



# The Commonwealth of Massachusetts

AUDITOR OF THE COMMONWEALTH

STATE HOUSE, BOSTON 02133

SUZANNE M. BUMP, ESQ.  
AUDITOR

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January 31, 2011

Dear Dr. Mohler-Faria,

Enclosed is an audit report for your review. This audit of Bridgewater State University covers the audit period of August 1, 2009 to March 31, 2010. This is one of a number of audits commenced and largely completed during the tenure of my predecessor, State Auditor A. Joseph DeNucci. Should you desire more information relative to this audit, please contact me.

I look forward to fostering a cooperative relationship between our respective offices. If my staff or I may be of assistance at any time, please do not hesitate to call upon us. I know we both share the goal of making government work better.

Sincerely,

A handwritten signature in black ink, appearing to read "Suzanne M. Bump".

Suzanne M. Bump, Esq.  
Auditor of the Commonwealth



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## AUDITOR OF THE COMMONWEALTH

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2010-0177-3R

Dr. Dana Mohler-Faria, President  
Bridgewater State University  
Boyden Hall  
131 Summer Street  
Bridgewater, Massachusetts 02325

January 31, 2011

Dear Dr. Mohler-Faria:

In accordance with Chapter 11, Section 12, of the Massachusetts General Laws, we have conducted an audit of American Recovery and Reinvestment Act (ARRA) funds received and expended at Bridgewater State University (BSU) for the period August 1, 2009 to March 31, 2010. The objectives of our audit were to assess the adequacy of BSU's management control system for measuring, reporting, and monitoring the effectiveness of its programs and to evaluate compliance with laws, rules, and regulations applicable to each program.

During our audit period, BSU was awarded federal stimulus funds that totaled \$11,288,126. As of March 31, 2010, BSU had expended \$3,241,485, or 29%, of the total federal stimulus funds awarded, as detailed in the table below:

### Summary of Federal Stimulus Fund Awards Inception through March 31, 2010

<u>Program</u>	<u>Amount of Award</u>	<u>Contract Term</u>		<u>Revenues Received</u>	<u>Expenses Reported</u>
		<u>Start</u>	<u>End</u>		
Stabilization Fund	\$11,210,945	8/7/09	9/30/11	\$8,723,901	\$3,164,304
Federal Work Study	<u>77,181</u>	7/1/09	6/30/10	<u>77,181</u>	<u>77,181</u>
<b>Total</b>	<u>\$11,288,126</u>			<u>\$8,801,082</u>	<u>\$3,241,485</u>

Stabilization Fund expenses included retirement of debt, Tax-Exempt Lease/Purchase payments for BSU's comprehensive energy and water conservation program that was financed over a 20-year period, architecture costs for a chiller replacement project at Boyden Hall/Maxwell Library, and state employee compensation.

Our audit was conducted in accordance with applicable generally accepted government auditing standards for performance audits and, accordingly, included such audit tests and procedures as we considered necessary.

To achieve our audit objectives, we reviewed the following:

- All federal stimulus funds awarded to BSU during our audit review period
- Eligibility requirements in ARRA programs to determine whether they are being met
- Internal controls developed to ensure that federal stimulus funds are safeguarded against loss, theft, and misuse
- Recordkeeping procedures to verify that ARRA programs are properly authorized, supported by adequate documentation, and accounted for separately within the agency's accounting records
- Payroll records as they pertain to the Federal Work Study program and the Stabilization Fund
- Procedures for evaluating the impact of ARRA funds received
- Whether BSU has applied for or plans to receive additional ARRA funds in the future

Our tests in the above-mentioned areas disclosed no material weaknesses. Based on our review, we have concluded that during the eight-month period ended March 31, 2010, BSU maintained adequate management controls and complied with applicable laws, rules, and regulations for the areas tested.

cc: Ms. Darlene Costa-Brown, Controller