts drawn from each source.

**Implementation of New Controls**

First and foremost, EOLWD's immediate focus is to implement necessary changes to ensure accountability and program integrity across EOLWD finance including the Department of Unemployment Assistance (DUA) and the UI Trust Fund.

Further, EOLWD is in the first phase of a project to replace the existing Unemployment Insurance (UI) application that includes a general ledger for all unemployment activities that will facilitate this work going forward. The Revenue side of the new application will go live in the fall of 2023 and the full application is expected to be implemented by February of 2025.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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***Section II – Financial Statement Findings (Continued)***

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**Finding 2022-001 (Continued)**

EOLWD has already engaged in trainings with the Office of the Comptroller to confirm understanding of MMARS entries required and how to resolve complex issues on a timely basis. Further, EOLWD continues efforts to train four new members of its Cash Management team and to hire additional staff to support the Finance operation.

In addition to staffing initiatives, EOLWD will engage consultants and external experts as appropriate to work with the Finance team to complete the reconciliations required to properly reconcile bank transactions to MMARS and the Fund's delegated system, implement internal controls recommendations, implement business process improvements, and update Standard Operating Procedures accordingly. This work will be done congruently with the hiring of the staff required to maintain these activities beyond implementation.

The reconciliation of the cash variance noted in this document appears to be the FY21 variance which EOLWD worked with the Office of the Comptroller to reconcile. It was then revealed that the variance related to transactions prior to FY21 and the result of this work was inconclusive. The auditor at that time deemed this variance to be immaterial. EOLWD recommends a discussion with the Comptroller to discuss work that has been done to date related to this variance and work collaboratively to determine a path forward.

**Financial Reporting for EOLWD (Background)**

In the Fall of 2022, EOLWD engaged an outside vendor to create a job aide related to the Finance Department's preparation of quarterly financial statements related to the Department of Unemployment Assistance (as required by the Office of the Comptroller). EOLWD simultaneously posted for the position of Director of Financial Reporting with the intention of having a staff member focused on preparing quarterly financial statements and delivery of the GAAP package. Despite 10 months of recruiting efforts, this role remains unfilled. Until the role is filled, the Cash Management team will continue working closely with the Office of the Comptroller to refine the process for the delivery of quarterly financials.

Financial statements generated quarterly do not include an updated accrual information and are for a point of time only. The current UI system cannot freeze data for any period other than fiscal year end. Thus, reports are generated the day after the quarter end for the purposes of creating a GAAP package and the relevant financial statements for Q1, Q2 and Q3. At year end, the UI system is able to freeze data for the purpose of annual reporting, including accruals.

Further, accruals related to employer contributions can only be provided 60 days after the year-end due to the consistent timing of receipt of employer contributions. Q2 quarterly wages are due on July 31st of each year. Most employers do not submit their wages until the last week of July and some employers file late during the month of August. To provide the most complete data the accrual is run on September 1st with delivery in the subsequent week. Thus, financial statements and the relevant GAAP packages for the full fiscal year can only be provided after that 60-day period expires.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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***Section II – Financial Statement Findings (Continued)***

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**Finding 2022-001 (Continued)**

**Further Background on UI Modernization and Financial Reporting**

The new UI system will have more flexibility in providing the relevant financial data on a quarterly basis. Having said that, the 60-day period will likely still apply. EOLWD recommends a review once the new system is in place.

Until the new UI system is in place, quarterly is the most frequent reporting that can be performed.

EOLWD is implementing a reconciliation of bank activity as compared to benefit data from the current UI system as part of the quarterly financial statement preparation process. The intention is to leverage this testing in the first quarter of FY24 to further identify and address any discrepancies between benefits being paid out via the bank versus benefits reported by the existing UI system. This work would address the gaps between reporting in MMARS, bank activity and activity reporting in the existing UI system.

**Responsible Officials:** Anna Yong, Deputy CFO

**Implementation Date:**

Design and Implementation of Internal Controls – January 1, 2024

Reconciliation of \$44.1M – To be determined upon further discussion with CTR.

Implementation of Quarterly Financial Reporting Procedures – January 1, 2024

The dates noted above indicate the dates by which these processes are finalized and (where applicable) handed off to EOLWD staff.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

***Section III – Findings and Questioned Costs – Major Federal Programs***

***Matrix of Findings for Major Federal Programs***

| Program/Cluster Title                                | Federal Agency (Prefix) | Assistance Listing             | Finding No. | Internal Control  |                        | Compliance |
|--|-------------------------|--------------------------------|-------------|-------------------|------------------------|------------|
|  |                         |                                |             | Material Weakness | Significant Deficiency |            |
| Child Nutrition Cluster                              | U.S.D.A. (10)           | 10.555, 10.559, 10.582         | 2022-002    |                   | X                      | X          |
| Child Nutrition Cluster                              | U.S.D.A. (10)           | 10.555, 10.559, 10.582         | 2022-003    |                   | X                      | X          |
| Child and Adult Care Food Program                    | U.S.D.A. (10)           | 10.558                         | 2022-004    | X                 |                        | X          |
| Unemployment Insurance                               | U.S. DOL (17)           | 17.225                         | 2022-005    | X                 |                        | X          |
| Unemployment Insurance                               | U.S. DOL (17)           | 17.225                         | 2022-006    |                   | X                      | X          |
| Unemployment Insurance                               | U.S. DOL (17)           | 17.225                         | 2022-007    |                   | X                      | X          |
| Unemployment Insurance                               | U.S. DOL (17)           | 17.225                         | 2022-008    |                   | X                      | X          |
| Unemployment Insurance                               | U.S. DOL (17)           | 17.225                         | 2022-009    |                   | X                      | X          |
| WIOA Cluster   | U.S. DOL (17)           | 17.258, 17.259, 17.278         | 2022-010    | X                 |                        | X          |
| WIOA Cluster   | U.S. DOL (17)           | 17.258, 17.259, 17.278         | 2022-011    | X                 |                        | X          |
| WIOA Cluster   | U.S. DOL (17)           | 17.258, 17.259, 17.278         | 2022-012    |                   | X                      | X          |
| WIOA Cluster   | U.S. DOL (17)           | 17.258, 17.259, 17.278         | 2022-013    |                   | X                      | X          |
| Highway Planning and Construction Cluster            | U.S. DOT (20)           | 20.205, 20.219                 | 2022-014    | X                 |                        | X          |
| Emergency Rental Assistance                          | U.S DOE (84)            | 21.023                         | 2022-015    |                   | X                      | X          |
| Education Stabilization Fund                         | U.S DOE (84)            | 84.425                         | 2022-016    |                   | X                      | X          |
| Education Stabilization Fund                         | U.S DOE (84)            | 84.425                         | 2022-017    |                   | X                      | X          |
| Low-Income Home Energy Assistance                    | U.S HHS (93)            | 93.568                         | 2022-018    | X                 |                        | X          |
| Low-Income Home Energy Assistance                    | U.S HHS (93)            | 93.568                         | 2022-019    |                   | X                      | X          |
| Children's Health Insurance Program Medicaid Cluster | U.S HHS (93)            | 93.767, 93.775, 93.777, 93.778 | 2022-020    |                   | X                      | X          |

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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|                                   |  |
|-----------------------------------|--|
| <b>Reference Number:</b>          | <b>2022-002</b>  |
| <b>Prior Year Finding:</b>        | No   |
| <b>Federal Agency:</b>            | U.S. Department of Agriculture   |
| <b>State Agency:</b>              | Department of Elementary and Secondary Education                             |
| <b>Federal Program:</b>           | Child Nutrition Cluster, COVID-19 – Child Nutrition Cluster                  |
| <b>Assistance Listing Number:</b> | 10.555, 10.559, 10.582   |
| <b>Award Number and Year:</b>     | 214MA303N1099 (10/1/2020 – 9/30/2021), 214MA303N1199 (10/1/2020 – 9/30/2021) |
| <b>Compliance Requirement:</b>    | Eligibility  |
| <b>Type of Finding:</b>           | Significant Deficiency in Internal Control Over Compliance, Other Matters    |

**Criteria or Specific Requirement:**

*Compliance:* Subrecipient Eligibility - Administering agencies may disburse program funds only to those organizations that meet eligibility requirements under the National School Lunch Program (NSLP), School Breakfast Program (SBP), Special Milk Program for Children (SMP), and Fresh Fruit and Vegetable Program (FFVP).

*Control:* Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

The Department of Elementary and Secondary Education (Department) was unable to provide documentation that its subrecipients met eligibility requirements.

**Context:**

The Department documents subrecipient eligibility in a permanent agreement with each subrecipient. For 2 of 40 subrecipients selected for testing, the Department was unable to provide a copy of the approved permanent agreement, therefore, eligibility for these subrecipients could not be verified.

**Questioned Costs:**

Undetermined.

**Cause:**

The Department’s procedures and internal controls were not sufficient to ensure that it retained documentation of subrecipient eligibility.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-002 (Continued)

**Effect:**

Failure to verify and maintain documentation of subrecipient eligibility could allow the Commonwealth to issue program payments to subrecipients that are not eligible to receive payments under the program.

**Recommendation:**

The Department should enhance its policies and procedures to ensure that it retains copies of permanent agreements where subrecipient eligibility is documented and that this documentation is available for audit.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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|                                   |  |
|-----------------------------------|--|
| <b>Reference Number:</b>          | <b>2022-003</b>  |
| <b>Prior Year Finding:</b>        | No   |
| <b>Federal Agency:</b>            | U.S. Department of Agriculture   |
| <b>State Agency:</b>              | Department of Elementary and Secondary Education                             |
| <b>Federal Program:</b>           | Child Nutrition Cluster, COVID-19 – Child Nutrition Cluster                  |
| <b>Assistance Listing Number:</b> | 10.555, 10.559, 10.582   |
| <b>Award Number and Year:</b>     | 214MA303N1099 (10/1/2020 – 9/30/2021), 214MA303N1199 (10/1/2020 – 9/30/2021) |
| <b>Compliance Requirement:</b>    | Reporting – Federal Funding Accountability and Transparency Act (FFATA)      |
| <b>Type of Finding:</b>           | Significant Deficiency in Internal Control Over Compliance, Other Matters    |

**Criteria or Specific Requirement:**

*Compliance:* Per the Federal Funding Accountability and Transparency Act (FFATA), prime (direct) recipients of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). Reports must be filed in FSRS by the end of the month following the month in which the prime recipient awards any sub-grant greater than or equal to \$30,000. If the initial award is below \$30,000 but subsequent grant modifications result in a total award equal to or over \$30,000, the award will be subject to the reporting requirements as of the date the award exceeds \$30,000. If the initial award equals or exceeds \$30,000 but funding is subsequently de-obligated such that the total award amount falls below \$30,000, the award continues to be subject to FFATA reporting requirements.

The following key data elements must be reported: Subawardee Name and Data Universal Numbering System (DUNS) number; Amount of Subaward (inclusive of modifications); Subaward Obligation/Action Date; Date of Report Submission; Subaward Number; Project Description; and Names and Compensation of Highly Compensated Officers. (Names and Compensation of Highly Compensated Officers must only be reported when the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$30,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986).

*Control:* Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-003 (Continued)

**Condition:**

The Department of Elementary and Secondary Education (Department) did not report subaward information to FSRS timely.

