



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

Making government work better

Official Audit Report – Issued October 3, 2011

Bristol Community College

For the period August 7, 2009 through March 31, 2011



TABLE OF CONTENTS/EXECUTIVE SUMMARY

INTRODUCTION

1

Bristol Community College (BCC), established in 1968, is authorized by Chapter 15A, Section 5, of the Massachusetts General Laws, and operates under the oversight of the Board of Higher Education (BHE). BCC is a multi-campus urban institution offering Associate Degrees and Certificate Programs. A community-based Board of Trustees appointed by the Governor of the Commonwealth controls its operations, and BCC's President is responsible for implementing the policies set by the Board of Trustees, in accordance with the policies and procedures established by BHE. As a learning resource for education and workforce development in southeastern Massachusetts, BCC's primary mission is to provide programs that nurture the region's economic health and well-being and enable individuals to make productive life choices.

In accordance with Chapter 11, Section 12, of the Massachusetts General Laws, we have conducted a review of funds provided to BCC (through the BHE) from the American Recovery and Reinvestment Act (ARRA) of 2009 for the period August 7, 2009 through March 31, 2011. The objectives of our audit were to evaluate BCC's controls over ARRA expenditures; determine whether ARRA funds were expended for their intended purposes and in compliance with applicable laws, rules and regulations; determine whether BCC is complying with ARRA accounting and reporting requirements, as well as, other grant requirements and identify the number of jobs created and/or retained reported by BCC. Based on our review we have concluded that, for the period August 7, 2009 through March 31, 2011, BCC used ARRA funds for their intended purposes; maintained adequate management controls; and complied with applicable laws, rules, and regulations for the areas tested.

INTRODUCTION

Background

Bristol Community College (BCC), established in 1968, is authorized by Chapter 15A, Section 5, of the Massachusetts General Laws, and operates under the oversight of the Board of Higher Education (BHE). BCC is a multi-campus urban institution offering Associate Degrees and Certificate Programs. A community-based Board of Trustees appointed by the Governor of the Commonwealth controls its operations, and BCC's President is responsible for implementing the policies set by the Board of Trustees, in accordance with the policies and procedures established by BHE.

As a learning resource for education and workforce development in southeastern Massachusetts, BCC's primary mission is to provide programs that nurture the region's economic health and well-being and enable individuals to make productive life choices.

During our audit period, BCC, through BHE, received American Recovery and Reinvestment Act (ARRA) grants under the Educational Fiscal Stabilization Fund Program totaling \$5,819,748. The grant period began August 7, 2009 and ends September 30, 2011. BCC used the funds to retain approximately 81 full- and/or part-time teachers, administrators, and clerical staff. BCC paid vendors for utility costs and paid a portion of its Commonwealth Dual Enrollment Program. As of March 31, 2011, BCC received and expended \$5,819,748, as follows:

Cost Category	ARRA Funds Expended
Employee Compensation	
Salaries	\$5,462,521
Utilities	
Electric and Gas	327,110
Educational Assistance	
HS – Dual Enrollment Program	<u>30,117</u>
Total ARRA Funds Expended	<u>\$5,819,748</u>

Audit Scope, Objectives, and Methodology

In accordance with Chapter 11, Section 12, of the Massachusetts General Laws, we have conducted an audit of certain activities of BCC for the period August 7, 2009 through March 31, 2011. The objectives of our audit were to evaluate BCC's controls over American Recovery and Reinvestment Act (ARRA) expenditures; determine whether ARRA funds were expended for their intended purposes and in compliance with applicable laws, rules and regulations; determine whether BCC is complying with ARRA accounting and reporting requirements, as well as, other grant requirements and identify the number of jobs created and/or retained reported by BCC. Our audit was conducted 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 the findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for the findings and conclusions based on our audit objectives.

To achieve our audit objectives, we reviewed the following:

- Massachusetts Department of Higher Education Memorandum – Final Guidance on ARRA State Fiscal Stabilization Fund Spending.
- Time sheets for 20 employees for accuracy and supervisory review to ensure compliance with applicable Massachusetts laws, rules, and regulations.
- Budgets prepared by BCC to ensure that ARRA funds were expended for their intended purposes.
- Expenditures of ARRA funds to determine whether they were reasonable, allowable, and allocable under the terms of the grant awards.
- Eligibility requirements of the student financial aid program, including the federal work-study program, to determine whether sampled students met program requirements
- Massachusetts Management Accounting and Reporting System (MMARS) submissions and supporting documentation for required quarterly reporting of full time equivalent (FTE) positions to ensure compliance with reporting requirements for jobs created and/or retained.
- BCC's Commonwealth Dual Enrollment Program for compliance with both the Commonwealth and ARRA requirements.

- Internal controls developed to ensure that ARRA funds are safeguarded against theft, loss, or misuse and are properly accounted for.
- Record-keeping procedures to determine whether the expenditures of ARRA funds were properly authorized, supported by adequate documentation, and accounted for separately within BCC's accounting records.

Our tests in the above-mentioned areas disclosed no material weaknesses. Based on our review we have concluded that, for the period August 7, 2009 through March 31, 2011, BCC used ARRA funds for their intended purposes; maintained adequate management controls; and complied with applicable laws, rules, and regulations for the areas tested.