

The Commonwealth of Massachusetts

AUDITOR OF THE COMMONWEALTH

ONE ASHBURTON PLACE, ROOM 1819
BOSTON, MASSACHUSETTS 02108

A. JOSEPH DeNUCCI
AUDITOR

TEL. (617) 727-6200

2010-0185-3R

June 21, 2010

Mr. Evan Dobbelle, President
Westfield State College
333 Western Ave.
Westfield, Massachusetts 01085

Dear Mr. Dobbelle:

In accordance with Chapter 11, Section 12, of the Massachusetts General Laws, we have conducted an audit of certain activities of Westfield State College (WSC) for the period January 1, 2009 to April 20, 2010. The objectives of our audit were to assess the adequacy of WSC's management control system for measuring, reporting, and monitoring the effectiveness of its programs and to evaluate its compliance with laws, rules, and regulations applicable to each program.

Our audit scope was limited to federal stimulus funds that WSC received under the American Recovery and Reinvestment Act (ARRA). During the audit period, WSC was awarded federal stimulus funds that totaled \$6,697,805. WSC's budget of these funds included amounts for adjunct faculty positions; student financial aid; federal work-study payments; and start-up costs for a new nursing program, including (a) building renovations, (b) library and teaching materials, and (c) program accreditation costs and full-time staff. As of April 20, 2010, WSC expended \$3,196,650 of its awards and received federal reimbursements totaling \$2,526,860 for these expenses. WSC officials stated that all of its ARRA funding will be fully expended by September 30, 2011. The following table details the federal stimulus funds awarded, received, and expended during the audit period.

<u>Budgeted Purpose</u>	<u>ARRA Award</u>	<u>Award Date</u>	<u>ARRA Funds Received</u>	<u>ARRA Funds Expended</u>
Adjunct Faculty	\$2,649,780	8/06/2009	\$1,866,488	\$2,015,984
Student Financial Aid	1,183,986	8/06/2009	596,045	1,116,339
Federal Work-Study	64,327	9/24/2009	64,327	64,327
Facility Renovations	900,000	11/30/2009	0	0
Student Financial Aid	336,456	11/30/2009	0	0
Library and Teaching Materials	45,000	11/30/2009	0	0
Program Accreditation	12,050	11/30/2009	0	0
State Employee Compensation	<u>1,506,206</u>	3/26/2010	<u>0</u>	<u>0</u>
Total	<u>\$6,697,805</u>		<u>\$2,526,860</u>	<u>\$3,196,650</u>

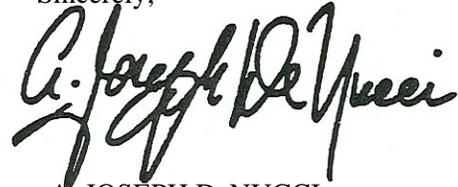
Our audit was conducted in accordance with applicable generally accepted government auditing standards for performance audits and, accordingly, included such audit tests and procedures, as we considered necessary.

To achieve our audit objectives, we reviewed the following:

- Massachusetts Department of Higher Education (DHE), Final Guidance on ARRA State Fiscal Stabilization Fund Spending
- Federal stimulus funds awarded to WSC during the audit period for adjunct faculty positions, student financial aid, federal work-study, state employee compensation, and the development of a new nursing program
- Budgets prepared by WSC 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 and federal work-study programs to determine whether sampled students met program requirements
- Internal controls developed to ensure that ARRA funds are safeguarded against theft, loss, or misuse
- Recordkeeping procedures to determine whether the expenditure of ARRA funds are properly authorized, supported by adequate documentation, and accounted for separately within WSC's accounting records
- Verification of whether WSC 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 approximate 16-month period ended April 20, 2010, WSC maintained adequate management controls and complied with applicable laws, rules, and regulations for the areas tested.

Sincerely,

A handwritten signature in black ink, reading "A. Joseph DeNucci". The signature is written in a cursive style with a large initial "A" and "D".

A. JOSEPH DeNUCCI
Auditor of the Commonwealth