

September 29, 2021

To the Borough Council  
Borough of Pottstown  
Pottstown, Pennsylvania

In planning and performing our audit of the basic financial statements of the Borough of Pottstown as of and for the year ended December 31, 2020, in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered the Borough of Pottstown'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 entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Pottstown's internal control over financial reporting.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses and significant deficiencies, and, therefore, material weaknesses and significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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. We consider the following deficiencies in the entity's internal control to be material weaknesses:

**Lack of Internal Controls over the Preparation of the Schedule of Expenditures and Federal Awards**

The Borough is required to prepare a Schedule of Expenditures of Federal Awards in accordance with the Uniform Grant Guidance. Internal controls must be in place to ensure the Borough properly reports all federal expenditures and related required information on this schedule.

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We recommend the Borough institute procedures to ensure that an accurate and complete schedule of expenditures of federal awards is maintained. The Borough should prepare and update this schedule on an ongoing basis throughout the year.

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

The purpose of this communication, which is an integral part of our audit, is to describe for management and those charged with governance the scope of our testing of internal control and the results of that testing. Accordingly, this communication is not intended to be and should not be used for any other purpose.

Very truly yours,



MAILLIE LLP  
*Certified Public Accountants and  
Business Consultants*