**Context:**

Twenty-three of forty subrecipients selected for testing were not reported timely to FSRS during FY 2022. The subawards were reported from one to two months later than required by FFATA reporting requirements.

| Transactions Tested                  | Subaward not reported | Report not timely | Subaward amount incorrect | Subaward missing key elements |
|--------------------------------------|-----------------------|-------------------|---------------------------|-------------------------------|
| 40                                   | 0                     | 23                | 0                         | 0                             |
| Dollar Amount of Tested Transactions | Subaward not reported | Report not timely | Subaward amount incorrect | Subaward missing key elements |
| \$2,797,503                          | \$0                   | \$1,027,425       | \$0                       | \$0                           |

**Cause:**

The Department's procedures and controls were not sufficient to ensure that subawards were reported timely to FSRS during FY 2022.

**Effect:**

Subawards were not reported to FSRS in accordance with FFATA requirements.

**Questioned Costs:**

None noted.

**Recommendation:**

We recommend the Department review and enhance procedures and internal controls to ensure that all required subawards are reported timely to FSRS no later than the end of the month following the month of issuance.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-004

**Prior Year Finding:** No

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

**State Agency:** Department of Elementary and Secondary Education

**Federal Program:** Child and Adult Care Food Program, COVID-19 – Child and Adult Care Food Program

**Assistance Listing Number:** 10.558

**Award Number and Year:** 202120N202044 (10/1/2020 – 9/30/2021), 202120H170644 (12/27/2020 – 9/30/2021), 202222N202044 (10/1/2021 – 9/30/2022), 202222N115044 (10/1/2021 – 9/30/2022), 202221N115044 (10/1/2021 – 9/30/2023)

**Compliance Requirement:** Eligibility and Subrecipient Monitoring

**Type of Finding:** Material Weakness in Internal Control Over Compliance, Material Noncompliance

**Criteria or Specific Requirement:**

*Compliance:*

Eligibility – Per 7 CFR section 226.2, subrecipients must meet the definition of “independent center” or “sponsoring organization”. In addition, all institutions must also meet the eligibility requirements stated in 7 CFR section 226.15 and 42 USC 1766(a)(6) and (d)(I). Definitions include:

- (1) Independent center means a child care center, at-risk afterschool care center, emergency shelter, outside-school-hours care center or adult day care center which enters into an agreement with the state agency to assume final administrative and financial responsibility for program operations.
- (2) Sponsoring organization means a public or nonprofit private organization that is entirely responsible for the administration of the food program.
- (3) For-profit center means a child care center, outside-school-hours care center, or adult day care center providing nonresidential care to adults or children that does not qualify for tax-exempt status under the Internal Revenue Code of 1986. For-profit centers serving adults must meet the criteria described in paragraph (a) of this definition. For-profit centers serving children must meet the criteria described in paragraphs (b )(1) or (b )(2) of this definition, except that children who only participate in the at-risk afterschool snack and/or meal component of the program must not be considered in determining the percentages under paragraphs (b )( 1) or (b)(2) of this definition.

Subrecipient Monitoring – Per 2 CFR section 200.332(a), all pass-through entities must ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the following information at the time of the subaward and if any of these data elements change, include the changes in subsequent subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward.

Required information includes:

- i. Subrecipient name (which must match the name associated with its unique entity identifier);
- ii. Subrecipient's unique entity identifier;

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:**                      **2022-004 (Continued)**

- iii. Federal Award Identification Number (FAIN);
- iv. Federal Award Date (see the definition of Federal award date in § 200.1 of this part) of award to the recipient by the Federal agency;
- v. Subaward Period of Performance Start and End Date;
- vi. Subaward Budget Period Start and End Date;
- vii. Amount of Federal Funds Obligated by this action by the pass-through entity to the subrecipient;
- viii. Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current financial obligation;
- ix. Total Amount of the Federal Award committed to the subrecipient by the pass-through entity;
- x. Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);
- xi. Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity;
- xii. Assistance Listings number and Title; the pass-through entity must identify the dollar amount made available under each Federal award and the Assistance Listings Number at time of disbursement;
- xiii. Identification of whether the award is R&D; and
- xiv. Indirect cost rate for the Federal award (including if the de minimis rate is charged) per section 200.414.

**Control:** Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

The Department of Elementary and Secondary Education (Department) was unable to provide documentation that it issued subawards in compliance with federal regulations.

**Context:**

Forty subawards were selected for testing and the following exceptions were noted:

- For forty of forty subawards selected for testing, the Federal Award Identification Number (FAIN) was not provided to the subrecipient.
- For one of forty subawards selected for testing, the Department could not provide documentation that it had obtained the subrecipient’s Unique Entity Identifier.
- The Department documents subrecipient eligibility in a permanent agreement with each subrecipient. For three of forty subrecipients selected for testing, the Department was unable to provide a copy of the approved permanent agreement, therefore, eligibility for these subrecipients could not be verified.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-004 (Continued)

**Questioned Costs:**

Undetermined.

**Cause:**

The Department's procedures and controls were not sufficient to ensure that subawards were issued in compliance with federal regulations.

**Effect:**

Excluding the required federal grant award information at the time of the subaward may cause subrecipients and their auditors to be uninformed about specific program and other regulations that apply to the funds they receive. There is also the potential for subrecipients to have incomplete Schedules of Expenditures of Federal Awards (SEFA) in their Single Audit reports, and federal funds may not be properly audited at the subrecipient level in accordance with the Uniform Guidance.

Failure to ensure subrecipients are eligible to receive program funding could result in unauthorized entities receiving program funding.

**Recommendation:**

The Department should review and enhance internal controls and procedures to ensure that all subrecipients are eligible to receive program funds, that required information is included in all subawards, that it retains copies of all subaward agreements, and that documentation is readily available for audit.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-005

**Prior Year Finding:** No

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

**State Agency:** Executive Office of Labor and Workforce Development

**Federal Program:** Unemployment Insurance, COVID-19 – Unemployment Insurance

**Assistance Listing Number:** 17.225

**Award Number and Year:** UI372292255A25 (10/1/2021 – 12/31/2024), UI356542155A25 (10/1/2020 – 12/31/2023)

**Compliance Requirement:** Matching

**Type of Finding:** Material Weakness in Internal Control Over Compliance, Material Noncompliance

**Criteria or Specific Requirement:**

*Compliance:* The state is required to provide 50 percent of the amounts paid to the majority of eligible Extended Benefits (EB) claimants (those not covered by federal law or special provisions of state law) (20 CFR sections 615.2 and 615.14(a)). Those EB amounts paid by the State Workforce Agency (SWA), and that are not the responsibility of the state, are reimbursable to the state from the Unemployment Trust Fund (UTF) (20 CFR section 615.14). The first week of EB is reimbursable to the state only if, in addition to other requirements, the state requires the first week of an individual's benefit year to be an "unpaid waiting week".

*Control:* Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

The Executive Office of Labor and Workforce Development (the Department) was unable to provide documentation that it had provided the required 50 percent of matching funds for Extended Benefits.

**Context:**

The Department was unable to provide documentation that it provided 50 percent of the amount paid to Extended Benefits claimants nor that it had an approved federal waiver stating that the Department was not required to match these funds.

**Questioned Costs:**

Undetermined.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

---

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

---

**Reference Number:** 2022-005 (Continued)

**Cause:**

The Department's procedures and controls were not sufficient to ensure it provided the required 50 percent match for Extended Benefits payments.

**Effect:**

The Department claimed Federal reimbursement for the State share of costs of the program.

**Recommendation:**

We recommend the Department review and enhance procedures and controls to ensure that it is in compliance with the matching requirements of the program.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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|                                   |  |
|-----------------------------------|--|
| <b>Reference Number:</b>          | <b>2022-006</b>  |
| <b>Prior Year Finding:</b>        | No   |
| <b>Federal Agency:</b>            | U.S. Department of Labor   |
| <b>State Agency:</b>              | Executive Office of Labor and Workforce Development                              |
| <b>Federal Program:</b>           | Unemployment Insurance, COVID-19 – Unemployment Insurance                        |
| <b>Assistance Listing Number:</b> | 17.225   |
| <b>Award Number and Year:</b>     | UI372292255A25 (10/1/2021 – 12/31/2024), UI356542155A25 (10/1/2020 – 12/31/2023) |
| <b>Compliance Requirement:</b>    | Eligibility  |
| <b>Type of Finding:</b>           | Significant Deficiency in Internal Control Over Compliance, Other Matters        |

**Criteria or Specific Requirement:**

*Compliance:* Under state Unemployment Compensation (UC) laws, a worker's benefit rights depend on the amount of the worker's wages and/or weeks of work in covered employment in a "base period." While most states define the base period as the first four of the last five completed calendar quarters prior to the filing of the claim, other base periods may be used. To qualify for benefits, a claimant must have earned a certain amount of wages or have worked a certain number of weeks or calendar quarters within the base period or meet some combination of wage and employment requirements. Some states require a waiting period of one week of total or partial unemployment before UC is payable. A "waiting period" is a non-compensable period of unemployment in which the worker is otherwise eligible for benefits.

To be eligible to receive UC, all states provide that a claimant must have been separated from suitable work for non-disqualifying reasons under state law (i.e., not because of such acts as leaving voluntarily without good cause or discharge for misconduct connected with work). After separation, they must be able and available for work, actively seeking work, legally authorized to work in the United States and must not have refused an offer of suitable work.

Executive Office of Labor and Workforce Development procedures require that a monetary determination letter be sent to each claimant upon completion of eligibility determination and the calculation of the weekly benefit amount. This letter provides the claimant with an official notification that benefits have been approved.

*Control:* Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-006 (Continued)

**Condition:**

After completing eligibility determination for a claimant, the Executive Office of Labor and Workforce Development (the Department) did not send a monetary determination letter.

**Context:**

For one of sixty claimants selected for testing, the Department did not send a monetary determination letter to the claimant identifying the approved weekly benefit amount. Auditors were able to recalculate the weekly benefit amount from other sources and determined that it had been accurately calculated.

**Questioned Costs:**

None noted.

**Cause:**

The Department's procedures and controls were not sufficient to ensure it sent monetary determination letters to all claimants upon completion of eligibility determination.

**Effect:**

The Department was unable to provide documentation that it had sent a monetary determination letter to a claimant.

**Recommendation:**

We recommend the Department review and enhance procedures and controls to ensure that it sends a monetary determination letter to all claimants upon completion of eligibility determination.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-007

**Prior Year Finding:** 2021-009

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

**State Agency:** Executive Office of Labor and Workforce Development

**Federal Program:** Unemployment Insurance, COVID-19 – Unemployment Insurance

**Assistance Listing Number:** 17.225

**Award Number and Year:** UI372292255A25 (10/1/2021 – 12/31/2024), UI356542155A25 (10/1/2020 – 12/31/2023)

**Compliance Requirement:** Reporting

**Type of Finding:** Significant Deficiency in Internal Control Over Compliance, Other Matters

**Criteria or Specific Requirement:**

**Compliance:** ETA 9130, *Financial Status Report, UI Programs* – This report is used to report program and administrative expenditures. All ETA grantees are required to submit quarterly financial reports for each grant award which they operate, including standard program and pilot, demonstration, and evaluation projects. Financial data is required to be reported cumulatively from grant inception through the end of each reporting period. A separate ETA 9130 is submitted for each of the following: UI, PEUC, and PUA Administration, DUA, TRA/RTAA, and UA Projects (administration and benefits). See TEGL No. 02-16 for specific and clarifying instructions about the ETA 9130. Per 9130 guidelines the report is submitted via an on-line reporting system. The report submission process is 3-steps (1) secondary contact enters in the data (2) primary contact is responsible for certifying the accuracy of the data by entering the PIN (3) DOI/ETA is responsible for reviewing the FSR, communicating with the grantee and accepting the report within 10 working days after certification. Quarterly reporting deadlines: May 15 (March end date), August 14 (June 30 end date), November 14 (September end date), February 14 (December 31 end date).

