

TAUNTON HOUSING AUTHORITY
Taunton, Massachusetts

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

As of and For the Year Ended December 31, 2021

TAUNTON HOUSING AUTHORITY
INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

TABLE OF CONTENTS

| | Page |
|--|------|
| Independent Accountants' Report on Applying Agreed-Upon Procedures | 3 |
| Schedule of Agreed Upon Procedures | 4-8 |



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To The Board of Commissioners
Taunton Housing Authority
Taunton, Massachusetts

We have performed the procedures enumerated in the attached Schedule of Agreed-Upon Procedures on compliance and other matters prescribed by the Massachusetts Department of Housing and Community Development (DHCD) pursuant to Massachusetts General Law Chapter 235 Section 10 as of and for the year ended December 31, 2021. The Taunton Housing Authority is responsible for compliance and other matters prescribed by the Massachusetts Department of Housing and Community Development (DHCD) pursuant to Massachusetts General Law Chapter 235 Section 10.

The engaging party, the Taunton Housing Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the requirements of DHCD for the year ended December 31, 2021. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are presented in the Schedule of Agreed-Upon Procedures included with this report.

We were engaged by Taunton Housing Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance and other matters prescribed by DHCD, for the year ended December 31, 2021. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Taunton Housing Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement

This report is intended solely for the information and use of the DHCD and the Taunton Housing Authority, and is not intended to be and should not be used by anyone other than these specified parties.

Marcum LLP

Providence, Rhode Island
August 23, 2022



Housing Authority:
 Fiscal Year End (FYE):
 Date AUP Conducted:
 Executive Director:
 CPA:
 CPA Phone:

| |
|---------------------------|
| Taunton Housing Authority |
| December 31, 2021 |
| June 10, 2022 |
| Colleen Doherty |
| Marcum LLP |
| 401-600-4725 |

| | Exceptions | Exception Explanation | CPA Recommendations | LHA Response |
|---|--------------|-----------------------|---------------------|--------------|
| A. General Accounting | | | | |
| A. Reconciling financial statements to general ledger. | | | | |
| 1. The amounts reported on the Operating Statement and Balance Sheet (DHCD Forms 51-1 and 51-2, respectively) reconcile to the LHA's general ledger. (Tolerable error of +/- \$100). For all cases that don't match, please detail specifics including at a minimum account and variance amount in column to right. | No Exception | | | |
| B. The following general ledger accounts reconcile to supporting documentation (Tolerable error of +/- \$100, unless otherwise noted): For all cases that don't match, please detail specifics including at a minimum account and variance amount in CPA Recommendations column. | | | | |
| 1. Cash accounts (#1111 to #1114.1 and #1162) are in agreement with bank statements and reconciliations | No Exception | | | |
| 2. Tenant Accounts Receivable and Prepaid Tenant Rent accounts (#1122, #1124 and #2240) are in agreement with agings of Tenants Accounts Receivable (TAR) | No Exception | | | |
| 3. Capital Assets and Accumulated Depreciation (all fixed assets except 1400.2) are in agreement with the depreciation schedule/fixed asset listing). | No Exception | | | |
| 4. Accounts Payables accounts (#2111, #2111.1, #2120 and #2139) are in agreement with supporting documentation for Accounts Payables and accruals. | No Exception | | | |
| 5. Accrued Compensated Absences accounts (#2135 and #2335.01) are in agreement with the compensated absences schedule. | No Exception | | | |
| 6. DHCD approved budget exemptions for direct reimbursement as found in the (ANUEL & Subsidy Worksheet - Section 8 in the Operating Statement) are in agreement with LHA record of actual expenses in the General Ledger. | No Exception | | | |
| 7. Salaries and Gross Wages (4110, 4410, 4120) (tolerable error of +/- 3.0%) are in agreement with the MA form WR-1 (state filings). | No Exception | | | |
| 8. Balance Sheet Accounts (#2140, #2339.1, and #2339.2) are in agreement with OPEB/pension reporting. | No Exception | | | |
| C. DHCD Public Housing Notice #2018-4, Direct Cost Exemption for Operating Reserve Augmentation in FY2018 Budget & New Operating Reserve Thresholds. | | | | |
| If operating reserves are below 35% and expenditure is Health and Safety related, LHA submitted Request form after expenditure was incurred. If operating reserves are 20% upto 35% and expenditure is not Health and Safety related, LHA submitted Request form and received DHCD approval prior to expenditure. No operating reserve expenditures if operating reserve is below 20% and expenditure is not Health and Safety related. | No Exception | | | |
| B. Tenant Accounting | | | | |
| A. Select a random sample of rent transactions (Small - 5, Med - 10, Large - 15, Very Large - 20) of rent transactions. Include at least 20% are credit adjustments and 20% are lease enforcements (if have). | | | | |

