



Commonwealth of Massachusetts
Office of the State Auditor
Suzanne M. Bump

Making government work better

Official Audit Report – Issued July 22, 2020

Bristol Community College Foundation

For the period July 1, 2017 through June 30, 2019





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July 22, 2020

Mr. Thomas P. Murray, President of the Board of Directors
Bristol Community College Foundation
777 Elsbree Street
Fall River, MA 02720

Dear Mr. Murray:

I am pleased to provide this performance audit of Bristol Community College Foundation. This report details the audit objective, scope, and methodology for the audit period, July 1, 2017 through June 30, 2019. My audit staff discussed the contents of this report with management of the foundation.

I would also like to express my appreciation to Bristol Community College Foundation for the cooperation and assistance provided to my staff during the audit.

Sincerely,

A handwritten signature in blue ink, appearing to read "SMB", written over a light blue circular watermark.

Suzanne M. Bump
Auditor of the Commonwealth

cc: Paula Popeo, Executive Director of Bristol Community College Foundation

TABLE OF CONTENTS

EXECUTIVE SUMMARY 1
OVERVIEW OF AUDITED ENTITY 2
AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY..... 3

EXECUTIVE SUMMARY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has performed an audit of Bristol Community College Foundation for the period July 1, 2017 through June 30, 2019. In this performance audit, we examined whether foundation expenditures were supported and approved in accordance with foundation policies and procedures. Our audit revealed no significant instances of noncompliance by the foundation that must be reported under generally accepted government auditing standards.

OVERVIEW OF AUDITED ENTITY

Bristol Community College Foundation was established in 1980 as a nonprofit corporation organized under Chapter 180 of the Massachusetts General Laws. It operates under the direction of a 20-member board of directors and was established to support the financial and educational needs of Bristol Community College. The foundation is managed by the college's development office and works in conjunction with the alumni association. The foundation's fundraising efforts are a combination of an annual giving campaign, fundraising events, and state and local grants. It also has holdings of real property for the benefit of the college. The foundation offers a scholarship program, grants for faculty and staff members, and student merit awards.

The foundation incurred expenditures totaling approximately \$5,661,518 during our audit period, July 1, 2017 through June 30, 2019.

AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of Bristol Community College (BCC) Foundation for the period July 1, 2017 through June 30, 2019.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Below is our audit objective, indicating the question we intended our audit to answer and the conclusion we reached regarding the objective.

Objective	Conclusion
1. Are the expenditures that the foundation made supported and approved according to its policies and procedures?	Yes

To achieve our audit objective, we gained an understanding of the internal controls that were relevant to the objective by conducting inquiries with the foundation's executive director and accountant. Additionally, we reviewed applicable bylaws, fiscal policies, and procedures and conducted inquiries with other members of foundation management. In addition, we performed the following procedures.

Expenditures

The foundation's accountant provided us with an expenditure transaction worksheet that contained a list of 2,098 foundation expenditures, totaling \$5,661,518, for our audit period. We selected the 17 highest expenditure transactions, totaling \$2,214,340, out of the population of 2,098. Then we selected a nonstatistical random sample of 63 expenditure transactions, totaling \$134,387, from the remaining population. We reviewed supporting documentation, including invoices and evidence supporting receipt of purchases, for each of the 80 sampled transactions to determine whether expenditures were supported, approved, and applicable to the foundation's mission. We also interviewed the executive director to confirm that the expenditures were related to the foundation's mission.

Since we used a nonstatistical random sample, we did not project the results to the entire population.

Data Reliability

To ensure the completeness and accuracy of the expenditure transaction worksheet provided by the foundation's accountant, we selected 20 transactions from the source documents and traced them to the worksheet. We also selected 20 transactions from the worksheet and traced them to the source documents. Finally, we performed additional validity and integrity tests on the data, including (1) testing for missing records or missing values in key data elements, (2) scanning for duplicate entries, (3) verifying fields to detect any data validity errors, and (4) testing for values outside a designated range.

Based on the results of these data reliability assessment procedures, we determined that the information obtained for our audit period was sufficiently reliable for the purposes of our audit work.

Conclusion

Our audit revealed no significant instances of noncompliance that must be reported under generally accepted government auditing standards.