**Control:** Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

ETA 9130 reports submitted by the Executive Office of Labor and Workforce Development (the Department) did not agree to supporting documentation. In addition, several reports were not submitted timely.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

---

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

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**Reference Number:** 2022-007 (Continued)

**Context:**

Reports for the 12/31/2021 and 6/30/2022 quarters were selected for testing, which resulted in testing eleven individual reports. The following exceptions were noted:

- For ten of eleven reports, current period and cumulative indirect expenditures were included in supporting documentation but were not included in the report.
- For three of eleven reports, the federal share of expenditures in the previous period and current period did not agree to supporting documentation. The cumulative federal share of expenditures did tie to supporting documentation.
- For one of eleven reports, the federal share of expenditures in the previous period, current period and cumulative did not agree to supporting documentation. In addition, the federal share of unliquidated obligations, total federal share of obligations and unliquidated balance of federal funds did not agree to supporting documentation. This resulted in an underreporting of the Federal share.
- Six of eleven reports were not submitted timely. The reports were submitted from one to four days late.

**Questioned Costs:**

None noted, as the reporting errors did not result in an overclaim of the federal share of expenditures.

**Cause:**

The Department does not have sufficient internal controls in place over compliance of the ETA 9130 reporting process.

**Effect:**

ETA 9130 reports did not agree to supporting documentation and were submitted late.

**Recommendation:**

We recommend that policies and procedures be enhanced to ensure that financial reports are filed timely and accurately.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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|                                   |  |
|-----------------------------------|--|
| <b>Reference Number:</b>          | <b>2022-008</b>  |
| <b>Prior Year Finding:</b>        | No   |
| <b>Federal Agency:</b>            | U.S. Department of Labor   |
| <b>State Agency:</b>              | Executive Office of Labor and Workforce Development                              |
| <b>Federal Program:</b>           | Unemployment Insurance, COVID-19 – Unemployment Insurance                        |
| <b>Assistance Listing Number:</b> | 17.225   |
| <b>Award Number and Year:</b>     | UI372292255A25 (10/1/2021 – 12/31/2024), UI356542155A25 (10/1/2020 – 12/31/2023) |
| <b>Compliance Requirement:</b>    | Special Tests and Provisions – Match with IRS 940 FUTA Tax Form                  |
| <b>Type of Finding:</b>           | Significant Deficiency in Internal Control Over Compliance, Other Matters        |

**Criteria or Specific Requirement:**

*Compliance:* States are required to annually certify for each taxpayer the total amount of contributions required to be paid under the state law for the calendar year and the amounts and dates of such payments in order for the taxpayer to be allowed the credit against the Federal Unemployment (FUTA) tax (26 CFR sections 31.3302(a)-3(a)). In order to accomplish this certification, states annually perform a match of employer tax payments with credit claimed for these payments on the employer's IRS 940 FUTA tax form.

*Control:* Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

The Executive Office of Labor and Workforce Development (the Department) did not complete the annual match of employer tax payments with IRS 940 FUTA tax forms on a timely basis.

**Context:**

The Department initiated the annual match process, but it was not completed until after auditors requested documentation that it had been performed.

**Questioned Costs:**

Undetermined.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-008 (Continued)

**Cause:**

The Department's procedures and controls were not sufficient to ensure it completed the annual FUTA tax certification process on a timely basis.

**Effect:**

Untimely annual FUTA tax certifications could result in unresolved errors in the payment of the FUTA tax and related credits taken by taxpayers.

**Recommendation:**

We recommend the Department review and enhance procedures and controls to ensure that the annual match of employer tax payments with employers' IRS 940 FUTA tax forms is completed on a timely basis.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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|                                   |  |
|-----------------------------------|--|
| <b>Reference Number:</b>          | <b>2022-009</b>  |
| <b>Prior Year Finding:</b>        | No   |
| <b>Federal Agency:</b>            | U.S. Department of Labor   |
| <b>State Agency:</b>              | Executive Office of Labor and Workforce Development                              |
| <b>Federal Program:</b>           | Unemployment Insurance, COVID-19 – Unemployment Insurance                        |
| <b>Assistance Listing Number:</b> | 17.225   |
| <b>Award Number and Year:</b>     | UI372292255A25 (10/1/2021 – 12/31/2024), UI356542155A25 (10/1/2020 – 12/31/2023) |
| <b>Compliance Requirement:</b>    | Special Tests and Provisions – UI Benefit Payments                               |
| <b>Type of Finding:</b>           | Significant Deficiency in Internal Control Over Compliance, Other Matters        |

**Criteria or Specific Requirement:**

*Compliance:* The State Workforce Agency (SWA) is required by 20 CFR section 602.11(d) to operate and maintain a quality control system. The Benefits Accuracy Measurement (BAM) program is DOL's quality control system designed to assess the accuracy of UI benefit payments and denied claims, unless the SWA is exempted from such requirement (20 CFR section 602.22). The program estimates error rates, that is, numbers of claims improperly paid or denied, and dollar amounts of benefits improperly paid or denied, by projecting the results from investigations of statistically sound random samples to the universe of all claims paid and denied in a state. Specifically, the SWA's BAM unit is required to draw a weekly sample of payments and denied claims, complete prompt, and in-depth investigations to determine if the administration of the UC program is consistent with state and federal law (20 CFR section 602.21(d)).

As presented in the ET Handbook No. 395, the investigation involves a review of state agency records, as well as contacting the claimant, employers, and third parties (either in-person, by telephone, or by fax) to conduct new and original fact-finding related to all of the information pertinent to the paid or denied claim that was sampled. BAM investigators review cases for adherence to federal and state law as well as official policy. The following time limits are established for completion of all cases for the year. (The "year" includes all batches of weeks ending in the calendar year.):

- a minimum of 70 percent of cases must be completed within 60 days of the week ending date of the batch;
- 95 percent of cases must be completed within 90 days of the week ending date of the batch;
- a minimum of 98 percent of cases for the year must be completed within 120 days of the ending date of the calendar year.

*Control:* Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

---

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

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**Reference Number:** 2022-009 (Continued)

**Condition:**

The Executive Office of Labor and Workforce Development (the Department) did not complete BAM case investigations within the time limits established in the ET Handbook No. 395.

**Context:**

Sixty cases were selected for testing. The Department did not meet the required time limits for closing cases within 90 or 120 days. Specifically, we noted the following exceptions:

- 90% of cases tested (54 of 60 cases) were closed within 90 days which is less than the required 95%
- 96.7% of cases tested (58 of 60 cases) were closed within 120 days which is less than the required 98%
- The remaining 3.3% of cases tested (2 of 60 cases) were closed from between 130 and 160 days.

In addition, claims selected for testing by the Department must cover claims paid and denied claims. For 8 weeks selected for testing, only claims paid were selected for testing by the Department.

**Questioned Costs:**

Undetermined.

**Cause:**

The Department's procedures and controls were not sufficient to ensure it met the required BAM investigation time limits for closing cases and to ensure all claim types were part of weekly testing.

**Effect:**

Noncompliance with BAM case investigation time limits could delay the detection and correction of inaccurate benefit payments and denied claims.

**Recommendation:**

We recommend the Division review and enhance procedures and controls to ensure that BAM case investigations are completed timely in accordance with the time limits established in the ET Handbook No. 395 and that both paid and denied claims are selected for testing.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-010

**Prior Year Finding:** 2021-011

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

**State Agency:** Executive Office of Labor and Workforce Development

**Federal Program:** WIOA Cluster

**Assistance Listing Number:** 17.258, 17.259, 17.278

**Award Number and Year:** AA-36325-21-55-A-25 (4/1/2021 – 6/30/2024), AA-34774-20-55-A-25 (4/1/2020 – 6/30/2023)

**Compliance Requirement:** Reporting – ETA 9130 Financial Report

**Type of Finding:** Material Weakness in Internal Control Over Compliance, Material Noncompliance

**Criteria or Specific Requirement:**

*Compliance: ETA 9130, Financial Report* – All ETA grantees are required to submit quarterly financial reports for each grant award they receive. Reports are required to be prepared using Workforce Innovation and Opportunity Act instructions for the following: Statewide Adult; Workforce Statewide Youth; Statewide Dislocated Worker; Local Adult; Local Youth; and Local Dislocated Worker. A separate ETA 9130 is submitted for each of these categories. Funds reserved and set aside for PFP contract strategies are required to be reported on ETA 9130 basic reports for each WIOA fund source utilized. Reports are due 45 days after the end of the reporting quarter. Financial data is required to be reported cumulatively from grant inception through the end of each reporting period.

*Control:* Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

The Executive Office of Labor and Workforce Development (the Department) was unable to provide documentation that ETA 9130 reports were completed and submitted in accordance with program requirements.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-010 (Continued)

**Context:**

Reports for the 9/30/2021 and 6/30/2022 quarters were selected for testing. Separate reports are required to be submitted for each category and reporting level, resulting in a total of 75 samples selected for testing. The following exceptions were noted:

- 47 of 75 reports were not submitted timely.
- 4 of 75 reports were incomplete.
- 19 of 75 reports did not agree to supporting documentation.
- For 9 of 75 reports, documentation could not be provided that the reports had been reviewed by the Budget Supervisor and certified by the Director of Insurance.

**Cause:**

The Department's procedures were not sufficient to ensure that ETA 9130 reports were completed in accordance with program requirements and that they were reviewed and approved prior to submission. Internal controls did not prevent or detect the errors.

**Effect:**

Reports were consistently submitted late and did not agree to supporting documentation. A lack of review and approval of reports could allow incorrect data to be reported for the program which could misrepresent the State's financial performance in the program.

**Questioned Costs:**

Undetermined.

**Recommendation:**

The Department should update its procedures and controls and perform additional training over financial reporting to ensure that ETA 9130 reports are completed and submitted in accordance with program requirements. We further recommend that internal controls are enhanced to ensure that reports are reviewed and approved prior to submission.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-011

**Prior Year Finding:** 2021-012

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

**State Agency:** Executive Office of Labor and Workforce Development

**Federal Program:** WIOA Cluster

**Assistance Listing Number:** 17.258, 17.259, 17.278

**Award Number and Year:** AA-36325-21-55-A-25 (4/1/2021 – 6/30/2024), AA-34774-20-55-A-25 (4/1/2020 – 6/30/2023)

**Compliance Requirement:** Reporting – Federal Funding Accountability and Transparency Act (FFATA)

**Type of Finding:** Material Weakness in Internal Control Over Compliance, Material Noncompliance

**Criteria or Specific Requirement:**

*Compliance:* Per the Federal Funding Accountability and Transparency Act (FFATA), prime (direct) recipients of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). Reports must be filed in FSRS by the end of the month following the month in which the prime recipient awards any sub-grant greater than or equal to \$30,000. If the initial award is below \$30,000 but subsequent grant modifications result in a total award equal to or over \$30,000, the award will be subject to the reporting requirements as of the date the award exceeds \$30,000. If the initial award equals or exceeds \$30,000 but funding is subsequently de-obligated such that the total award amount falls below \$30,000, the award continues to be subject to FFATA reporting requirements.

