

WEST BRIDGEWATER HOUSING AUTHORITY
West Bridgewater, Massachusetts

REPORT ON AGREED-UPON PROCEDURES

June 30, 2018

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To The Board of Commissioners
West Bridgewater Housing Authority
West Bridgewater, MA 02379

We have performed the procedures enumerated below, which were agreed to by the Board of Commissioners, the Department of Housing and Community Development (DHCD) and management of the West Bridgewater Housing Authority, solely to perform the agreed-upon procedures, as prescribed by the Massachusetts Department of Housing and Community Development for the year ended June 30, 2018. The West Bridgewater Housing Authority's management is responsible for management decisions and functions and maintaining internal controls, including monitoring ongoing activities. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the associated findings are presented in the Schedule of Agreed-Upon Procedures included in this report.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the effectiveness of the West Bridgewater Housing Authority's internal controls or on compliance with certain provisions of laws, regulations, contracts, and grant agreements. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Commissioners, DHCD and management of the West Bridgewater Housing Authority, and is not intended to be and should not be used by anyone other than these specified parties.



Braintree, Massachusetts
January 17, 2019

B. Payroll/Fringe Benefits		No Findings	No Exception Found
Number of Category Exceptions:	Category Rating:		
0			
A. Wage Reconciliation			
<p>1. Verify analytically (not to exact amount) that FTE-end wages gross payroll reported on the LHA's General Ledger for all programs and all employees matches actual wage amounts reported on Forms 941 and WR-1 (state and federal filings).</p> <p>2. Look at DHCD-approved budget <i>Schedule of All Salaries and Positions "Report"</i> in HAFIS and identify five highest paid salaries from all funding sources. Verify analytically (within % ANUEI increase for that year - exclude overtime in calculation for maintenance employees) that it matches the amount reported at FTE on the LHA's Top 5 Compensation Form (LHA should have a copy on file). Verify the amount reported on the Top 5 Compensation Form matches exactly the amount reported on reconciled Form 941 and the corresponding state online submission (mass.gov/lwd/unemployment-insur/employers/).</p> <p>3. LHA is in possession of DHCD-approved executive contract signed by the LHA, Executive Director and DHCD. If LHA can show that currently being processed by DHCD and was not returned to the LHA for failing to meet DCHD's requirements, LHA can produce the last DHCD-approved executive contract signed by the LHA, Executive Director and DHCD.</p>			NE
B. Select a Single Pay Period:			
<p>1. Trace timesheets/timcards to the payroll register.</p> <p>2. Test for completeness and accuracy.</p> <p>3. Proper controls and approvals are in place, i.e. employees sign timesheets, the Executive Director signs off on employee timesheets, and the Executive Director maintains a timesheet.</p>			No Exception Found NE NE NE
C. Obtain a compensated absences liability schedule:			
<p>1. Test for consistency with personnel policy (personnel policy required per Contract for Financial Assistance (CFA) and Management Plan (Ia2) and reconcile to Balance Sheet (51-2) and General Ledger. If AUP conducted after 9/30/17, personnel policy includes (1) the limits on the amount of vacation and sick leave that will be accrued each year, and when and how such leave will be accrued; (2) a limit on the amount of accrued vacation that may be carried over from year to year, and; (3) a cap on the payout for accrued and unused sick leave at the end of employment per PHN 2017-14. Verify analytically future liabilities for employee benefits (particularly GASB 45 and GASB 68) are properly reflected on Operating Statement (51-1) and Balance Sheet (51-2). If GASB 68 actuarial reports were not received by the LHA in time for year-end financial statements, it is OK for LHA to report last year's GASB 68 numbers.</p> <p>2. Proper controls and approvals are in place, i.e. Executive Director approves employee compensated absences.</p> <p>3. Compensated absences should be tracked apart from the timesheets, and verification with timesheets should be performed.</p> <p>4. Accrued and Accumulated leave time matches. Time is accruing as it should.</p>			NE NE NE
Exceptions Noted:	None Noted.		
Internal Control Recommendation:	N/A		
Authority's Response:	N/A		