Housing Authority:
 Fiscal Year End (FYE):
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| 401-600-4725 |

| | Exceptions | Exception Explanation | CPA Recommendations | LHA Response |
|--|--------------|--|--|--------------|
| 1. The Authority retained supporting documentation for rent receipts. | No Exception | | | |
| 2. The Authority posted rent receipts to the correct tenant accounts. | No Exception | | | |
| 3. The Authority retained documentation supporting credit adjustments. | No Exception | | | |
| 4. The Authority followed its rent collection policy for non-payment of rent (i.e., issued a notice to quit, followed eviction protocol.) | No Exception | | | |
| B. Account Write-Offs | | | | |
| 1. Documentation of Board approval to write-off account (board approval of write-off required per budget guidelines for Acct #4570 - Collection Loss). | No Exception | | | |
| C. Vacancies Being Reported in Vacancy System | | | | |
| 1. Verify that the number of vacant units accounted for in the LHA's operating software is the same number of vacancies reported by the LHA in the DHCD On-Line Vacancy System for the fiscal year. | No Exception | | | |
| | | | | |
| C. Payroll | | | | |
| | | | | |
| A. Wage Reporting | | | | |
| 1. Actual wages for the Top 5 highest paid employees was consistent with the DHCD-approved budget (Schedule of All Salaries and Positions Report), excluding over-time and longevity payments. (Tolerable error of +/- 3.0% of budgeted salary) | No Exception | | | |
| 2. Verify the amount reported on the Top 5 Compensation Form matches exactly the amount reported on reconciled to the WR-1. | No Exception | | | |
| 3. LHA is in possession of DHCD-approved executive contract signed by the LHA, Executive Director and DHCD. If LHA can show that currently being processed by DHCD and was not returned to the LHA for failing to meet DCHD's requirements, LHA can produce the last DHCD-approved executive contract or at-will agreement signed by the LHA, Executive Director and DHCD. | Exception(s) | Marcum identified that the Authority did not have a contract signed and approved by DHCD | Marcum recommends that the Authority continue to follow up with DHCD to get the contract signed, or in ley of the contract, complete an at-will agreement signed by the LHA, ED, and DHCD. | |
| B. Payroll Testing for all employees from all funding sources - Select a single payroll period: | | | | |
| 1. The payroll register accurately accounts for time worked as logged on employee timesheets/time cards. | No Exception | | | |
| 2. Timesheets/time cards are maintained by all employees (including Executive Director) and were approved by supervisor (except Executive Director) including leave taken. | No Exception | | | |
| 3. Annual leave time (i.e., sick, vacation, personal) used is identified on timesheets/time cards and accurately accounted for in a compensated absences register. | No Exception | | | |
| C. Compensated Absences Policy | | | | |