The following key data elements must be reported: Subawardee Name and Data Universal Numbering System (DUNS) number; Amount of Subaward (inclusive of modifications); Subaward Obligation/Action Date; Date of Report Submission; Subaward Number; Project Description; and Names and Compensation of Highly Compensated Officers. (Names and Compensation of Highly Compensated Officers must only be reported when the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$30,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986).

*Control:* Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-011 (Continued)

**Condition:**

The Executive Office of Labor and Workforce Development (Department) did not report subaward information to FSRS.

**Context:**

Six subawards, including one subaward amendment, were selected for testing, totaling \$10,422,414. None of the six subawards were reported to FSRS as required by FFATA requirements.

| Transactions Tested                  | Subaward not reported | Report not timely | Subaward amount incorrect | Subaward missing key elements |
|--------------------------------------|-----------------------|-------------------|---------------------------|-------------------------------|
| 6                                    | 6                     | 0                 | 0                         | 0                             |
| Dollar Amount of Tested Transactions | Subaward not reported | Report not timely | Subaward amount incorrect | Subaward missing key elements |
| \$10,422,414                         | \$10,422,414          | \$0               | \$0                       | \$0                           |

**Cause:**

The Department's procedures and controls were not sufficient to ensure that subawards were reported to FSRS.

**Effect:**

Subawards were not reported to FSRS in accordance with FFATA requirements.

**Questioned Costs:**

None noted.

**Recommendation:**

We recommend the Department review and enhance procedures and internal controls to ensure that all required subawards are reported timely to FSRS no later than the end of the month following the month of issuance.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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|                                   |  |
|-----------------------------------|--|
| <b>Reference Number:</b>          | <b>2022-012</b>  |
| <b>Prior Year Finding:</b>        | 2021-010   |
| <b>Federal Agency:</b>            | U.S. Department of Labor   |
| <b>State Agency:</b>              | Executive Office of Labor and Workforce Development                                    |
| <b>Federal Program:</b>           | WIOA Cluster   |
| <b>Assistance Listing Number:</b> | 17.258, 17.259, 17.278   |
| <b>Award Number and Year:</b>     | AA-36325-21-55-A-25 (4/1/2021 – 6/30/2024), AA-34774-20-55-A-25 (4/1/2020 – 6/30/2023) |
| <b>Compliance Requirement:</b>    | Allowable Costs/Cost Principles – Time and Effort Reporting                            |
| <b>Type of Finding:</b>           | Significant Deficiency in Internal Control Over Compliance, Other Matters              |

**Criteria or Specific Requirement:**

*Compliance:* Per 2 CFR § 200.430 (a), costs of compensation are allowable to the extent that they satisfy the specific requirements of this part, and that the total compensation for individual employees: (1) Is reasonable for the services rendered and conforms to the established written policy of the non-Federal entity consistently applied to both Federal and non-Federal activities; (2) Follows an appointment made in accordance with a non-Federal entity's laws or rules or written policies and meets the requirements of Federal statute, where applicable; and (3) Is determined and supported as provided in paragraph (i) of this section, Standards for Documentation of Personnel Expenses, when applicable.

Per 2 CFR § 200.430 (i), charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated,
- Be incorporated into the official records of the non-Federal entity,
- Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities,
- Encompass both federally assisted, and all other activities compensated by the non-Federal entity on an integrated basis, but may include the use of subsidiary records as defined in the non-Federal entity's written policy,
- Comply with the established accounting policies and practices of the non-Federal entity,
- Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:**

**2022-012 (Continued)**

**Control:** Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

The Executive Office of Labor and Workforce Development (the Department) charged budgeted personnel costs to the program instead of actual costs due to errors coding employee timesheets.

**Context:**

One of sixty employee timesheets selected for testing did not use combination codes and the employee’s time was defaulted to a budgeted grant allocation. Therefore, the amount charged to the program was not based on the employee’s actual time and effort on the program.

The program incurs direct payroll charges which represents approximately \$5.8 million (17%) of total WIOA cluster spending. The Department implemented the use of combination codes within Self-Service Time and Attendance (SSTA), a module of the HR/CMS application in July 2019. Prior to this date, payroll was assigned to grants based on budgeted time and effort allocations maintained in the Labor Cost Management (LCM) module of the Massachusetts Management Accounting and Reporting System (MMARS).

SSTA combination codes are used by employees to allocate and certify hours worked to Federal grants and employees’ supervisors are required to perform a line-item review of hours spent on each grant before approving timesheets. If a timesheet is approved without the use of combination codes, the system will default to budgeted grant allocations entered into LCM.

**Cause:**

The Department’s controls were not operating effectively to ensure that time and effort reporting was performed in accordance with federal requirements.

**Effect:**

Payroll charges allocated to grants based on budgeted time and effort can result in federal reimbursements that are not reflective of actual time and effort working on a grant.

**Questioned Costs:**

Undetermined.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:**

**2022-012 (Continued)**

**Recommendation:**

The Department should update its procedures and controls and perform additional training over time and effort reporting to ensure that payroll costs charged to the program are based on actual time and effort. The Department should not seek federal reimbursement unless it can substantiate that the time and effort was dedicated to the federal program.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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|                                   |  |
|-----------------------------------|--|
| <b>Reference Number:</b>          | <b>2022-013</b>  |
| <b>Prior Year Finding:</b>        | 2021-016   |
| <b>Federal Agency:</b>            | U.S. Department of Labor   |
| <b>State Agency:</b>              | Executive Office of Labor and Workforce Development                                    |
| <b>Federal Program:</b>           | WIOA Cluster   |
| <b>Assistance Listing Number:</b> | 17.258, 17.259, 17.278   |
| <b>Award Number and Year:</b>     | AA-36325-21-55-A-25 (4/1/2021 – 6/30/2024), AA-34774-20-55-A-25 (4/1/2020 – 6/30/2023) |
| <b>Compliance Requirement:</b>    | Subrecipient Monitoring  |
| <b>Type of Finding:</b>           | Significant Deficiency in Internal Control Over Compliance, Other Matters              |

**Criteria or Specific Requirement:**

*Compliance:* Subrecipient Monitoring - Per 2 CFR section 200.332 - Requirements for Pass-Through Entities states, in part, that all pass-through entities must:

- (a) Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the following information at the time of the subaward and if any of these data elements change, include the changes in subsequent subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward. Required information includes:
  - (1)(xii) Assistance Listing number and Title; the pass-through entity must identify the dollar amount made available under each Federal award and the Assistance Listing Number at time of disbursement.

*Control:* Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

The Executive Office of Labor and Workforce Development (Department) did not include all required information in a subaward agreement.

**Context:**

For one of six subawards selected for testing, the assistance listing number and federal award title was not included in the subaward agreement.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-013 (Continued)

**Cause:**

The Department's procedures and controls were not sufficient to ensure that subawards included all required information.

**Effect:**

Excluding required federal grant award information at the time of the subaward may cause subrecipients and their auditors to be uninformed about specific program and other regulations that apply to the funds they receive. There is also the potential for subrecipients to have incomplete Schedules of Expenditures of Federal Awards (SEFA) in their Single Audit reports, and federal funds may not be properly audited at the subrecipient level in accordance with the Uniform Guidance.

**Questioned Costs:**

Undetermined.

**Recommendation:**

We recommend the Department review and enhance internal controls and procedures to ensure that all required information is included in its subawards.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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|                                   |   |
|-----------------------------------|---|
| <b>Reference Number:</b>          | <b>2022-014</b>   |
| <b>Prior Year Finding:</b>        | No  |
| <b>Federal Agency:</b>            | U.S. Department of Transportation   |
| <b>State Agency:</b>              | Department of Transportation  |
| <b>Federal Program:</b>           | Highway Planning and Construction Cluster, COVID-19 – Highway Planning and Construction Cluster |
| <b>Assistance Listing Number:</b> | 20.205, 20.219  |
| <b>Award Number and Year:</b>     | (2021-2022)   |
| <b>Compliance Requirement:</b>    | Suspension and Debarment  |
| <b>Type of Finding:</b>           | Material Weakness in Internal Control Over Compliance, Material Noncompliance                   |

**Criteria or Specific Requirement:**

*Compliance:* Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. “Covered transactions” include contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220. All non-procurement transactions entered into by a pass-through entity (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215.

When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction. This verification may be accomplished by (1) checking the System for Award Management (SAM) Exclusions maintained by the General Services Administration (GSA), (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 CFR section 180.300).

*Control:* Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

The Department of Transportation (Department) could not provide support that it ensured its subrecipients were not suspended or debarred before issuing subawards to the entities.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-014 (Continued)

**Context:**

The suspension and debarment status for 32 of 40 subrecipients selected for testing was not documented.

**Questioned Costs:**

There are no questioned costs related to this finding as the vendors were not federally suspended or debarred.

**Cause:**

The Department did not establish effective internal controls for maintaining sufficient evidence that a suspension and debarment check was completed before issuing subawards.

**Effect:**

If the suspension and debarment status of subrecipients is not verified when entering into covered transactions, it is possible that a subaward could be issued to an ineligible entity.

**Recommendation:**

We recommend the Department implement controls and procedures to ensure it maintains documentation of suspension and debarments checks and that the documentation is available for audit.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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|                                   |   |
|-----------------------------------|---|
| <b>Reference Number:</b>          | <b>2022-015</b>   |
| <b>Prior Year Finding:</b>        | 2021-018  |
| <b>Federal Agency:</b>            | U.S. Department of the Treasury   |
| <b>State Agency:</b>              | Executive Office of Housing and Livable Communities                       |
| <b>Federal Program:</b>           | COVID-19 – Emergency Rental Assistance                                    |
| <b>Assistance Listing Number:</b> | 21.023  |
| <b>Award Number and Year:</b>     | ERA-1 (12/27/2020 – 9/30/2022), ERA-2 (5/1/2021 – 9/30/2025)              |
| <b>Compliance Requirement:</b>    | Reporting   |
| <b>Type of Finding:</b>           | Significant Deficiency in Internal Control Over Compliance, Other Matters |

**Criteria or Specific Requirement:**

*Compliance:* Emergency Rental Assistance (ERA) 1 and ERA 2 state, local, and territorial recipients were required to submit monthly and quarterly reports to the United States Department of the Treasury (U.S. Treasury).

Monthly reports are brief two-question updates through which ERA recipients provide U.S. Treasury with very high-level counts of the numbers of households receiving assistance and the amounts of ERA funds distributed. Monthly reports are due 15 days after the end of each month, with the exception of the December 2021 monthly report which was due January 18, 2022.

Quarterly reports are in-depth reports with data on an array of programmatic and financial information to provide transparency in the use and progress of ERA funds. Monthly reports were required for each month of Fiscal Year 2022 and were due 15 days after the end of the month. Quarterly reports were required for each quarter of Fiscal Year 2022 and were due October 29, 2021, February 1, 2022, April 15, 2022, and July 15, 2022.

*Control:* Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

Monthly reports for the period ending December 31, 2021 were not submitted timely by the Executive Office of Housing and Livable Communities (the Department).

