



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

Making government work better

Official Audit Report-Issued September 17, 2013

Stoughton Housing Authority

For the period July 1, 2010 through June 30, 2012





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Kevin Wilder, Chairman
Stoughton Housing Authority
4 Capen Street
Stoughton, MA 02072

Dear Chairman Wilder:

I am pleased to provide you with this performance audit of the Stoughton Housing Authority. This report details the audit objectives, scope, and methodology for the audit period, July 1, 2010 through June 30, 2012. We discussed the contents of this report with management of the Authority.

I also would like to express my appreciation to the Stoughton Housing Authority for the cooperation and assistance provided to my staff during the audit.

Sincerely,

A handwritten signature in blue ink, appearing to read "SMBump".

Suzanne M. Bump
Auditor of the Commonwealth

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EXECUTIVE SUMMARY

In accordance with Chapter 11, Section 12, of the Massachusetts General Laws, the Office of the State Auditor has conducted an audit of certain activities of the Stoughton Housing Authority for the period July 1, 2010 through June 30, 2012.

The objectives of our audit were to review and analyze the Authority's internal controls over its procurement of goods and services and to determine whether its procurement activities were efficient and in compliance with the Department of Housing and Community Development's (DHCD's) procurement guidelines and laws, rules, and regulations applicable to state-aided housing programs.

Based on our audit, we have concluded that, for the period July 1, 2010 through June 30, 2012, the Authority maintained adequate internal controls in the areas tested and conducted its procurements in an efficient manner in compliance with DHCD guidelines and applicable laws, rules, and regulations.

OVERVIEW OF AUDITED AGENCY

The Stoughton Housing Authority is authorized by and operates under the provisions of Chapter 121B of the Massachusetts General Laws, as amended. The Authority's management office is located at 4 Capen Street in Stoughton. The Authority oversees 182 units of state housing for the elderly, 26 units for veterans and their families, 8 units for residents with special needs, 7 family scattered sites, and 11 project-based family housing units. The Authority also administers 28 project-based vouchers and 4 mobile vouchers under the Massachusetts Rental Voucher Program.

AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Chapter 11, Section 12, of the Massachusetts General Laws, the Office of the State Auditor has conducted an audit of certain activities of the Stoughton Housing Authority for the period July 1, 2010 through June 30, 2012.

The objectives of our audit were to review and analyze the Authority's internal controls over its procurement of goods and services and to determine whether its procurement activities were efficient and in compliance with the Department of Housing and Community Development's (DHCD's) procurement guidelines and laws, rules, and regulations applicable to state-aided housing programs.

To accomplish our audit objectives, we reviewed the Authority's procurement policies and procedures to verify that they include criteria for compliance with the state's public bidding law (Chapter 30B of the General Laws) and DHCD guidelines. We selected non-statistical samples of purchases of equipment and other commodities made during the audit period to evaluate the Authority's efforts to obtain the best value; to verify compliance with the purchasing requirements of Chapter 30B and with DHCD contract requirements; and to determine whether the Authority is coordinating with other local entities, such as municipalities, school departments, or regional planning organizations to purchase goods and services collectively in order to take advantage of potential cost savings through bulk purchasing.

We conducted a limited review of the internal controls related to our audit objectives in accordance with generally accepted government auditing standards. Our evaluation of internal controls was not designed to provide assurance regarding the effectiveness of the internal control structure as a whole.

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.

We did not rely on computer-processed data for our audit. Instead, we relied on data such as hardcopy source documents and interviews as supporting documentation on which we based our conclusions.

Based on our audit, we have concluded that, for the period July 1, 2010 through June 30, 2012, the Authority maintained adequate internal controls in the areas tested and was conducting its procurements in an efficient manner in compliance with DHCD guidelines and laws, rules, and regulations applicable to state-aided housing programs.