Housing Authority:
 Fiscal Year End (FYE):
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| June 10, 2022 |
| Colleen Doherty |
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| 401-600-4725 |

| | Exceptions | Exception Explanation | CPA Recommendations | LHA Response |
|---|--------------|-----------------------|---------------------|--------------|
| 1. Personnel Policy includes (1) the limits on the amount of vacation and sick leave that will be accrued each year, and when and how such leave will be accrued; (2) a limit on the amount of accrued vacation that may be carried over from year to year, and; (3) a cap on the payout for accrued and unused sick leave at the end of employment per PHN 2017-14. | No Exception | | | |
| 2. The Authority is accounting for annual leave time earned in accordance with the Authority's personnel policy. | No Exception | | | |
| D. Accounts Payable | | | | |
| A. Select a random sample of (Small - 15, Med - 20, Large - 25, Very Large - 25) cash disbursement transactions. The auditor may substitute random selections for large or unusual items identified in a review of the cash disbursements journal. The auditor should substitute for at least one credit card statement, at least one employee expense reimbursement transaction, at least one capital expense, at least one operating expense and at least one debit card transaction. For all discrepancies, to the right detail the type of payable, the date, the charge, and the amount. | | | | |
| 1. Cash disbursements were authorized in accordance with the Authority's policies. | No Exception | | | |
| 2. Cash disbursements are in agreement with supporting documentation. | No Exception | | | |
| 3. Supporting documentation is sufficiently detailed. | No Exception | | | |
| 4. Costs are allowable (i.e. sales tax, alcohol, lottery tickets) | No Exception | | | |
| 5. Costs are properly allocated to the correct program(s). Cost of current year additions are allocated to programs in a manner consistent with the use of the asset. | No Exception | | | |
| 6. Costs are properly classified. | No Exception | | | |
| E. Inventory | | | | |
| A. Capital and Non-Capital Asset Inventory | | | | |
| 1. The Authority performed a physical count of its capital asset and non-capital asset inventory at least annually (non-capital assets are refrigerators and stoves and other furniture equipment over the Authority's non-capital inventory threshold, which may not exceed \$1,000). | No Exception | | | |
| 2. Capital and Non-Capital Asset inventory includes all necessary information to identify the asset. For non-capital assets that includes a tag with an LHA-assigned number for all assets of \$1,000 or more (and all refrigerators and stoves of any value). For relevant assets of \$5,000 or more that includes the make/model/year for vehicles and the FISH number. | No Exception | | | |
| 3. The Authority identified additions and disposals of capital and non-capital assets for the accounting period. | No Exception | | | |
| 4. Select a random sample of non-capital assets by tag number (Small - 3, Med - 6, Large - 9, Very Large - 12) and verify existence. | No Exception | | | |

Housing Authority:
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| | Exceptions | Exception Explanation | CPA Recommendations | LHA Response |
|---|--------------|-----------------------|---------------------|--------------|
| F. Procurement | | | | |
| For A to C below, examine the cash disbursements journal (or check register) as well as the contract register and identify purchases of goods and services during the year that should have been competitively procured. From these purchases that should have been competitively procured, select a sample (Small - 3, Med - 5, Large - 7, Very Large - 9) of known or possible procurements valuing \$10,000 or more; if possible when selecting the sample, include at least one procurement valuing \$10,000 to \$50,000 and one procurement valuing more than \$50,000 (for goods and services for MGL c. 30B only). If any in the sample were not competitively procured, enter as an exception in A. For sampled purchases that went through procurement, follow procedures under B or C below depending on the size of the procurement. | | | | |
| COVID-Related Temporary Changes: Only sample procurements done by the LHA; not RCAT or DHCD-assisted procurements. Documents to request for AUP include a copy of the ad(s), bid tabulation, board vote, signed contract, and contact register. | | | | |
| A. Procurement Policy | | | | |
| 1. The Authority's procurement policy is consistent with the requirements of MGL c. 30b (or more conservative federal regulations). | No Exception | | | |
| 2. The Authority maintains a contract register which includes the following information: contractor, description, active/inactive, start date, end date, extensions available, contract award amount, change orders amount, contract expenditures to date and remaining value. | No Exception | | | |
| B. Known and possible procurements valuing (\$10,000 up to and including \$50,000) (for goods and services for MGL c. 30B only). LHA can follow more conservative federal regulations when applicable. | | | | |
| 1. Proper procurement method used. | No Exception | | | |
| 2. Proper selection based on MGL c.30B s.5 solicitation of quotes requirements. | No Exception | | | |
| 3. Documentation of a written purchase description with solicitation of written quotes from at least three persons. | No Exception | | | |
| 4. Contract was for not more than 3 years unless majority board vote allowed it to be longer. | No Exception | | | |
| 5. Board vote is documented approving individual contract, or a board vote to delegate authority over certain contracts (by dollar threshold or other criteria) to an LHA staff member, usually Executive Director. | No Exception | | | |
| 6. Contract did not go through automatic renewals unless renewals were part of the original procurement. | No Exception | | | |
| 7. The contracts are included on the Authority's contract register. | No Exception | | | |
| C. Known and possible procurements valuing (more than \$50,000) (for goods and services for MGL c. 30B only). LHA can follow more conservative federal regulations when applicable. | | | | |
| 1. Proper procurement method used. | No Exception | | | |