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-015 (Continued)

**Context:**

We selected a sample of eight monthly reports (four each for ERA-1 and ERA-2) and four quarterly reports (two each for ERA-1 and ERA-2). We noted that the 12/31/2021 monthly reports for both ERA-1 and ERA-2 were due by 1/15/2022, but they were submitted on 3/18/2022, or 62 days late.

**Cause:**

The Department's procedures and internal controls were not sufficient to ensure that monthly reports were submitted timely.

**Effect:**

The Department was not in compliance with monthly reporting requirements.

**Questioned Costs:**

None.

**Recommendation:**

We recommend the Department review and enhance procedures and controls to ensure that monthly reports are submitted timely.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

---

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

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|                                   |  |
|-----------------------------------|--|
| <b>Reference Number:</b>          | <b>2022-016</b>  |
| <b>Prior Year Finding:</b>        | No   |
| <b>Federal Agency:</b>            | U.S. Department of Education   |
| <b>State Agency:</b>              | Department of Elementary and Secondary Education   |
| <b>Federal Program:</b>           | COVID-19 – Elementary and Secondary School Emergency Relief Fund (ESSER)<br><br>COVID-19 – American Rescue Plan – Elementary and Secondary School Emergency Relief (ARP ESSER) |
| <b>Assistance Listing Number:</b> | 84.425D, 84.425U   |
| <b>Award Number and Year:</b>     | S425D210025 (1/5/2021 – 9/30/2022)<br>8425D200025 (5/4/2020 – 9/30/2021)<br>S425U210025 (3/4/2021 – 9/30/2023)   |
| <b>Compliance Requirement:</b>    | Reporting  |
| <b>Type of Finding:</b>           | Significant Deficiency in Internal Control Over Compliance, Other Matters  |

**Criteria or Specific Requirement:**

*Compliance:* ESSER grantees must submit an annual performance report with data on expenditures, planned expenditures, subrecipients, and uses of funds, including for mandatory reservations.

The CARES Act requires ESSER grantees to submit quarterly reports. This reporting requirement is satisfied through grantees' submission of the required monthly FFATA data through FSRS.gov. This monthly subaward data reported by States, along with data on awards to States, are pulled into the ESF Transparency Portal.

*Control:* Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

The Year 2 Annual Report submitted by the Department of Elementary and Secondary Education (Department) for ESSER I did not agree to supporting documentation. Further, subaward information used for quarterly reports was not submitted to FSRS timely.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-016 (Continued)

**Context:**

The Year 2 annual report submitted by the Department for ESSER I did not agree to supporting documentation. A variance of \$37,604 was noted in the total amount expended on subrecipients in the prior year and the total amount of reserve expended directly in the prior reporting period.

Forty-two of sixty subrecipients selected for testing were not reported timely to FSRS, therefore, monthly FFATA data used to satisfy the quarterly reporting requirements was untimely. The subawards were reported to FSRS from one or four months later than required by FFATA reporting requirements.

**Cause:**

The Department's procedures and controls were not sufficient to ensure that the amounts reported for ESSER I agreed to supporting documentation nor that monthly subaward data used to satisfy quarterly reporting requirements was reported timely to FSRS.

**Effect:**

The total amount of prior year and current year subrecipient expenditures reported on the Year 2 Annual Report for ESSER I did not agree to supporting documentation. Monthly FFATA data used to satisfy quarterly reporting requirements was not submitted timely.

**Questioned Costs:**

Undetermined.

**Recommendation:**

We recommend the Department review and enhance procedures and internal controls to ensure that amounts reported on the Annual Report agree to supporting documentation. We further recommend that all required subawards are reported timely to FSRS no later than the end of the month following the month of issuance in order to satisfy quarterly reporting requirements for the program.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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|                                   |  |
|-----------------------------------|--|
| <b>Reference Number:</b>          | <b>2022-017</b>  |
| <b>Prior Year Finding:</b>        | 2021-019   |
| <b>Federal Agency:</b>            | U.S. Department of Education   |
| <b>State Agency:</b>              | Department of Elementary and Secondary Education   |
| <b>Federal Program:</b>           | COVID-19 – Elementary and Secondary School Emergency Relief Fund (ESSER)<br><br>COVID-19 – American Rescue Plan – Elementary and Secondary School Emergency Relief (ARP ESSER) |
| <b>Assistance Listing Number:</b> | 84.425D, 84.425U   |
| <b>Award Number and Year:</b>     | S425D210025 (1/5/2021 – 9/30/2022)<br>8425D200025 (5/4/2020 – 9/30/2021)<br>S425U210025 (3/4/2021 – 9/30/2023)   |
| <b>Compliance Requirement:</b>    | Reporting – Federal Funding Accountability and Transparency Act (FFATA)  |
| <b>Type of Finding:</b>           | Significant Deficiency in Internal Control Over Compliance, Other Matters  |

**Criteria or Specific Requirement:**

*Compliance:* Per the Federal Funding Accountability and Transparency Act (FFATA), prime (direct) recipients of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). Reports must be filed in FSRS by the end of the month following the month in which the prime recipient awards any sub-grant greater than or equal to \$30,000. If the initial award is below \$30,000 but subsequent grant modifications result in a total award equal to or over \$30,000, the award will be subject to the reporting requirements as of the date the award exceeds \$30,000. If the initial award equals or exceeds \$30,000 but funding is subsequently de-obligated such that the total award amount falls below \$30,000, the award continues to be subject to FFATA reporting requirements.

The following key data elements must be reported: Subawardee Name and Data Universal Numbering System (DUNS) number; Amount of Subaward (inclusive of modifications); Subaward Obligation/Action Date; Date of Report Submission; Subaward Number; Project Description; and Names and Compensation of Highly Compensated Officers. (Names and Compensation of Highly Compensated Officers must only be reported when the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$30,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.)

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:**

**2022-017 (Continued)**

**Control:** Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

The Department of Elementary and Secondary Education (Department) did not report subaward information to FSRS timely.

**Context:**

Forty-two of sixty subrecipients selected for testing were not reported timely to FSRS. The subawards were reported from one or four months later than required by FFATA reporting requirements.

| Transactions Tested                  | Subaward not reported | Report not timely | Subaward amount incorrect | Subaward missing key elements |
|--------------------------------------|-----------------------|-------------------|---------------------------|-------------------------------|
| 60                                   | 0                     | 32                | 0                         | 0                             |
| Dollar Amount of Tested Transactions | Subaward not reported | Report not timely | Subaward amount incorrect | Subaward missing key elements |
| \$125,991,934                        | \$0                   | \$87,272,968      | \$0                       | \$0                           |

**Cause:**

The Department’s procedures and controls were not sufficient to ensure that subawards were reported to FSRS no later than the end of the month following the month of issuance.

**Effect:**

Subawards were not reported to FSRS in accordance with FFATA requirements.

**Questioned Costs:**

None noted.

**Recommendation:**

We recommend the Department review and enhance procedures and internal controls to ensure that all required subawards are reported timely to FSRS no later than the end of the month following the month of issuance.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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|                                   |   |
|-----------------------------------|---|
| <b>Reference Number:</b>          | <b>2022-018</b>   |
| <b>Prior Year Finding:</b>        | No  |
| <b>Federal Agency:</b>            | U.S. Department of Health and Human Services  |
| <b>State Agency:</b>              | Executive Office of Housing and Livable Communities   |
| <b>Federal Program:</b>           | Low-Income Home Energy Assistance,<br>COVID-19 – Low-Income Home Energy Assistance  |
| <b>Assistance Listing Number:</b> | 93.568  |
| <b>Award Number and Year:</b>     | 2001MALIEA (10/1/2019 – 9/30/2021)<br>2101MAE5C6 (3/11/2021 – 9/30/2022)<br>2101MALIEA (10/10/2020 – 9/30/2022)<br>2201MALIE4 (10/1/2021 – 9/30/2023)<br>2201MALIEA (10/1/2021 – 9/30/2023)<br>2201MALIEI (10/1/2021 – 9/30/2023) |
| <b>Compliance Requirement:</b>    | Reporting – Federal Funding Accountability and Transparency Act (FFATA)   |
| <b>Type of Finding:</b>           | Material Weakness in Internal Control Over Compliance, Material Noncompliance   |

**Criteria or Specific Requirement:**

*Compliance:* Per the Federal Funding Accountability and Transparency Act (FFATA), prime (direct) recipients of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). Reports must be filed in FSRS by the end of the month following the month in which the prime recipient awards any sub-grant greater than or equal to \$30,000. If the initial award is below \$30,000 but subsequent grant modifications result in a total award equal to or over \$30,000, the award will be subject to the reporting requirements as of the date the award exceeds \$30,000. If the initial award equals or exceeds \$30,000 but funding is subsequently de-obligated such that the total award amount falls below \$30,000, the award continues to be subject to FFATA reporting requirements.

The following key data elements must be reported: Subawardee Name and Data Universal Numbering System (DUNS) number; Amount of Subaward (inclusive of modifications); Subaward Obligation/Action Date; Date of Report Submission; Subaward Number; Project Description; and Names and Compensation of Highly Compensated Officers. (Names and Compensation of Highly Compensated Officers must only be reported when the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$30,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986).

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

---

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

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**Reference Number:** 2022-018 (Continued)

**Control:** Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

Subaward information was not reported to FSRS during FY 2022.

**Context:**

None of the thirteen subrecipients selected for testing were reported to FSRS by the Executive Office of Housing and Livable Communities (the Department) during FY 2022. Total subawards selected were \$90,808,866, and \$0 was reported as required by FFATA requirements.

| Transactions Tested                  | Subaward not reported | Report not timely | Subaward amount incorrect | Subaward missing key elements |
|--------------------------------------|-----------------------|-------------------|---------------------------|-------------------------------|
| 13                                   | 13                    | 0                 | 0                         | 0                             |
| Dollar Amount of Tested Transactions | Subaward not reported | Report not timely | Subaward amount incorrect | Subaward missing key elements |
| \$90,808,866                         | \$90,808,866          | \$0               | \$0                       | \$0                           |

**Cause:**

The Department’s procedures and controls were not sufficient to ensure that subawards were reported to FSRS during FY 2022.

**Effect:**

Subawards were not reported to FSRS in accordance with FFATA requirements.

**Questioned Costs:**

None noted.

**Recommendation:**

We recommend the Department review and enhance procedures and internal controls to ensure that all required subawards are reported timely and accurately to FSRS no later than the end of the month following the month of issuance.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

---

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

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|                                   |   |
|-----------------------------------|---|
| <b>Reference Number:</b>          | <b>2022-019</b>   |
| <b>Prior Year Finding:</b>        | No  |
| <b>Federal Agency:</b>            | U.S. Department of Health and Human Services  |
| <b>State Agency:</b>              | Executive Office of Housing and Livable Communities   |
| <b>Federal Program:</b>           | Low-Income Home Energy Assistance,<br>COVID-19 – Low-Income Home Energy Assistance  |
| <b>Assistance Listing Number:</b> | 93.568  |
| <b>Award Number and Year:</b>     | 2001MALIEA (10/1/2019 – 9/30/2021)<br>2101MAE5C6 (3/11/2021 – 9/30/2022)<br>2101MALIEA (10/10/2020 – 9/30/2022)<br>2201MALIE4 (10/1/2021 – 9/30/2023)<br>2201MALIEA (10/1/2021 – 9/30/2023)<br>2201MALIEI (10/1/2021 – 9/30/2023) |
| <b>Compliance Requirement:</b>    | Reporting – Performance and Special Reporting   |
| <b>Type of Finding:</b>           | Significant Deficiency in Internal Control Over Compliance, Other Matters   |

**Criteria or Specific Requirement:**

*Compliance: LIHEAP Performance Data Form (OMB No. 0970-0449)* – For the year ending September 30, 2021, state grantees must submit this report by March 31, 2022. The first section of the report is the Grantee Survey that covers sources and allocation of funding. The rest of the report is regarding performance metrics, mostly related to home energy burden targeting and reduction, as well as the continuity of home energy service.