		D. Inventory (Fixed Assets)	
		Category Rating:	No Findings
<p>A. Obtain a copy of the depreciation schedules/ fixed asset listing:</p> <p>1. Inventory listing includes both capitalized and non-capitalized items (such as refrigerators, stoves, community room equipment, office equipment, etc.) of \$1,000 or more. It also includes all necessary information, including a tag with an LHA-assigned number for all assets of \$1,000 or more (and all refrigerators and stoves of any value).</p> <p>2. Depreciation schedule/ fixed asset listing includes all relevant assets of \$5,000 or more. It also includes all necessary information to sufficiently identify an asset. For vehicles, that includes the make/model/year and for modernization jobs the Fish number.</p> <p>3. Items on depreciation schedule/ fixed asset listing are being accurately depreciated.</p> <p>4. Reconcile depreciation schedule/ fixed asset listing to Form 51-1 (Operating Statement) and General Ledger and evaluate for completeness and sufficiency of detail.</p> <p>5. Verify analytically that items listed still exist and are in possession of LHA.</p> <p>6. Assets are appropriately allocated between Federal and State on General Ledger, Operating Statement (51-1), and depreciated according to which funds were used for purchase.</p>			NE
<p>B. Capitalization Policy</p> <p>1. Verify capitalization policy is within state established limits (per Accounting Manual, Sec. 16, p.3).</p>			NE
<p>C. Vehicles</p> <p>1. Confirm vehicles are listed on fixed asset listing, and trace vehicles listing to insurance policies.</p>			NE
<p>Exceptions Noted:</p>	None Noted.		NE
<p>Internal Control Recommendation:</p>	N/A		NE
<p>Authority's Response:</p>	N/A		NE

Housing Authority: West Bridgewater

F. Cash Management and Investment Practices		No Findings
Number of Category Exceptions: 0		No Exception Found
A. Pull a mid-year and year-end bank statements: 1. Test the monthly bank reconciliation to ensure that the following two match: General Ledger and bank statements (exclude deposits of rent collected as this was covered earlier). 2. Checks that have been issued and marked on General Ledger but have not been cashed (not on bank statement), known as checks in transit are identified as a part of the reconciliation process.		
B. Bank and Investment Accounts 1. Verify that banking and investment accounts are properly insured or collateralized (per Accounting Manual Sec. 16, p.7)		
Exceptions Noted: None Noted.		NE
Internal Control Recommendation: N/A		NE
Authority's Response: N/A		NE

Housing Authority: West Bridgewater

H. Annual Rent Calculation and Compliance
Number of Category Exceptions: 0
Category Rating: No Findings

To conduct A through D below, select a sample (Small LHA - 5, Medium LHA - 10, Large or Very Large LHA - 15) of tenant files (from programs 200, 667, 705); if the LHA has multiple property managers, at least one file should be selected per manager. Conduct A to C and E, if have MRVP, sample 10% (min:1 max:15) of leased MRVP units.

A. Obtain the rent roll and HAP roll:

1. Verify analytically the completeness of the resident population. (Rent roll and HAP roll support what is reported on Operating Statement Form S1-1).

No Exception Found

NE

B. Timeliness of Annual Rent Calculation

1. Verify timeliness of annual rent redetermination (occurs one year from move-in date or last annual recertification). Except IF: LHA can produce DHCD waiver for Chapter 667 annual rent redetermination requirement and has done rent redetermination once within 2 years of move-in date or last annual recertification).

No Exception Found

NE

C. Accuracy of Rent Calculation

1. Test rent calculation for proper verification of income, expenses and deductions.
2. Verify family composition for allowance purposes.
3. Documentation of income, exclusions from income, and deductions.