Housing Authority:
 Fiscal Year End (FYE):
 Date AUP Conducted:
 Executive Director:
 CPA:
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|---------------------------|
| Taunton Housing Authority |
| December 31, 2021 |
| June 10, 2022 |
| Colleen Doherty |
| Marcum LLP |
| 401-600-4725 |

| | Exceptions | Exception Explanation | CPA Recommendations | LHA Response |
|--|--------------|-----------------------|---------------------|--------------|
| 2. Proper selection based on MGL c.30B s.5 IFB requirements or MGL c.30B s.6 RFP requirements. If using MGL C.30B s.6 RFP requirements, LHA must have a Chief Procurement Officer (CPO) conduct the procurement under c.30B s.6. | No Exception | | | |
| 3. Documentation of Newspaper advertisement, LHA's Office and COMMBUYS two weeks prior to bidding process. If contract was for over \$100K, it was advertised in the Goods & Services Bulletin. | No Exception | | | |
| 4. If IFB, contract award went to lowest bidder. If RFP, contract went to lowest bidder or letter explaining why went with another bidder. | No Exception | | | |
| 5. Board vote is documented approving individual contract, or a board vote to delegate authority over certain contracts (by dollar threshold or other criteria) to an LHA staff member, usually Executive Director. | No Exception | | | |
| 6. Contract did not go through automatic renewals unless renewals were part of the original procurement. | No Exception | | | |
| 7. The contracts are included on the Authority's contract register. | No Exception | | | |
| G. Eligibility Compliance | | | | |
| A. Public Housing - Select a sample (Small LHA - 5, Medium LHA - 10, Large or Very Large LHA - 15) of tenant files (from programs 200, 667, 705); if the LHA has multiple property managers, at least one file should be selected per manager. | | | | |
| 1. The Authority performed timely annual rent determinations (or bi-annual if the Authority has a waiver from DHCD to do so). | No Exception | | | |
| 2. The Authority properly calculated rent. | No Exception | | | |
| 3. The Authority verified family composition. | No Exception | | | |
| 4. The Authority verified income, exclusions from income and deductions. | No Exception | | | |
| 5. The Authority properly sent notifications of rent redetermination at least 60 days prior to the effective date. | No Exception | | | |
| 6. The Authority properly sent notifications of rent change at least 14 days prior to the effective date. | No Exception | | | |
| 7. The Authority was timely in the execution of lease addendums. | No Exception | | | |
| B. MRVP - Select a sample of annual rent determinations (sample 10% (min:1 max:15) of leased MRVP units). | | | | |
| 1. The Authority performed timely annual rent determinations. | No Exception | | | |
| 2. The Authority properly calculated rent. | No Exception | | | |
| 3. The Authority verified family composition. | No Exception | | | |
| 4. The Authority verified income, exclusions from income and deductions. | No Exception | | | |
| 5. The Authority obtained Certificates of Fitness (COF). | No Exception | | | |
| 6. The Authority obtained Letters of Compliance for Lead Paint if child < 6 years old and building built prior to 1978 with no new construction permit. | No Exception | | | |
| 7. The Authority obtained Proofs of Ownership | No Exception | | | |
| 8. The Authority obtained Proofs of Insurance | No Exception | | | |
| 9. The Authority obtained W9s for landlords. | No Exception | | | |