*LIHEAP Carryover and Reallotment Report (OMB No. 0970-0106)* – Grantees must submit this report no later than August 1 indicating the amount expected to be carried forward for obligation in the following fiscal year and the planned use of those funds. Funds in excess of the maximum carryover limit are subject to reallotment to other LIHEAP grantees in the following fiscal year and must also be reported.

*Annual Report on Households Assisted by LIHEAP (OMB No. 0970-0060)* – As part of the application for block grant funds each year, a report is required for the preceding fiscal year of (1) the number and income levels of the households assisted for each component and any type of LIHEAP assistance (heating, cooling, crisis, and weatherization); and (2) the number of households served that contained young children, elderly, or persons with disabilities, or any vulnerable household for each component. Territories with annual allotments of less than \$200,000 and all Indian tribes are required to report only on the number of households served for each program component.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-019 (Continued)

**Control:** Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

The Executive Office of Housing and Livable Communities (the Department) did not submit performance and special reports timely. In addition, the Annual Report on Households Assisted by LIHEAP did not agree to supporting documentation.

**Context:**

Exceptions were noted for 2 of 3 reports selected for testing. We selected for testing the LIHEAP Performance Data Form, the LIHEAP Carryover and Reallotment Report, and the Annual Report on Households Assisted by LIHEAP that were due during FY2022. Specifically, we noted the following exceptions:

- The LIHEAP Performance Data Forms was not submitted timely. The report for the period ending 9/30/2021 was due by 3/31/2022 but was not submitted until 4/12/2022, or 12 days late.
- Several line items on the Annual Report on Households Assisted by LIHEAP did not agree to supporting documentation.

**Questioned Costs:**

None noted.

**Cause:**

The Department’s procedures were not sufficient to ensure that performance and special reports were submitted timely nor that information reported on the Annual Report on Households Assisted by LIHEAP was accurate and agreed with supporting documentation. Internal controls did not prevent or detect the errors.

**Effect:**

Delays and inaccuracies in submission of annual performance and special reports could impact the Federal agency’s ability to manage the program, could result in delays in annual awards, and possible penalties or sanctions could be imposed by the grantor.

**Recommendation:**

We recommend that the Department review and enhance its procedures and internal controls to ensure that performance and special reports are submitted timely and that the information reported agrees to supporting documentation.

**Views of Responsible Officials:**

Management agrees with the finding.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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|                                   |  |
|-----------------------------------|--|
| <b>Reference Number:</b>          | <b>2022-020</b>  |
| <b>Prior Year Finding:</b>        | 2021-024 (Medicaid Only)   |
| <b>Federal Agency:</b>            | U.S. Department of Health and Human Services   |
| <b>State Agency:</b>              | Executive Office of Health and Human Services  |
| <b>Federal Program:</b>           | Medicaid Cluster, COVID-19 – Medicaid Cluster<br>Children’s Health Insurance Program, COVID-19 – Children’s Health Insurance Program |
| <b>Assistance Listing Number:</b> | 93.775, 93.777, 93.778 (Medicaid)<br>93.767 (CHIP)   |
| <b>Award Number and Year:</b>     | XIX-MAP21, XIX-MAP-22 (Medicaid)<br>2105MA5021, 2205MA5021 (CHIP)  |
| <b>Compliance Requirement:</b>    | Special Tests and Provisions - Provider Health and Safety Standards  |
| <b>Type of Finding:</b>           | Significant Deficiency in Internal Control Over Compliance, Other Matters  |

**Criteria or Specific Requirement:**

*Compliance:* Providers must meet the prescribed health and safety standards for hospital, nursing facilities, and ICF/IID (42 CFR Part 442). The standards may be modified in the state plan.

*Control:* Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

The Department did not provide documentation to support the eligibility recertification for the organizations within the group practice. The recertification was not completed by the third-party administrator within the five-year cycle for the organizations in the group practice. We identified three Medicaid and six CHIP providers within the group practice whose recertification was not completed in a timely manner.

**Context:**

Three of the sixty Medicaid and 6 out of sixty CHIP providers selected for testing, did not provide documentation to support recertification of eligibility.

**Cause:**

The Department did not maintain documentation to support the performance of the providers’ eligibility recertification process.

**COMMONWEALTH OF MASSACHUSETTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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**Reference Number:** 2022-020 (Continued)

**Effect:**

The Department is unable to support compliance with the federal requirement.

**Questioned Costs:**

Undetermined.

**Recommendation:**

We recommend that the Department maintain documentation to support the determination or redetermination of provider eligibility.

**Views of Responsible Officials:**

Management agrees with the finding.



WILLIAM MCNAMARA  
COMPTROLLER

# Commonwealth of Massachusetts

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## CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED JUNE 30, 2022

**CORRECTIVE ACTION PLAN**

Year Ended June 30, 2022

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EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT

2022-001      Accounting and Financial Reporting – Unemployment Compensation Trust Fund

Action taken in response to the finding:

Identified Error

The Executive Office of Labor and Workforce Development (EOLWD) has engaged in several projects with consultants from August 2021 through February of 2023 to identify internal control improvements, process redesign and automation that would address the recommendations referred to in this document. On February 15, 2023, EOLWD eliminated the reporting issue that was causing the overdraw of federal funds.

Upon identifying the error, EOLWD has amended internal processes and reporting to ensure federal funding sources are appropriately drawn upon to pay benefits for federal relief programs. Additionally, EOLWD has added audit procedures to the quarterly financial statement preparation process consistent with auditor guidance that compares the funding sources of benefits paid to amounts drawn from each source.

Implementation of New Controls

First and foremost, EOLWD's immediate focus is to implement necessary changes to ensure accountability and program integrity across EOLWD finance including the Department of Unemployment Assistance (DUA) and the UI Trust Fund.

Further, EOLWD is in the first phase of a project to replace the existing Unemployment Insurance (UI) application that includes a general ledger for all unemployment activities that will facilitate this work going forward. The Revenue side of the new application will go live in the fall of 2023 and the full application is expected to be implemented by February of 2025.

EOLWD has already engaged in trainings with the Office of the Comptroller to confirm understanding of MMARS entries required and how to resolve complex issues on a timely basis. Further, EOLWD continues efforts to train four new members of its Cash Management team and to hire additional staff to support the Finance operation.

In addition to staffing initiatives, EOLWD will engage consultants and external experts as appropriate to work with the Finance team to complete the reconciliations required to properly reconcile bank transactions to MMARS and the Fund's delegated system, implement internal controls recommendations, implement business process improvements, and update Standard Operating Procedures accordingly. This work will be done congruently with the hiring of the staff required to maintain these activities beyond implementation.

**CORRECTIVE ACTION PLAN**

Year Ended June 30, 2022

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The reconciliation of the cash variance noted in this document appears to be the FY21 variance which EOLWD worked with the Office of the Comptroller to reconcile. It was

then revealed that the variance related to transactions prior to FY21 and the result of this work was inconclusive. The auditor at that time deemed this variance to be immaterial. EOLWD recommends a discussion with the Comptroller to discuss work that has been done to date related to this variance and work collaboratively to determine a path forward.

**Financial Reporting for EOLWD (Background)**

In the Fall of 2022, EOLWD engaged an outside vendor to create a job aide related to the Finance Department's preparation of quarterly financial statements related to the Department of Unemployment Assistance (as required by the Office of the Comptroller). EOLWD simultaneously posted for the position of Director of Financial Reporting with the intention of having a staff member focused on preparing quarterly financial statements and delivery of the GAAP package. Despite 10 months of recruiting efforts, this role remains unfilled. Until the role is filled, the Cash Management team will continue working closely with the Office of the Comptroller to refine the process for the delivery of quarterly financials.

Financial statements generated quarterly do not include an updated accrual information and are for a point of time only. The current UI system cannot freeze data for any period other than fiscal year end. Thus, reports are generated the day after the quarter end for the purposes of creating a GAAP package and the relevant financial statements for Q1, Q2 and Q3. At year end, the UI system is able to freeze data for the purpose of annual reporting, including accruals.

Further, accruals related to employer contributions can only be provided 60 days after the year end due to the consistent timing of receipt of employer contributions. Q2 quarterly wages are due on July 31st of each year. Most employers do not submit their wages until the last week of July and some employers file late during the month of August. To provide the most complete data the accrual is run on September 1st with delivery in the subsequent week. Thus, financial statements and the relevant GAAP packages for the full fiscal year can only be provided after that 60-day period expires.

**Further Background on UI Modernization and Financial Reporting**

The new UI system will have more flexibility in providing the relevant financial data on a quarterly basis. Having said that, the 60-day period will likely still apply. EOLWD recommends a review once the new system is in place.

Until the new UI system is in place, quarterly is the most frequent reporting that can be performed.

**CORRECTIVE ACTION PLAN**

Year Ended June 30, 2022

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EOLWD is implementing a reconciliation of bank activity as compared to benefit data from the current UI system as part of the quarterly financial statement preparation process. The intention is to leverage this testing in the first quarter of FY24 to further identify and address any discrepancies between benefits being paid out via the bank

versus benefits reported by the existing UI system. This work would address the gaps between reporting in MMARS, bank activity and activity reporting in the existing UI system.

Name of the contact person responsible for corrective action: Anna Yong, Deputy CFO

Planned completion date for corrective action plan:

Design and Implementation of Internal Controls – January 1, 2024

Reconciliation of \$44.1M – To be determined upon further discussion with CTR.

Implementation of Quarterly Financial Reporting Procedures – January 1, 2024

The dates noted above indicate the dates by which these processes are finalized and (where applicable) handed off to EOLWD staff.

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

2022-002      Child Nutrition Cluster – Assistance Listing No. 10.555, 10.559, 10.582

Action taken in response to the finding: The Office for Food and Nutrition Programs (FNP) has moved from a paper based permanent agreement to a web form that exists on the DESE Security Portal. All existing and new Child Nutrition Sponsors will continue to sign off on the document via the web-based portal allowing for a more efficient collection and document retention process. The identified sponsors with missing permanent agreements for the time period selected now have signed permanent agreements via the web-based form.

Name of the contact person responsible for corrective action: Robert Leshin, Director of Nutrition

Planned completion date for corrective action plan: Action Completed

**CORRECTIVE ACTION PLAN**Year Ended June 30, 2022

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2022-003 Child Nutrition Cluster – Assistance Listing No. 10.555, 10.559, 10.582

Action taken in response to the finding: The timeliness of reporting was affected by FSRS rejecting original report submittals and correcting the errors timely. To address this issue, DESE will review, and enhance procedures and internal controls to ensure that all required subawards are reported timely to FSRS no later than the end of the month following the month of issuance. Specifically; (1) update procedures to ensure that DESE maintains all supporting documentation for report delays due to FSRS rejections and issues that arise during the reporting process that may cause delays in timely reporting; and (2) Incorporating other DESE units and staff in resolving reporting issues to avoid reporting delays.

