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INSPECTOR GENERAL

The Commonwealth of Massachusetts
Office of the Inspector General

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January 5, 2011

Dr. Catherine C. Latham
Superintendent of Schools
Lynn Public Schools
90 Commercial Street
Lynn, MA 01905

Dear Superintendent Latham:

As you know, the Massachusetts Office of the Inspector General (OIG) reviewed the Lynn Public Schools' (LPS) American Recovery and Reinvestment Act (ARRA)–funded Fiscal Year 2009 State Fiscal Stabilization Fund (SFSF) Grant. LPS received this grant from the Massachusetts Department of Elementary and Secondary Education.

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. Our review of the provided documents should not be construed as an audit, investigation, or a comprehensive programmatic review. The OIG intends these reviews to assist recipients of ARRA funding identify and address risks.

LPS received \$12,368,129 in SFSF funding in Fiscal Year 2009. The OIG review focused on the \$3,328,000 of these funds spent on special education (SPED) tuition. LPS spent the remaining funds for employee fringe benefits, student transportation, and instructional/professional staff.

LPS expended these grant funds during the last quarter of Fiscal Year 2009. Therefore, the OIG reviewed only this quarter.

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The OIG found the following:

- The OIG verified that during the last quarter of Fiscal Year 2009, all 24 private SPED schools paid with ARRA funds by LPS charged the appropriate Operational Services Division (OSD)-established special education tuition rates to LPS.
- On a sample basis, the OIG verified that the LPS paid the amounts invoiced by the SPED schools.
- On a sample basis, the OIG verified that LPS maintained appropriate contracts with these SPED schools pursuant to 603 CMR 28.06 (3)(f).

The OIG appreciates your cooperation with this review. Please do not hesitate to contact us with any questions or concerns you may have regarding this review.

Sincerely,

Neil Cohen
Deputy Inspector General

cc: Mayor and School Committee Chairman Judith Flanagan-Kennedy
DESE Director of Audit & Compliance David LeBlanc