Housing Authority Name: TAUNTON HOUSING AUTHORITY

Fiscal Year End (FYE): Dec 2021

Date of AUP Conducted: 6/10/2022 12:00:00 AM

Executive Director: Colleen Doherty

CPA: Marcum LLP

CPA Phone: 617-807-5350

HMS: Kim Gomez

Total AUP Exceptions: 0

A. General Accounting

Total # of exceptions: 0

Rating: No Findings

Exceptions

Exception Explanation

CPA Recommendations

LHA Response

A. Reconciling financial statements to general ledger.

1. The amounts reported on the Operating Statement and Balance Sheet (DHCD Forms 51-1 and 51-2, respectively) reconcile to the LHA's general ledger. (Tolerable error of +/- \$100). For all cases that don't match, please detail specifics including at a minimum account and variance amount in column to right.

NE

B. The following general ledger accounts reconcile to supporting documentation (Tolerable error of +/- \$100, unless otherwise noted): For all cases that don't match, please detail specifics including at a minimum account and variance amount in CPA Recommendations column.

1. Cash accounts (#1111 to #1114.1 and #1162) are in agreement with bank statements and reconciliations

NE

2. Tenant Accounts Receivable and Prepaid Tenant Rent accounts (#1122, #1124 and #2240) are in agreement with agings of Tenants Accounts Receivable (TAR)

NE

3. Capital Assets and Accumulated Depreciation (all fixed assets except 1400.2) are in agreement with the depreciation schedule/fixed asset listing).

NE

4. Accounts Payables accounts (#2111, #2111.1, #2120 and #2139) are in agreement with supporting documentation for Accounts Payables and accruals.

NE

5. Accrued Compensated Absences accounts (#2135 and #2335.01) are in agreement with the compensated absences schedule.

NE

6. DHCD approved budget exemptions for direct reimbursement as found in the (ANUEL & Subsidy Worksheet - Section 8 in the Operating Statement) are in agreement with LHA record of actual expenses in the General Ledger.

NE

| | | | | |
|--|----|--|--|--|
| 7. Salaries and Gross Wages (4110, 4410, 4120) (tolerable error of +/- 3.0%) are in agreement with the MA form WR-1 (state filings). | NE | | | |
| 8. Balance Sheet Accounts (#2140, #2339.1, and #2339.2) are in agreement with OPEB/pension reporting. | NE | | | |

C. DHCD Public Housing Notice #2018-4, Direct Cost Exemption for Operating Reserve Augmentation in FY2018 Budget & New Operating Reserve Thresholds.

| | | | | |
|---|----|--|--|--|
| 1. The amounts reported on the Operating Statement and Balance Sheet (DHCD Forms 51-1 and 51-2, respectively) reconcile to the LHA's general ledger. (Tolerable error of +/- \$100). For all cases that don't match, please detail specifics including at a minimum account and variance amount in column to right. | NE | | | |
|---|----|--|--|--|

B. Tenant Accounting

| | |
|---------------------------------|----------------------------|
| Total # of exceptions: 0 | Rating: No Findings |
|---------------------------------|----------------------------|

| Exceptions | Exception Explanation | CPA Recommendations | LHA Response |
|------------|-----------------------|---------------------|--------------|
|------------|-----------------------|---------------------|--------------|

A. Select a random sample of rent transactions (Small - 5, Med - 10, Large - 15, Very Large - 20) of rent transactions. Include at least 20% are credit adjustments and 20% are lease enforcements (if have).

