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INSPECTOR GENERAL

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March 11, 2011

Ms. Anne Marie Stronach
Lawrence Nutrition Services
Lawrence Public Schools
255 Essex Street
Lawrence, MA 01840

Dear Ms Stronach:

As you know, the Massachusetts Office of the Inspector General (OIG) reviewed Lawrence Public Schools' June 2009 receipt of a \$48,480 Richard B. Russell National School Lunch Program Equipment Assistance Grant from the Department of Elementary and Secondary Education (DESE) under the American Recovery and Reinvestment Act (ARRA).

The OIG is reviewing ARRA-related grants to identify potential vulnerabilities to fraud, waste, and abuse and other risks that could negatively impact the accountability, transparency, and anti-fraud mandates contained in the statutory language and interpretive guidance of ARRA. This review should not be construed as an investigation of the program or a comprehensive programmatic review. The OIG intends these reviews to assist recipients of ARRA funding to identify and address risks.

According to the grant application, your district planned to use \$18,000 in grant funds to purchase two "convection ovens"; one for the Leonard School and one for the Tarbox School. DESE had previously notified the OIG that it had conducted its own review of the funds that Lawrence used to purchase three "steam & hold units" and one "kettle" for other district schools. Therefore, the OIG only reviewed the purchases for the Leonard and Tarbox Schools. In January 2011, the OIG requested that Lawrence provide information regarding the oven purchases to verify that the district conducted the purchases pursuant to federal and state requirements.

The OIG review verified that:

- The district complied with the requirements of M.G.L. c. 30B (Chapter 30B), the Uniform Procurement Act;

- The district used a sealed bid process for all of the equipment proposed (including the ovens) and obtained the bids from legitimate business entities;
- The district chose to purchase the items (two Blodgett Zephaire electric convection ovens) from the responsible vendor with the best price;
- The district obtained a price lower than the original cost estimate. As a result, the district only spent \$14,296 of the total \$18,000 designated for the ovens and subsequently returned the remaining funds to DESE for redistribution to other grant recipients. The OIG verified with DESE that the district returned these funds.

Based on the OIG review, the district followed appropriate procurement rules.

If the district requires additional procurement information, helpful and practical free guidance and training can be found on the OIG website, including step-by-step procurement information available in the OIG manual, [Municipal, County, District, and Local Authority Procurement of Supplies, Services, and Real Property](http://www.mass.gov/ig/igpubl.htm) (the Chapter 30B manual), available at <http://www.mass.gov/ig/igpubl.htm>. In addition, an introductory Online Bidding Basics training course is available on the OIG's website at http://www.mass.gov/ig/mcppo/bb_online.htm.

I appreciate your cooperation in this review of ARRA funding. Please do not hesitate to contact my office with any questions or concerns you may have regarding this review.

Sincerely,

Neil Cohen
Deputy Inspector General

cc: Mary Anne Gilbert, Department of Elementary and Secondary Education
Kathleen C. Millett, Department of Elementary and Secondary Education
Dr. Mary Lou Bergeron, Lawrence Public Schools