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Date pending

To the Devens Enterprise Commission
Board of Directors
Devens, Massachusetts

Honorable Board

During the course of our audit of the financial statements for the year ended June 30, 2021 we observed areas where improvements or efficiencies could be made. In addition, we are also communicating informational items that the Commission should be aware of.

These are summarized as follows:

INFORMATIONAL ITEMS

Network Security

We annually remind our clients to remain vigilant in the fight against cybercrime. Municipal entities have and continue to be targets for cyber fraud, phishing schemes, ransomware, etc.

This has become very important as the recent pandemic has opened up opportunities to work remotely, and while this is efficient, the equipment used to facilitate these processes could also become targets if not protected adequately.

Accordingly, we recommend that the Commission monitor the changing cybersecurity landscape and maintain its security systems and employee training accordingly.

Investment Income

Although interest rates on bank balances are near all-time lows, recent action and near-term future intentions by the Federal Monetary Oversight Committee to raise the rate on borrowing significantly over the next several months also signals that a similar impact on interest income yields is coming. The Commission earned about \$3,540 in the current year on average cash balances over \$4 million, so with interest rates increasing, this could be an additional source of revenue. It is important that the District Commission monitor market activity relative to investment income and begin to manage yields more efficiently once these trends are observed.

OBSERVATIONS

The financial records for the year ended June 30, 2021, had fallen behind and transactions were incomplete due to turnover in the office.

The following summarize some of our observations:

- Cash reconciliations when completed included a variance of over \$5,000. This should be investigated since there was a turnover in employees in the fiscal year.
- A number of pass-through receivables were not billed until well after year-end. The prior office administrator had not completed this assignment.
- Ethics certifications have not been completed as required by law for all employees and volunteers.
- Certain pass-through receivables were posted as a debit to the accounts payable, instead of in the receivable accounts.
- There is one small receivable for \$250 that has been on the books for a few years. this should be evaluated and written off if it is not collectible.

Please let us know if we can be of further assistance regarding any of the discussion in this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Roselli". The signature is fluid and cursive, with a prominent initial "T" and a long, sweeping underline.

Tony Roselli, CPA, Partner