| | | | | |
|---|----|--|--|--|
| 1. The Authority retained supporting documentation for rent receipts. | NE | | | |
| 2. The Authority posted rent receipts to the correct tenant accounts. | NE | | | |
| 3. The Authority retained documentation supporting credit adjustments. | NE | | | |
| 4. The Authority followed its rent collection policy for non-payment of rent (i.e., issued a notice to quit, followed eviction protocol.) | NE | | | |

B. Account Write-Offs

| | | | | |
|--|----|--|--|--|
| 1. Documentation of Board approval to write-off account (board approval of write-off required per budget guidelines for Acct #4570 - Collection Loss). | NE | | | |
|--|----|--|--|--|

C. Vacancies Being Reported in Vacancy System

| | | | | |
|--|----|--|--|--|
| 1. Verify that the number of vacant units accounted for in the LHA's operating software is the same number of vacancies reported by the LHA in the DHCD On Line Vacancy System for the fiscal year | NE | | | |
|--|----|--|--|--|

C. Payroll

| | |
|---------------------------------|----------------------------|
| Total # of exceptions: 0 | Rating: No Findings |
|---------------------------------|----------------------------|

| Exceptions | Exception Explanation | CPA Recommendations | LHA Response |
|------------|-----------------------|---------------------|--------------|
|------------|-----------------------|---------------------|--------------|

A. Wage Reporting

| | | | | |
|--|----|--|--|--|
| 1. Actual wages for the Top 5 highest paid employees was consistent with the DHCD-approved budget (Schedule of All Salaries and Positions Report), excluding over-time and longevity payments. (Tolerable error of +/- 3.0% of budgeted salary) | NE | | | |
| 2. Verify the amount reported on the Top 5 Compensation Form matches exactly the amount reported on reconciled to the WR-1. | NE | | | |
| 3. LHA is in possession of DHCD-approved executive contract signed by the LHA, Executive Director and DHCD. If LHA can show that currently being processed by DHCD and was not returned to the LHA for failing to meet DCHD's requirements, LHA can produce the last DHCD-approved executive contract or at-will agreement signed by the LHA, Executive Director and DHCD. | NE | | | |

B. Payroll Testing for all employees from all funding sources - Select a single payroll period:

| | | | | |
|--|----|--|--|--|
| 1. The payroll register accurately accounts for time worked as logged on employee timesheets/time cards. | NE | | | |
| 2. Timesheets/time cards are maintained by all employees (including Executive Director) and were approved by supervisor (except Executive Director) including leave taken. | NE | | | |
| 3. Annual leave time (i.e., sick, vacation, personal) used is identified on timesheets/time cards and accurately accounted for in a compensated absences register. | NE | | | |

C. Compensated Absences Policy

| | | | | |
|--|----|--|--|--|
| 1. Personnel Policy includes (1) the limits on the amount of vacation and sick leave that will be accrued each year, and when and how such leave will be accrued; (2) a limit on the amount of accrued vacation that may be carried over from year to year, and; (3) a cap on the payout for accrued and unused sick leave at the end of employment per PHN 2017-14. | NE | | | |
| 2. The Authority is accounting for annual leave time earned in accordance with the Authority's personnel policy. | NE | | | |

D. Accounts Payable

| | | | | |
|---------------------------------|------------|----------------------------|---------------------|--------------|
| Total # of exceptions: 0 | | Rating: No Findings | | |
| | Exceptions | Exception Explanation | CPA Recommendations | LHA Response |

A. Select a random sample of (Small - 15, Med - 20, Large - 25, Very Large - 25) cash disbursement transactions. The auditor may substitute random selections for large or unusual items identified in a review of the cash disbursements journal. The auditor should substitute for at least one credit card statement, at least one employee expense reimbursement transaction, at least one capital expense, at least one operating expense and at least one debit card transaction. For all discrepancies, to the right detail the type of payable, the date, the charge, and the amount.

