

May 30, 2024

Via Electronic Mail

Rebecca Tepper
Secretary
Massachusetts Executive Office of Energy and Environmental Affairs
100 Cambridge Street, 10th Floor
Boston, MA 02114
Rebecca.L.Tepper@mass.gov

Brian Arrigo
Commissioner
Massachusetts Department of Conservation and Recreation
10 Park Plaza, Suite 6620
Boston, MA 02116
Brian.Arrigo@mass.gov

Shaun T. Santos
Colonel
Massachusetts Environmental Police
200 Arlington Street, First Floor
Chelsea, MA 02150
Shaun.T.Santos@mass.gov

**Re: Massachusetts Environmental Police Details Worked at Massachusetts
Department of Conservation and Recreation Facilities**

Dear Secretary Tepper, Commissioner Arrigo and Colonel Santos:

The Office of the Inspector General (OIG) conducted a review of the Massachusetts Department of Conservation and Recreation's (DCR) and the Massachusetts Environmental Police's (MEP) compliance with the reporting provisions of the Interdepartmental Service Agreement (ISA) for police details worked at DCR's state parks and pools for fiscal years (FY) 2014 through 2021.¹

The OIG found that MEP did not submit the monthly shift reports to DCR as required by the parties' ISA. As a result, DCR lacked a significant internal control tool that should have been used to verify the accuracy of MEP's charges to the authorized ISA Child Account for its services. The OIG further found that DCR and MEP removed the monthly reporting requirement from the

¹ The Office of the Comptroller defines an Interdepartmental Service Agreement (ISA) as a contract documenting a business agreement or joint venture between two departments in any branch of state government. ISAs are governed by 815 CMR 6.00 and the Comptroller's ISA Policy.

ISA for FY2021 – which correlates to the period when DCR and MEP were aware of the OIG’s investigation concerning the lack of documentation – and then discontinued the use of the ISA in subsequent years. The OIG is gravely concerned that rather than strengthening reporting and oversight requirements designed to mitigate the risk of fraud and abuse, DCR and MEP effectively removed all such requirements and any checks and balances to ensure that MEP performed the details paid for by DCR. The controls are just as important now that MEP receives direct funding in its budget, rather than through an ISA, to perform the details at DCR’s request.

Based on its investigative findings, the OIG recommends that DCR and MEP (1) execute a non-financial ISA for police details, to include a monthly reporting requirement to provide sufficient data to verify details worked; and (2) implement a proactive process for verifying details worked by MEP and other law enforcement agencies, as a check on police detail payments made.

Background

Prior to Memorial Day in each year of the OIG’s review (FY2014 through FY2021), DCR ranger captains, regional office staff and district supervisors collaborated to determine the locations, dates and times for police details for DCR properties. DCR then provided a spreadsheet, or “detail list,” to MEP, which had the right of first refusal, or first pick, for details in DCR’s North, South, Central and West regions.² After MEP officers selected their shifts, DCR would offer unfilled details to the Massachusetts State Police (MSP), and then to local police and county sheriffs. MEP, MSP and local police departments were supposed to communicate with DCR before Memorial Day weekend with the list of details to be covered by their respective officers.

From FY2014 through FY2021, DCR paid for MEP details pursuant to a yearly ISA.³ DCR transferred funds into the authorized ISA Account to cover the costs of the expected details. MEP would expend funds from the account to cover the details as they were performed. The ISAs for FY2014 through FY2020 included a provision requiring MEP to provide DCR with a monthly report of details worked, which DCR could use to ensure that MEP performed the services and was entitled to the charges. The provision read as follows:

At the conclusion of each month the MA environmental police will provide a report to the DCR finance office of all details worked for that month. The report shall include the name of the officer, the location of the detail, and the number of hours for the detail, and the total amount billed for the detail. The DCR will verify that information with the regional director/ranger/business manager for accuracy. If the detail is disputed, the charges shall be removed until the DCR CFO and EOEEA [Executive Office of Energy and Environmental Affairs] CFO can come to an agreement on the proper coding and charging of the detail.

² Details in DCR’s Boston region are typically handled by the Massachusetts State Police.

³ The OIG learned that DCR and MEP used an ISA for the paid details going back to at least FY2010.

Apart from the reporting requirement outlined in this provision, MEP was not required to obtain approval from DCR before charging the ISA Account.

Figure 1 below illustrates the anticipated and actual costs of MEP paid details from FY2014 through FY2021. As shown, DCR increased the amount of the ISA in some fiscal years to cover a higher-than-expected number of details.

State Parks Interdepartmental Service Agreements			
Fiscal Year	ISA Amount	Revised ISA Amount	Expended Amount
2014	\$172,193	\$208,138	\$186,371
2015	\$177,783	\$227,816	\$219,160
2016	\$177,888	\$241,419	\$234,584
2017	\$203,340	\$264,316	\$240,797
2018	\$202,820		\$185,593
2019	\$203,460		\$170,375
2020	\$153,660		\$106,665
2021	\$236,048		\$223,302
			\$1,566,847

Figure 1. Anticipated and Actual Costs of MEP Paid Details.

Findings

Finding 1: DCR and MEP did not comply with the ISA monthly reporting requirements.

The OIG requested that DCR produce all monthly reports that it received from MEP from FY2014 through FY2020. In response, DCR's Park Operations Department stated that MEP did not submit monthly reports for most of the period. DCR was able to provide some reports from FY2015 and FY2016. Those reports contained the names of the officers, the dates of the details worked, the hours worked, and the total amounts billed. The reports did not include the locations of the detail as required by the ISAs. MEP typically submitted to DCR many months after MEP expended the funds from the ISA Account.

