

Soldier's Home in Holyoke
Agreed-Upon Procedures over Trust Funds 7/1/2014 to 12/31/2019
First Meeting
Powers & Sullivan – Michael Nelligan
HLY – Bennett Walsh/Norman Gousy
March 12, 2020

Initial List of Information Needed:

- 1) Excel file with receipts and disbursements from 7/1/2014 to 6/30/2019.
Subsequently added the period from 7/1/19 to 12/31/19.**

Status:

The excel files listing the detailed receipts and disbursements were provided in Mid-March of 2020. Testing selections were made from these spreadsheets and were forwarded to Kevin Jourdain for review. Kevin made additional testing selections and returned the files to Powers & Sullivan. These selections were forwarded to Norman Gousy on April 28, 2020 and we asked him to provide all of the detail for each of these transactions.

Disbursements – Norman provided scanned PFD files of all of the Trustee disbursements by year on May 29, 2020. He did not provide just the selections we made but provided all transactions which caused us to have to search the files to find the transactions selected for testing. We have been unable to find approximately 85 disbursements from the detail and we provided a list of the missing items to Norman.

Receipts – We were informed that there is no support available for receipts and we have not been provided any support for these to date.

- 2) List of all Bank and Investment Accounts – Open and closed during the period 7/1/2014 to 12/31/2019**

Status:

We have not been provided a listing of all bank and investment accounts opened and closed during the period indicated. We have been provided with copies of bank and investment statements, but these may not be complete.

3) List of Authorized signers for all bank accounts

Status:

We have not received any response to this request.

4) Donor records – copies of all donor correspondence

Status:

We were told by Norman that donor records have not been maintained and we've had no other response to this request.

5) Original invoices and approval documentation for all expenses

Status:

See item #1 above.

6) Cancelled checks for all expenditures

Status:

We were not provided with the requested cancelled checks. We received scanned copies of bank and investments statements for the periods and we have had to search through these scans to find the cancelled checks. We have been unable to find approximately 85 cancelled checks because not all of the bank statement information was complete. We have provided a list of the missing checks to Norman.

7) Trustee Meeting Minutes

Status:

Trustee Meeting minutes have been provided.

8) Contribution Substantiation Letters to Donors

Status:

We were initially told by Norman that these forms were being provided to donors by the “Communications Department”, but he was not sure that it always happened. We have not received any further response to this request.

9) Cash receipt support

Status:

We have received no response to this request – see item #1 above.

10) Copies of documented Policies and Procedures

Status:

We have only been provided with an “Internal Control Manual” for the Soldier’s Home dated May 2014. This Manual is very generic and makes no reference to the Trustee Funds. No other information or documentation has been provided.

11) Documentation of the cash receipts and cash disbursement process along with any related policies and procedures and documented internal controls

Status:

See #10 above. We received no response to this request.

12) How are expenditures from the State Appropriation and the Trust Funds differentiated.

Status:

We have not received any formal response to this question. All we have been told by Management is that the Trustee Funds are used for expenditures not anticipated to be funded by the State Appropriation at the discretion of the Executive Director.

13) Is there an Investment Policy or a Cash Management Policy?

Status:

We have not received any formal response to this question except that we were told that there is no documented policy.

14) Is there documentation on the use of Debit Cards? If not, can you explain the current practices

Status:

We have not received any formal response to this question except that we were told that they are no longer being used.

15) Are there Procurement Policies

Status:

We were simply told that there are no documented Procurement Policies.

16) Is there a Travel Policy?

Status:

We were simply told by Norman that “we follow the Commonwealth’s Red Book” for travel related expenditures. No other documentation has been provided.

17) Please describe the monthly/annual financial reporting process and give examples of what is being reported

Status:

We received no formal response to this request. All that we were provided is the cash receipts and disbursements excel files.

18) How are donations solicited

Status:

We received no formal response to this question. All we were told is “we don’t do this”.

19) On March 24, 2020 we requested Year-to-Date Budget Reports detailing the State Appropriation spending for each fiscal year.

Status:

We have only been provided with highly summarized budgetary information in the form of an excel spreadsheet. This information has not been helpful for our use in determining the spending patterns of the State Appropriated funds versus the Trustee funds. We were specifically asked to determine how the Trustee Funds have been used as compared to the State Appropriation.

20) Informational comment –

On June 16, 2020 Powers & Sullivan was contacted by the Office of the Inspector General; specifically, Ms. Ashlee Logan of the Audit Oversight & Investigations Division.

They informed us that they were conducting an audit of the Home relating to Fraud, Waste, and Abuse – not the COVID-19 situation.

They requested a copy of our Engagement Letter and this list of requested information.

They also asked if we felt that we were receiving full cooperation from Management.

That was the extent of our conversation.