| | | | | |
|--|----|--|--|--|
| 1. Cash disbursements were authorized in accordance with the Authority's policies. | NE | | | |
| 2. Cash disbursements are in agreement with supporting documentation. | NE | | | |
| 3. Supporting documentation is sufficiently detailed. | NE | | | |

| | | | | |
|---|----|--|--|--|
| 4. Costs are allowable (i.e. sales tax, alcohol, lottery tickets) | NE | | | |
| 5. Costs are properly allocated to the correct program(s). Cost of current year additions are allocated to programs in a manner consistent with the use of the asset. | NE | | | |
| 6. Costs are properly classified. | NE | | | |

| E. Inventory | | | | |
|--------------------------|------------|-----------------------|---------------------|--------------|
| Total # of exceptions: 0 | | | Rating: No Findings | |
| | Exceptions | Exception Explanation | CPA Recommendations | LHA Response |

A. Capital and Non-Capital Asset Inventory

| | | | | |
|---|----|--|--|--|
| 1. The Authority performed a physical count of its capital asset and non-capital asset inventory at least annually (non-capital assets are refrigerators and stoves and other furniture equipment over the Authority's non-capital inventory threshold, which may not exceed \$1,000). | NE | | | |
| 2. Capital and Non-Capital Asset inventory includes all necessary information to identify the asset. For non-capital assets that includes a tag with an LHA-assigned number for all assets of \$1,000 or more (and all refrigerators and stoves of any value). For relevant assets of \$5,000 or more that includes the make/model/year for vehicles and the FISH number. | NE | | | |
| 3. The Authority identified additions and disposals of capital and non-capital assets for the accounting period. | NE | | | |
| 4. Select a random sample of non-capital assets by tag number (Small - 3, Med - 6, Large - 9, Very Large - 12) and verify existence. | NE | | | |

| F. Procurement | | | | |
|--------------------------|------------|-----------------------|---------------------|--------------|
| Total # of exceptions: 0 | | | Rating: No Findings | |
| | Exceptions | Exception Explanation | CPA Recommendations | LHA Response |

For A to C below, examine the cash disbursements journal (or check register) as well as the contract register and identify purchases of goods and services during the year that should have been competitively procured. From these purchases that should have been competitively procured, select a sample (Small - 3, Med - 5, Large - 7, Very Large - 9) of known or possible procurements valuing \$10,000 or more; if possible when selecting the sample, include at least one procurement valuing \$10,000 to \$50,000 and one procurement valuing more than \$50,000 (for goods and services for MGL c. 30B only). If any in the sample were not competitively procured, enter as an exception in A. For sampled purchases that went through procurement, follow procedures under B or C below depending on the size of the procurement.

A. Procurement Policy

| | | | | |
|--|----|--|--|--|
| 1. The Authority's procurement policy is consistent with the requirements of MGL c. 30b (or more conservative federal regulations). | NE | | | |
| 2. The Authority maintains a contract register which includes the following information: contractor, description, active/inactive, start date, end date, extensions available, contract award amount, change orders amount, contract expenditures to date and remaining value. | NE | | | |

B. Known and possible procurements valuing (\$10,000 up to and including \$50,000) (for goods and services for MGL c. 30B only)

**B. Known and possible procurements valuing (\$10,000 up to and including \$50,000) (for goods and services for MGL c. 30B only).
LHA can follow more conservative federal regulations when applicable. [- If N/A selected for any one below, then default all drop downs to N/A in this section]**

| | | | | |
|---|----|--|--|--|
| 1. Proper procurement method used. | NE | | | |
| 2. Proper selection based on MGL c.30B s.5 solicitation of quotes requirements. | NE | | | |
| 3. Documentation of a written purchase description with solicitation of written quotes from at least three persons. | NE | | | |
| 4. Contract was for not more than 3 years unless majority board vote allowed it to be longer. | NE | | | |
| 5. Board vote is documented approving individual contract, or a board vote to delegate authority over certain contracts (by dollar threshold or other criteria) to an LHA staff member, usually Executive Director. | NE | | | |
| 6. Contract did not go through automatic renewals unless renewals were part of the original procurement. | NE | | | |
| 7. The contracts are included on the Authority's contract register. | NE | | | |