Name of the contact person responsible for corrective action: Robert Curtin, Associate Commissioner of DATA, Robert Leshin, Director of Nutrition, Robert McDonald, Federal Grants Manager, Jeffrey Benbenek, Director of Audit & Compliance

Planned completion date for corrective action plan: July 1, 2023

2022-004 Child and Adult Care Food Program – Assistance Listing No. 10.558

Action taken in response to the finding: The Office for Food and Nutrition Programs (FNP) has moved from a paper based permanent agreement to a web form that exists on the DESE Security Portal. All existing and new Child Nutrition Sponsors will continue to sign off on the document via the web-based portal allowing for a more efficient collection and document retention process. The identified sponsors with missing permanent agreements for the time period selected now have signed permanent agreements via the web-based form.

FNP will add the applicable FAIN numbers to the Financial Management portion of FNP's public website. FNP will review and update these numbers annually as applicable.

FNP, in conjunction with DESE's Federal Accounting Unit, have embarked on a process to provide all Child Nutrition sponsors instructions and collect information related to UEIs. FNP will continue the process and outreach until all UEIs have been collected.

Name of the contact person responsible for corrective action: Robert Leshin, Director of Nutrition, Jeffrey Benbenek, Director of Audit & Compliance

Planned completion date for corrective action plan: July 1, 2023

**CORRECTIVE ACTION PLAN**

Year Ended June 30, 2022

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EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT

2022-005      Unemployment Insurance, COVID-19 – Unemployment Insurance – Assistance Listing No. 17.225

Action taken in response to the finding: EOLWD will work with USDOL to create a process that verifies how USDOL calculates the federal reimbursement on these benefits and validates the reimbursement with bank records.

Name of the contact person responsible for corrective action: John Saulnier, Director of Benefits Performance, DUA and Eileen O'Rourke, Director of Cash Management, EOLWD

Planned completion date for corrective action plan: November 30, 2023.

2022-006      Unemployment Insurance, COVID-19 – Unemployment Insurance – Assistance Listing No. 17.225

Action taken in response to the finding: The Department of Unemployment Assistance (DUA) will review and enhance procedures and controls to ensure that it sends a monetary determination letter to all claimants upon completion of eligibility determination. DUA is in the process of replacing the unemployment insurance application with a new system, which will strengthen procedures and controls and not lead to these types of issues. The current UI system does not save all monetary determination letters for all claimant and is unable to regenerate a letter that may not be saved in the existing system. The DUA modernization project will eliminate this current flaw in the system.

Name of the contact person responsible for corrective action: John Saulnier, Director of Benefits Performance, DUA

Planned completion date for corrective action plan: February 2025 is the implementation date of the new system.

2022-007      Unemployment Insurance, COVID-19 – Unemployment Insurance – Assistance Listing No. 17.225

Action taken in response to the finding: Staffing: Two new Budget Analysts will begin working for EOLWD at the end of June in 2023. These analysts will provide additional capacity for filing 9130s for WIOA. EOLWD has also proposed funding in the FY 2024 budget to add two additional staff within DUA, ensuring finance expertise within the department and adding even further capacity moving forward.

Training: In March and April 2023, EOLWD provided training to new staff on the preparation, certification, and submission of 9130 reports. Staff beginning in June 2023 will be trained during the next 9130 reporting period.

**CORRECTIVE ACTION PLAN**Year Ended June 30, 2022

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Automating Business Practices: EOLWD refined its automated 9130 reporting for the March 31, 2023, reporting period and is finalizing further refinements that will be implemented prior to the next quarterly reporting period.

Standard Operating Procedures: EOLWD developed job aides for the preparation of 9130 reports with its new automated processes and is in the process of drafting new Standard Operating Procedures (SOPs). These SOPs will be finalized and submitted to DOL by October 1, 2023, as outlined in the corrective action plan schedule provided to DOL. An updated version of this schedule is provided below.

Name of the contact person responsible for corrective action: Malachy Rice, Director of Federal Grants, EOLWD

Planned completion date for corrective action plan: October 1, 2023

2022-008      Unemployment Insurance, COVID-19 – Unemployment Insurance – Assistance Listing No. 17.225

Action taken in response to the finding: The IRS FUTA file was completed and sent to the IRS on 10/27/2022 and we received confirmation emails for the files from IRS on 10/27/2022. However, DUA e did not receive information as to whether the file passed the validity test at that time. If DUA had received information regarding the validity test when the Department sent the original transmission in October 2022, DUA would have had enough time to correct prior to IRS Deadline.

We have updated our FUTA Certification Process accordingly.

Name of the contact person responsible for corrective action: Basir Khalifa, Revenue Manager – Employer liability and reports, DUA

Planned completion date for corrective action plan: In effect now.

2022-009      Unemployment Insurance, COVID-19 – Unemployment Insurance – Assistance Listing No. 17.225

Action taken in response to the finding: During the federal audit period in question, BAM audits increased due to Covid special provisions, fraudulent claims, and Identity Theft. We have hired two additional investigators to work in the BAM unit, which will allow additional work time for individual audits.

Submission of BAM audit data has been delayed at times due to SUN system failures and defects. BAM continues to work the ETA National Office Hotline to report and assist in remediation of SUN server defects that have been persistent since the spring of 2022. BAM continues to develop workarounds for to ensure timely audit data submission in the SUN system.

**CORRECTIVE ACTION PLAN**Year Ended June 30, 2022

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Name of the contact person responsible for corrective action: Susan Saulnier, Director of UI Performs, DUA

Planned completion date for corrective action plan: The expected completion date for correction is March 31, 2024. This will allow time for training of additional staff to become fully operational within the unit, therefore reducing caseload per investigator. BAM will continue to work with ETA Hotline to ensure identification and fixes of defects to allow timely entry of investigation data.

2022-010 WIOA Cluster – Assistance Listing No. 17.258, 17.259, 17.278

Action taken in response to the finding: Staffing: Two new Budget Analysts will begin working for EOLWD at the end of June in 2023. These analysts will provide additional capacity for filing 9130s for WIOA.

Training: In March and April 2023, EOLWD provided training to new staff on the preparation, certification, and submission of 9130 reports. Staff beginning in June 2023 will be trained during the next 9130 reporting period.

Automating Business Practices: EOLWD refined its automated 9130 reporting for the March 31, 2023, reporting period and is finalizing further refinements that will be implemented prior to the next quarterly reporting period.

Standard Operating Procedures: EOLWD developed job aides for the preparation of 9130 reports with its new automated processes and is in the process of drafting new Standard Operating Procedures (SOP). These SOPs will be finalized and submitted to DOL by October 1, 2023, as outlined in the corrective action plan schedule provided to DOL. An updated version of this schedule is provided below.

Name of the contact person responsible for corrective action: Malachy Rice, Director of Federal Grants, EOLWD

Planned completion date for corrective action plan: October 1, 2023

2022-011 WIOA Cluster – Assistance Listing No. 17.258, 17.259, 17.278

Action taken in response to the finding: Reporting has been built to notify responsible parties of the award periods of performance and highlight any issues for corrective action in accordance to previously filed FFATA reporting. In addition, FFATA reporting has been created in EOLWD's DataMart application. Actions taken are as follows:

- Performed FFATA training
- Created accounts for employee access to FFATA
- Filed existing outstanding and new grant FFATA reports

**CORRECTIVE ACTION PLAN**

Year Ended June 30, 2022

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- Used new reporting to notify responsible parties that a new grant/modification has arrived and requires a FFATA Subaward report filed
- Training for existing staff complete and new staff will be trained accordingly as part of their onboarding.

Name of the contact person responsible for corrective action: Malachy Rice, Director of Federal Grants, EOLWD

Planned completion date for corrective action plan: June 30, 2023

2022-012      WIOA Cluster – Assistance Listing No. 17.258, 17.259, 17.278

Action taken in response to the finding: EOLWD has policies and procedures in place to support consistency in charging employee absences. EOLWD will improve existing internal control policies and procedures to ensure that payroll costs charged to federal programs are based on records of actual work performed and such records be reviewed and certified by the employee and supervisor prior to allocation of payroll costs to the WIOA Cluster. In addition, the Department will maintain appropriate documentation to support the SWCAP and DOL indirect cost rates charged to eligible program costs for this Cluster.

In response to an EOLWD prior year audit finding, MassHire Department of Career Services (MHDCS) has and will continue to issue a reminder to all senior managers to take extra care to verify that SSTAs they sign off on each week are completed with all required codes.

Name of the contact person responsible for corrective action: Anna Yong, Deputy CFO, EOLWD

Planned completion date for corrective action plan: June 30, 2023

2022-013      WIOA Cluster – Assistance Listing No. 17.258, 17.259, 17.278

Action taken in response to the finding: Beginning with fiscal year 2023, MHDCS has revised all Financial/Fiscal related documentation (i.e., Budget Sheets, Contracts) for sub-awardees to include the FAIN identifier as recommended through this finding.

Further, MDCS has revised and enhanced its internal controls processes for scheduling, notification, and reporting of subrecipient monitoring by including an additional senior level signoff to confirm that all related documentation, required information including annual reviews, has been stored in a designated backup SharePoint data file beginning with Fiscal year 2023.

**CORRECTIVE ACTION PLAN**

Year Ended June 30, 2022

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Name of the contact person responsible for corrective action: Michael Williams, Director of Monitoring and Oversight, MHDCS

Planned completion date for corrective action plan: December 2022

DEPARTMENT OF TRANSPORTATION

2022-014 Highway Planning and Construction Cluster, COVID-19 – Highway Planning and Construction Cluster – Assistance Listing No. 20.205, 20.219

Action taken in response to the finding: In response to the finding and per the guidance of 2 CFR section 180.215, the Department is coordinating between the Construction Contracts/Prequalification Office and the various District Offices to develop a method of formally checking the status of all subcontractors on each job in the Federal SAM database, as is currently done with prime contractors on all awards. Once a process is finalized, the step will be included in the standard operating procedure for approving subcontractors. This approval will be memorialized as part of each Subcontract Approval Form and stored in the contract file.

Name of the contact person responsible for corrective action: Leo Mooney, Manager of Construction Contracts

Planned completion date for corrective action plan: As this action involves the development of a new process and disseminating to all six District Offices, enactment may take some time. Once the procedure is approved by the Deputy Administrator/Chief of Construction Engineering, District Offices will be notified of the process. A letter outlining the approved directive will be drafted prior to July 1, with the goal of full implementation by September 1.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

2022-015 COVID-19 – Emergency Rental Assistance – Assistance Listing No. 21.023

Action taken in response to the finding: As of June 2022, monthly reports are no longer required for ERA. All reports will be uploaded to treasury before the deadline.

Name of the contact person responsible for corrective action: Molly Butman

Planned completion date for corrective action plan: April 10, 2023

**CORRECTIVE ACTION PLAN**

Year Ended June 30, 2022

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DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

2022-016 COVID-19 – Elementary and Secondary School Emergency Relief Fund (ESSER), COVID-19 – American Rescue Plan – Elementary and Secondary School Emergency Relief (ARP ESSER) – Assistance Listing No. 84.425D, 84.425U

Action taken in response to the finding: DESE has enhanced policies and procedures to ensure the Annual Report has amounts reported are verified with supporting documentation. In addition, DESE corrected all 1st year reporting errors for both the Year 2 and Year 3 Annual Reports submitted to the U.S. Department of Education and all amounts were verified with supporting documentation for accuracy.