No Exception Found

NE

D. Timeliness of Notifications Regarding Rent Changes

1. Verify notification of rent redetermination sent at least 60 days prior to effective date (see 760 CMR 6.04 (4)(b)).
2. Verify Notice of Rent Change sent no less than 14 days prior to effective date (see 760 CMR 6.04 (4)(e)).
3. Verify timeliness and proper execution of Lease Addendum (see 760 CMR 6.06 (5)(g)).

No Exception Found

NE

E. MRVP Documentation (starting with AUPs conducted after 7/31/17)

1. MRVP file has Certificate of Fitness (COF).
2. MRVP file has Letter of Compliance for Lead Paint if child <6 years old and building built prior to 1978 with no new construction permit.
3. MRVP file has Proof of Ownership which is either 1. Deed/Online Printout from Registry of Deeds or 2. Proof of Insurance or 3. Tax Documents.
4. MRVP file has W9.

No Exception Found

NE

Not Applicable

N/A

N/A

N/A

N/A

Exceptions Noted:

None Noted.

Internal Control Recommendation:

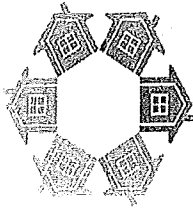
N/A

Authority's Response:

N/A

Southeast Regional Capital Assistance Team

143 School Street Building I Taunton, MA 02780
 Phone: 508-823-6308 X-206 Fax: 508-812-7050



BID RESULT SHEET

PROJECT NAME: Roof Re placement Project

DHCD Fish #: 306023

PLHA: West Bridgewater Housing Authority

PROJECT MANAGER: Kate Ferreira

BID OPENING DATE: Wednesday February 13, 2019 at 2 pm.

NAME	COMPANY	ADDRESS	BASE BID
Aaron Strom	D&S Construction	MASHPEE, MA 02649	\$23,600.00
Michal Rucinski	Mikes Const Co Inc	Dudley, MA 01571	\$24,700.00
Thomas Pappas	Cape Cod Builders Inc	Bourne, MA 02532	\$30,890.00
Darisz Ochocki	JD & D Construction Inc	Webster MA 01570	\$32,000.00
Rachel Bousquet	E5 Builders LLC	Leominster, MA 01453	\$32,980.00

Bid reviewed by _____ John Massey

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Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn E. Polito, Lieutenant Governor ♦ Janelle L. Chan, Undersecretary

December 21, 2018

Diane Perry, Chair
West Bridgewater Housing Authority
7 Esther Drive
West Bridgewater, MA 02379

Dear Chair Perry:

On behalf of the Commonwealth of Massachusetts, I am pleased to award the West Bridgewater Housing Authority **\$76,196** in Formula Funding for Fiscal Year 2022 (FY22).

In FY22, DHCD is awarding a total of \$52.5 M in Formula Funding to the 232 Local Housing Authorities with qualifying state-aided public housing units. This represents a \$2.0 M (4%) increase over FY21 awards, made possible by increased funding programmed in the Governor's FY19 5-year capital budget. Including this award, DHCD has awarded \$503.7 M in Formula Funding since the launch of the program in 2010. This steady stream of funds has allowed for continuous physical improvement of the developments that house some of the state's most vulnerable residents. Thank you for working with DHCD to preserve this valuable asset.

Please bear in mind that the DHCD Performance Monitoring Review (PMR) program launched at the end of December 2016. One part of the PMR evaluates how effective your Housing Authority utilizes its Formula Funding. Your Authority should strive to spend at least 80% of all available Formula Funding in any three-year period in order to avoid a negative evaluation.

If you have any questions about your Formula Funding award, please direct them to Ben Stone, Director of the Bureau of Housing Development and Construction, at 617-573-1176 or Ben.Stone@mass.gov

Sincerely,

A handwritten signature in cursive script that reads "Janelle Chan".

Janelle Chan, Undersecretary

cc: Teresa Maloney, Executive Director