**C. Known and possible procurements valuing (more than \$50,000) (for goods and services for MGL c. 30B only).
LHA can follow more conservative federal regulations when applicable. [- If N/A selected for any one below, then default all drop downs to N/A in this section]**

| | | | | |
|--|----|--|--|--|
| 1. Proper procurement method used. | NE | | | |
| 2. Proper selection based on MGL c.30B s.5 IFB requirements or MGL c.30B s.6 RFP requirements. If using MGL C.30B s.6 RFP requirements, LHA must have a Chief Procurement Officer (CPO) conduct the procurement under c.30B s.6. | NE | | | |
| 3. Documentation of Newspaper advertisement, LHA's Office and COMMBUYS two weeks prior to bidding process. If contract was for over \$100K, it was advertised in the Goods & Services Bulletin. | NE | | | |
| 4. If IFB, contract award went to lowest bidder. If RFP, contract went to lowest bidder or letter explaining why went with another bidder. | NE | | | |
| 5. Board vote is documented approving individual contract, or a board vote to delegate authority over certain contracts (by dollar threshold or other criteria) to an LHA staff member, usually Executive Director. | NE | | | |
| 6. Contract did not go through automatic renewals unless renewals were part of the original procurement. | NE | | | |
| 7. The contracts are included on the Authority's contract register. | NE | | | |

| G. Eligibility Compliance | | | | |
|---------------------------|------------|-----------------------|---------------------|--------------|
| Total # of exceptions: 0 | | | Rating: No Findings | |
| | Exceptions | Exception Explanation | CPA Recommendations | LHA Response |

A. Public Housing - Select a sample (Small LHA - 5, Medium LHA - 10, Large or Very Large LHA - 15) of tenant files (from programs 200, 667, 705); if the LHA has

multiple property managers, at least one file should be selected per manager.

| | | | | |
|---|----|--|--|--|
| 1. The Authority performed timely annual rent determinations (or bi-annual if the Authority has a waiver from DHCD to do so). | NE | | | |
| 2. The Authority properly calculated rent. | NE | | | |
| 3. The Authority verified family composition. | NE | | | |
| 4. The Authority verified income, exclusions from income and deductions. | NE | | | |
| 5. The Authority properly sent notifications of rent redetermination at least 60 days prior to the effective date. | NE | | | |
| 6. The Authority properly sent notifications of rent change at least 14 days prior to the effective date. | NE | | | |
| 7. The Authority was timely in the execution of lease addendums. | NE | | | |

B. MRVP - Select a sample of annual rent determinations (sample 10% (min:1 max:15) of leased MRVP units). [- If N/A selected for any one below, then default all drop downs to N/A in this section]

| | | | | |
|--|----|--|--|--|
| 1. The Authority performed timely annual rent determinations. | NE | | | |
| 2. The Authority properly calculated rent. | NE | | | |
| 3. The Authority verified family composition. | NE | | | |
| 4. The Authority verified income, exclusions from income and deductions. | NE | | | |
| 5. The Authority obtained Certificates of Fitness (COF). | NE | | | |
| 6. The Authority obtained Letters of Compliance for Lead Paint if child <6 years old and building built prior to 1978 with no new construction permit. | NE | | | |
| 7. The Authority obtained Proofs of Ownership | NE | | | |
| 8. The Authority obtained W9s for landlords. | NE | | | |

H. Section 8

Total # of exceptions: 0

Rating: No Findings

Exceptions

Exception Explanation

CPA Recommendations

LHA Response

A. Section 8 New Construction/ Substantial Rehabilitation

1. Board vote is documented approving Section 8 New Construction/Substantial Rehabilitation Compliance Certification to ensure compliance with the Affordable Use Restriction for any existing S8 NC/SR property owned by the LHA.

NE