

To the Audit Committee:

You may have read the news articles in the [Boston Globe on March 7](#) and [March 15](#) and in the [PATCH on March 17](#) about a Boston charity, [Violence in Boston](#) (VIB), the founder of which, along with her husband, were recently charged with fraud in a federal indictment. These articles are relevant to our deliberations on the policies drafted for the Audit Committee (attached) for submission to the Select Board. Mariah Nobregia and Sam Rippen have agreed to make some edits to those policies for consideration at a future meeting of the Committee.

Without passing judgment on the particulars of the VIB case, the allegations, as reported in the media, illustrate some of the issues that we are trying to address with appropriate controls in the proposed policies concerning funding and working with charities. These controls include being careful who you give money to, having policies and procedures in place before making grants or doing anything that results in the Town's fingerprints being on a grant to a non-governmental organization, and making sure that non-profits receiving Town moneys or support are transparent and are up to date with the required annual filings with the Internal Revenue Service (Form 990) and the MA Attorney General's Office (Form PC). A link the Attorney General's Nonprofit Organizations/ Public Charities Division's webpage for charity searches of both Form PC and Form 990 is [HERE](#)

In the VIB case the allegations included (i) using a Virginia Church as a financial intermediary for a department store's \$10,400 grant for a youth meals program (at the time VIB was not a 501(c)(3) charity), \$3000 of which was diverted to VIB's founder for personal expenses, (ii) using other donations for personal expenses, and (iii) listing VIB's bank account on a mortgage application for the purchase of a personal residence.

Relevant to a governmental entities' need for diligence, the current US Attorney when she was Suffolk County DA made a \$6000 grant to VIB in 2019 for a retreat. The retreat never happened, and the money was used for various personal expenses. The City of Boston also awarded VIB a \$53,977 grant in 2020 from its Resiliency Fund to provide 1,000 hot meals to Boston residents each day (news articles suggest this grant was used for the grant's purpose). Neither the Suffolk DA nor the city of Boston have been accused of wrongdoing or negligence. But their experiences illustrate the headline danger of not being extra careful when you don't have full transparency and tight controls over money given to entities acting as charities, no matter how admirable the charities' work or intentions.