

# **NASHUA REGIONAL PLANNING COMMISSION**

Independent Auditors' Reports Pursuant  
to Governmental Auditing Standards  
and Uniform Guidance

For the Year Ended June 30, 2019

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**Additional Offices:**

Andover, MA  
Greenfield, MA  
Manchester, NH  
Ellsworth, ME

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS*

**Independent Auditors' Report**

To the Board of Commissioners  
Nashua Regional Planning Commission

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 and the major fund of Nashua Regional Planning Commission (the Commission), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated January 15, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission'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.

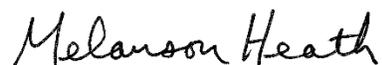
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



January 15, 2020

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND  
REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE

**Independent Auditors' Report**

To the Board of Commissioners  
Nashua Regional Planning Commission

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

We have audited Nashua Regional Planning Commission's (the Commission) 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 Commission's major federal programs for the year ended June 30, 2019. The Commission's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

**Management's Responsibility**

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the Commission's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained

in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Commission's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, Nashua Regional Planning Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

### **Report on Internal Control over Compliance**

Management of the Commission is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Commission's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than

a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Purpose of this Report**

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 and the major fund of Nashua Regional Planning Commission as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements. We issued our report thereon dated January 15, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditure of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Melanson Heath*

January 15, 2020

**NASHUA REGIONAL PLANNING COMMISSION**

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2019

<u>Federal Agency</u> <u>Cluster</u> <u>Federal Office</u> Pass through Agency Program Title	<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>Pass through</u> <u>Identifying</u> <u>Number</u>	<u>Federal</u> <u>Expenditures</u>
<u>U.S. Department of Transportation</u>			
<u>Highway Planning and Construction Cluster</u>			
<u>Federal Highway Administration</u>			
Passed Through State of New Hampshire Department of Transportation:			
Highway Planning and Construction	20.205	41375A	<u>783,112</u>
Total Highway Planning and Construction Cluster			<u>783,112</u>
<u>Transit Services Programs Cluster</u>			
<u>Federal Transit Administration</u>			
Passed Through State of New Hampshire Department of Transportation:			
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	41375A	26,842
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	1385-2017-5	15,993
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	1385-2017-6	<u>131,286</u>
Total Enhanced Mobility of Seniors and Individuals with Disabilities			<u>174,121</u>
Total Transit Services Programs Cluster			<u>174,121</u>
Total U.S. Department of Transportation			957,233
<u>U.S. Environmental Protection Agency</u>			
<u>Region 1</u>			
Healthy Communities Grant Program	66.110	N/A	5,582
<u>Drinking Water State Revolving Fund Cluster</u>			
<u>Office of Water</u>			
Passed Through State of New Hampshire Department of Environmental Services:			
Capitalization Grants for Drinking Water State Revolving Fund	66.468	N/A	<u>19,610</u>
Total Drinking Water State Revolving Fund Cluster			<u>19,610</u>
Total U.S. Environmental Protection Agency			25,192
<u>U.S. Department of Homeland Security</u>			
<u>Federal Emergency Management Agency</u>			
Passed Through State of New Hampshire Department of Safety:			
Pre-Disaster Mitigation	97.047	EMB-2016-PC-003	802
Pre-Disaster Mitigation	97.047	EMB-2017-PC-001	<u>7,126</u>
Total Pre-Disaster Mitigation			<u>7,928</u>
Total U.S. Department of Homeland Security			<u>7,928</u>
Total Federal Expenditures			<u>\$ 990,353</u>

The accompanying notes are an integral part of this schedule.

## NASHUA REGIONAL PLANNING COMMISSION

### Notes to Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2019

#### **Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Commission under programs of the federal government for the year ended June 30, 2019. The information in the Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the Commission, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Commission.

#### **Note 2. Summary of Significant Accounting Policies**

- Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- The Commission has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

#### **Note 3. Subrecipients**

Of the federal expenditures presented in the Schedule, the Commission did not provide federal awards to subrecipients.

**NASHUA REGIONAL PLANNING COMMISSION**

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2019

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

Financial Statements

Type of report auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  yes  no
- Significant deficiency(ies) identified?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified?  yes  no
- Significant deficiency(ies) identified?  yes  none reported

Type of auditors' report issued on compliance for major federal programs:

<u>Federal Agency and Name of Major Program</u>	<u>Type of Opinion on Major Program</u>
-------------------------------------------------	-----------------------------------------

U.S. Department of Transportation, Highway Planning and Construction Cluster	Unmodified
------------------------------------------------------------------------------	------------

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

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction Cluster

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

Auditee qualified as low-risk auditee?  yes  no

**SECTION II - FINANCIAL STATEMENT FINDINGS**

None.

**SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None.

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

None.