

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

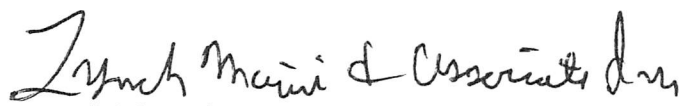
To the Honorable Board of Selectmen
Town of East Bridgewater, Massachusetts

In planning and performing our audit of the financial statements of the Town of East Bridgewater, Massachusetts (the Town) as of and for the year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the Town's internal accounting control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

Given the timing of the prior year audit, the pandemic and significant changes in key management positions, certain of the following comments and recommendations are continued from the prior year. While the Town generally maintains procedures over key financial reporting areas, it is important for management and those charged with governance to continually evaluate internal controls and the financial reporting processes on a "proactive basis". The Town should weigh the advantages and disadvantages of the suggested changes over the present practices and procedures. We continue to recommend the Town evaluate the following:

- The Town adopted a manual associated with financial procedures in fiscal year 2021. As a matter of practice (and given the Town's significant change in personnel subsequent to year end), we continue to recommend an annualized evaluation and risk assessment of adopted internal control policies and procedures be performed to ensure all procedures are appropriately designed and implemented on an ongoing basis. This should include, but not be limited to ensuring all departmental, grant activities (inclusive of school department (student activities and others) accounts and compliance requirements are formally and timely documented/reconciled. As noted in our audit of the Town's compliance with requirements associated with the CARES Act under the Single audit, we reported several noncompliance issues, which highlight areas for additional enhancements in policies and procedures. Management should ensure that all adopted policies and procedures (inclusive of fraud policies) are formally communicated to appropriate personnel on an annual basis.
- Management should continue to review more formalized guidelines/capitalization thresholds for maintenance of capital assets for financial reporting purposes. Generally, GASB recommends governments evaluate these thresholds in accordance with meaningful acquisitions (i.e., group purchases, etc.) rather than just simple "per item cost". Management should evaluate adopted methodologies and disclosures related thereto by performing an evaluation of appropriate guidance (GASB, OMB).
- We continue to recommend management review adopted depository and investment policies. As noted in the prior year, unsecured deposits maintained at year end exceeded thresholds established within the policy. All policies and procedures should be examined annually and amended as deemed appropriate.

This communication is intended solely for the information and use of Town management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.


Norwell, Massachusetts

Independent Auditor's Report(s) on Financial Statements
and in Accordance with *Government Auditing Standards*, dated June 14, 2022

Independent Auditor's Report(s) in accordance with OMB, dated June 27, 2022.