The OIG then asked MEP for the monthly reports that DCR was unable to produce for FY2014 through FY2020. In a March 5, 2020, meeting with the OIG, MEP acknowledged that it had not submitted the monthly reports to DCR as required by the ISAs. After that meeting, MEP ran all relevant reports and provided copies to the OIG.

Although MEP told the OIG in the March meeting that the agency would begin to adhere to the monthly reporting requirements of the ISA, when the OIG requested the FY2020 reports from DCR in June 2022, DCR responded that it did not have the requested reports.

By failing to comply with the ISA monthly reporting requirements, DCR and MEP neglected a key control to mitigate the risk of fraud, waste and abuse of public funds.

Finding 2: DCR did not verify that MEP performed the details that it charged to the ISA Account.

DCR did not verify that MEP performed the details that it charged to the ISA Account. MEP failed to provide and DCR failed to demand the monthly reports from MEP with all required information to confirm that MEP was properly expending the funds from DCR for details. Furthermore, DCR lacked other documentation, such as shift narratives, that it could have used to ensure that details had been worked as charged by MEP.

Without the reports, DCR could not verify the accuracy of MEP's expenditures, nor could it look for inconsistencies and irregularities. DCR also did not have documents needed to cross-reference monthly reports with the pre-season detail selection lists, narrative reports filed by the MEP officer for each detail, or invoices from other police departments that filled shifts.

The OIG conducted a retrospective review of shifts using the monthly reports MEP provided the OIG for FY2017 through FY2020. For those years, MEP reported working 1,949 paid details for DCR. The OIG requested narrative reports filed by MEP officers with DCR for each of the paid details. DCR was only able to provide the OIG with narrative reports for 693 of the paid details. DCR lacked the supporting documentation for 1,256 paid details, or 64% of the details that it paid MEP to perform.

By failing to use the monthly reporting requirements to ensure that MEP accurately spent funds from DCR for details worked, DCR and MEP neglected a key control to mitigate the risk of fraud, waste and abuse of public funds, and instead relied on an antiquated scheduling process in which potential inaccuracies in shift payments would be impossible for DCR to detect.

Finding 3: DCR and MEP removed internal controls that DCR should use to verify MEP's expenditures for details worked.

After the OIG requested the reports for FY2017 to FY2020, DCR and MEP removed the ISA's provision requiring MEP's monthly reporting of details in FY2021.

In subsequent years, DCR and MEP did not execute an ISA and did not implement alternative reporting requirements. Instead, in FY2022, MEP received an increase in their annual budget, apparently for details. From that time to the present, DCR has continued to rely on MEP to fill the seasonal shifts, but DCR does not have controls in place to make sure that MEP has performed the services. Moreover, DCR was unable to identify to the OIG any other reporting controls it used to replace the monthly reporting requirement.

By removing the monthly reporting requirement and the use of an ISA, DCR and MEP eliminated a key control to mitigate the risk of fraud, waste and abuse of public funds.

Conclusions and Recommendations

From FY2017 through FY2020, DCR did not actively manage the performance and expenditures of the ISA with MEP. DCR did not require MEP to produce monthly reports and did not use the few monthly reports MEP did provide to verify the accuracy of MEP's expenditures.

From FY2021 to the present, DCR and MEP removed key fiscal safeguards – the monthly reporting requirement and the ISA – which are important internal controls to mitigate the risk of fraud, waste and abuse.

The OIG is concerned that by removing the reporting requirements and eventually the use of an ISA altogether, DCR and MEP eliminated the control mechanism for DCR to verify the amounts of public funds that MEP expended for work performed on behalf of DCR. As the requesting agency, DCR should be responsible for the anticipated and actual cost of details at its facilities. DCR cannot fulfill its responsibility if it does not verify that the services were performed or monitor the expenditure of funds on its behalf.

Based on its investigative findings, the OIG recommends that the Executive Office of Energy and Environmental Affairs, DCR and MEP implement the following remedial measures:

1. Reinstitute the practice of DCR and MEP executing an ISA with reporting requirement terms. The State Comptroller recommends non-financial ISAs between agencies where one agency performs services for another. *See* Intergovernmental Service Agreements Policy, Office of the Comptroller (September 5, 2023) and 815 CMR 6.00 *et seq.*; and
2. Implement a process to verify that services are performed consistent with the charges.
3. The Executive Office of Energy and Environmental Affairs should ensure that DCR and MEP have, and adhere to, reporting and validation controls and processes.

With the current season upon us, I ask that you take immediate action and update my office within 30 days on your plan to implement these recommendations.

If you have any questions, please contact George Xenakis, Director of the Audit, Oversight and Investigations Division, at 617-722-8853 or George.Xenakis@mass.gov.

Thank you for your immediate attention to ensure that public funds are utilized for their intended purpose.

Sincerely,

A handwritten signature in blue ink, appearing to read "J S Shapiro".

Jeffrey S. Shapiro, Esq., CIG
Inspector General

Secretary Tepper, Commissioner Arrigo and Colonel Santos

May 30, 2024

Page 6 of 6

cc (via email):

Olivia McCaffrey, CFO, Executive Office of Energy and Environmental Affairs

Max Tassinari, CFO, Department of Conservation and Recreation

Peter Mulcahy, General Counsel, Executive Office of Energy and Environmental Affairs

Susanne M. O'Neil, Deputy Inspector General/General Counsel, OIG

George Xenakis, Director, Audit, Oversight and Investigations Division, OIG

Nataliya Urciuoli, Senior Executive Assistant, OIG