Name of the contact person responsible for corrective action: Julia Jou, Director of Budget, Jeffrey Benbenek, Director of Audit & Compliance

Planned completion date for corrective action plan: July 1, 2023

2022-017 COVID-19 – Elementary and Secondary School Emergency Relief Fund (ESSER), COVID-19 – American Rescue Plan – Elementary and Secondary School Emergency Relief (ARP ESSER) – Assistance Listing No. 84.425D, 84.425U

Action taken in response to the finding: DESE will review, enhance procedures and internal controls to ensure that all required subawards are reported timely to FSRS no later than the end of the month following the month of issuance. Specifically; (1) update procedures to ensure that DESE maintains all supporting documentation for report delays due to FSRS rejections and issues that arise during the reporting process that may cause delays in timely reporting; and (2) Incorporating other DESE units and staff in resolving reporting issues to avoid reporting delays.

Name of the contact person responsible for corrective action: Robert Curtin, Associate Commissioner of DATA, Donna Shannon, Director of Financial Services, Robert McDonald, Federal Grants Manager, Jeffrey Benbenek, Director of Audit & Compliance

Planned completion date for corrective action plan: July 1, 2023

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

2022-018 Low-Income Home Energy Assistance, COVID-19 – Low-Income Home Energy Assistance – Assistance Listing No. 93.568

Action taken in response to the finding: Going forward, the FFATA will be submitted for LIHEAP by the DCS Fiscal Unit as required by FFATA instructions.

Name of the contact person responsible for corrective action: Kristen Crowley

**CORRECTIVE ACTION PLAN**

Year Ended June 30, 2022

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Planned completion date for corrective action plan: Report will be filed in FSRS by the end of the month following the month in which the prime recipients are awarded. Next anticipated due date will be November or December 2023.

2022-019      Low-Income Home Energy Assistance, COVID-19 – Low-Income Home Energy Assistance – Assistance Listing No. 93.568

Action taken in response to the finding: The Department of Housing and Community Development (DHCD) implemented new policies and procedures for LIHEAP reporting requirements necessary to ensure the reports are submitted timely and with accurate data to US HHS reporting systems. The DHCD Community Service Unit Manager, or their delegee, will coordinate with the LIHEAP Coordinator and/or other staff as needed to track deadline dates for all LIHEAP reports. Additionally, prior to submission all reports will be reviewed and verified against data sources by a Community Service staff member not involved in the creation of the reports.

Name of the contact person responsible for corrective action: Ed Kiely, Community Service Unit Manager

Planned completion date for corrective action plan: June 1, 2023

EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

2022-020      Medicaid Cluster, COVID-19 – Medicaid Cluster, Children's Health Insurance Program – Assistance Listing No. 93.775, 93.777, 93.778, 93.767

Action taken in response to the finding: MassHealth agrees with the recommendation and notes that all the identified findings relate to MassHealth's Dental Third-Party Administrator DentaQuest. To address the findings and recommendation, MassHealth will require DentaQuest to implement a corrective action plan to review and improve internal controls for the retention of provider enrollment documentation. As part of this corrective action plan, MassHealth will require DentaQuest to ensure that all required documents are obtained and retained during validation and revalidation processes for both individual and group practices. To support this, DentaQuest will also be required to provide additional training to its provider enrollment staff on document retention.

Name of the contact person responsible for corrective action: Tuyen Vu, Dental Program Manager

Planned completion date for corrective action plan: EHS plans the completion date for the corrective action plan in July 2024.



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# Commonwealth of Massachusetts

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### Commonwealth of Massachusetts Summary Schedule of Prior Year Audit Findings FY 2022

The attached summary schedule of prior year findings (Schedule) lists the finding reference, initial finding reference, Assistance Listing Number (ALN), state agency, program and description for the findings included in the fiscal year 2021 Single Audit Report. It also lists the status of any other prior year finding whose corrective action plan has not been fully implemented. The Schedule indicates “fully” if the corrective action plan (CAP) was fully implemented, “partially” if the CAP was not fully implemented and “not implemented” if not implemented at all. Where applicable, an updated CAP is included.

Prior year findings that no longer warrant further action in accordance with the Uniform Guidance Section 200.511(b)(3) have been excluded from the Schedule.

| Finding Reference                      | ALN #                        | Agency | Program(s)                      | Description/ Summary   | Implementation Status | Corrective Action Plan |
|--|------------------------------|--------|---------------------------------|--|-----------------------|------------------------|
| 2018-009, 2017-026                     | 14.182,<br>14.856            | OCD    | Section 8 Project-Based Cluster | During the test work over the subrecipient monitoring of NC/SR developments, no LHA's and for-profit subrecipient were evaluated for risk of noncompliance in accordance with 200.331(b). Also, the Moderate Rehabilitation monitoring policies do not include the Section 8 requirements. | Fully Resolved        |                        |
| 2020-002, 2019-001, 2018-001           |                              | CTR    | State                           | Financial Reporting  | Fully Resolved        |                        |
| 2020-006                               |                              | CTR    | State                           | Accounting and Financial Reporting for Drug Rebates  | Fully Resolved        |                        |
| 2021-001, 2020-002, 2019-001, 2018-002 |                              | EOL    | State                           | Financial Reporting  | Not Resolved          | See Finding 2022-001   |
| 2021-002                               |                              | CTR    | State                           | Accounting and Financial Reporting - Lotteries Fund  | Fully Resolved        |                        |
| 2021-003, 2020-003, 2019-002, 2018-003 |                              | EOL    | State                           | Allowance for Uncollectible Receivables  | Fully Resolved        |                        |
| 2021-004, 2020-006                     |                              | EHS    | State                           | Accounting and Financial Reporting for Drug Rebates  | Fully Resolved        |                        |
| 2021-005                               |                              | CTR    | State                           | Unearned Revenue   | Fully Resolved        |                        |
| 2021-006                               |                              | CTR    | State                           | Financial Close and Reporting  | Fully Resolved        |                        |
| 2021-007                               | 17.225                       | EOL    | Unemployment Insurance          | Reemployment Services and Eligibility Assessments (RESEA)  | Fully Resolved        |                        |
| 2021-008                               | 17.225                       | EOL    | Unemployment Insurance          | Overpayments   | Fully Resolved        |                        |
| 2021-009                               | 17.225                       | EOL    | Unemployment Insurance          | Reporting- ETA 9130 Reports  | Not Resolved          | See Finding 2022-007   |
| 2021-010, 2020-014, 2019-006           | 17.258,<br>17.259,<br>17.278 | EOL    | WIOA Cluster                    | The department did not maintain documentation supporting the indirect cost rate proposal that is the basis for the indirect cost rate applied.   | Fully Resolved        |                        |
| 2021-010, 2020-016, 2019-005, 2018-011 | 17.258,<br>17.259,<br>17.278 | EOL    | WIOA Cluster                    | The department did not have or implement policies and procedures to ensure direct payroll costs charged to federal grants are based on actual time and effort of employees. It should also ensure that all documentation supporting federal charges is maintained.                         | Partially Resolved    | See Finding 2022-012   |

| Finding Reference               | ALN #                        | Agency | Program(s)                                     | Description/ Summary  | Implementation Status | Corrective Action Plan                              |
|---------------------------------|------------------------------|--------|--|---|-----------------------|---|
| 2021-011                        | 17.258,<br>17.259,<br>17.278 | EOL    | WIOA Cluster                                   | Reporting- ETA 9130 Reports   | Not Resolved          | See Finding 2022-010                                |
| 2021-012                        | 17.258,<br>17.259,<br>17.278 | EOL    | WIOA Cluster                                   | Subawards in accordance with the Federal Funding Accountability and Transparency Act (FFATA)  | Not Resolved          | See Finding 2022-011                                |
| 2021-013                        | 17.258,<br>17.259,<br>17.278 | EOL    | WIOA Cluster                                   | Earmarking- ETA 9130 Reports  | Fully Resolved        |   |
| 2021-014                        | 17.258,<br>17.259,<br>17.278 | EOL    | WIOA Cluster                                   | Charging Incorrect Grant, Outside Period of Performance   | Fully Resolved        |   |
| 2021-015, 2020-015,<br>2019-007 | 17.258,<br>17.259,<br>17.278 | EOL    | WIOA Cluster                                   | The Executive Office of Labor and Workforce Development did not report key line item information accurately for one participant on two quarterly reports. | Fully Resolved        |   |
| 2021-016                        | 17.258,<br>17.259,<br>17.278 | EOL    | WIOA Cluster                                   | Missing Subaward Information and Lack of Subrecipient Monitoring  | Not Resolved          | See Finding 2022-013                                |
| 2021-017                        | 21.019                       | EHS    | Coronavirus Relief Fund                        | Invoice Approval and Timeliness   | Fully Resolved        |   |
| 2021-018                        | 21.023                       | OCD    | Emergency Rental Assistance                    | Timely Reporting  | Not Resolved          | See Finding 2022-015                                |
| 2021-019                        | 84.425C                      | EOE    | Education Stabilization Fund                   | Subaward - Reporting to FSRS  | Fully Resolved        |   |
| 2021-020                        | 93.558                       | DTA    | Temporary Assistance for Needy Families (TANF) | Reporting errors on the ACF-196R, ACF-199, ACF-209 and ACF-204  | Partially Resolved    | Expected to be resolved subsequent to June 30, 2022 |
| 2021-021                        | 93.575,<br>93.596            | EEC    | Child Care Development Cluster                 | Subawards in accordance with the Federal Funding Accountability and Transparency Act (FFATA)  | Partially Resolved    | Expected to be resolved subsequent to June 30, 2022 |
| 2021-022                        | 93.575,<br>93.596            | EEC    | Child Care Development Cluster                 | The subaward agreements did not contain all the required federal information.   | Fully Resolved        |   |
| 2021-023, 2020-011              | 93.775,<br>93.777,<br>93.778 | EHS    | Medicaid Cluster                               | The Department did not perform the redetermination of eligibility within the required time frame.   | Fully Resolved        |   |

| Finding Reference                      | ALN #                  | Agency | Program(s)  | Description/ Summary  | Implementation Status | Corrective Action Plan                              |
|--|------------------------|--------|---|---|-----------------------|---|
| 2021-024, 2020-007, 2019-012, 2018-022 | 93.775, 93.777, 93.778 | EHS    | Medicaid Cluster  | The Department did not provide documentation to support recertification of the group practice organization's eligibility.                           | Not Resolved          | See Finding 2022-020                                |
| 2021-025                               | 93.775, 93.777, 93.778 | EHS    | Medicaid Cluster  | The Department did not report overpayments collected by the Commonwealth on the CMS-64.   | Fully Resolved        |   |
| 2021-026                               | 97.036                 | MEMA   | Disaster Grants   | A subaward issued by the Agency was not reported to FSRS.   | Partially Resolved    | Expected to be resolved subsequent to June 30, 2022 |
| 2021-027                               | 97.036                 | MEMA   | Disaster Grants   | The Agency was unable to provide documentation to support the allowability, approval, and proper accounting of expenditures charged to the program. | Partially Resolved    | Expected to be resolved subsequent to June 30, 2022 |
| 2021-028                               | 97.050                 | EOL    | Presidential Declared Disaster Assistance to Individuals and Households | Lost Wages Weekly Report, SF-425 Federal Financial Report   | Partially Resolved    | Expected to be resolved subsequent to June 30, 2022 |