



Office of the
Inspector General
Commonwealth of Massachusetts

Gregory W. Sullivan
Inspector General

2005 Annual Report

August 2006



The Commonwealth of Massachusetts
Office of the Inspector General

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His Excellency the Governor

The Honorable President of the Senate

The Honorable Speaker of the House of Representatives

The Honorable Chair of the Senate Ways and Means Committee

The Honorable Chair of the House Ways and Means Committee

The Directors of the Legislative Post Audit and Oversight Bureaus

The Office of the Inspector General is dedicated to preventing and detecting waste, fraud and abuse in the expenditure of public funds. To that end we responded to scores of complaints, initiated dozens of investigations and trained hundreds of government employees last year.

Much of our work is confidential, but this report details completed projects that we can make public.

Among the highlights for 2005:

- our review of the Saltonstall Building project netted \$800 million in interest savings for the Commonwealth;
- several guilty pleas by Everett Public School officials for procurement fraud;
- a new protocol for rooting out abuse in M.G.L. c. 40B developments; and
- our ongoing oversight of the Central Artery/Tunnel project.

Additional copies are available on our website www.mass.gov/ig or from our Office.

Sincerely,

A handwritten signature in cursive script that reads "Gregory W. Sullivan".

Gregory W. Sullivan
Inspector General

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Introduction

The Massachusetts Office of the Inspector General is the oldest state-level inspector general in the nation.

It was established in 1981 on the recommendation of the Special Commission on State and County Buildings, a legislative commission that spent two years probing corruption in the construction of public buildings in Massachusetts.

The commission, nicknamed the Ward Commission in honor of its chairman John William Ward, produced a 12-volume report documenting massive fraud and waste and detailing legislative recommendations for reform.

“Corruption is a way of life in the Commonwealth of Massachusetts,” Ward, who resigned his post as president of Amherst College to devote all his energies to investigating public corruption, wrote in his fiery introduction to the commission’s final report. “It was not a matter of a few crooks, some bad apples which spoiled the lot. The pattern is too broad and pervasive for that easy excuse.”

Part of the Ward Commission’s solution was to create an independent Office of the Inspector General. The commission also recommended creating a new Office of Campaign and Political Finance and an Ethics Commission.

“The basic concept behind the Office of the Inspector General is that any institution, a corporation, a university, let alone the institution of government, must build into itself a mechanism for self-criticism and self-correction,” Ward continued. “To prevent and detect (and the emphasis falls as much upon prevention as detection) fraud and waste in the procurement of many millions of dollars of goods and services by the Commonwealth, the Commission designed the Office of the Inspector General to be a neutral, impartial and independent office to fulfill that critical function.”

The idea of an independent Inspector General was controversial 25 years ago. For months, the attorney general refused to fill the position. Finally, the Legislature amended the law to allow a majority vote of the attorney general, auditor and governor – rather than a unanimous vote – to fill the post and Joseph R. Barresi became the state’s first inspector general. Barresi served a decade in the office, the legal maximum. Robert A. Cerasoli replaced Barresi in 1991. Gregory W. Sullivan became acting inspector general when Cerasoli’s full term ended and was appointed the state’s third inspector general in 2002.

The post remains controversial today – three of the last four governors have tried – and failed – to eliminate the Office of Inspector General.

The Massachusetts Inspector General has a broad mandate under Massachusetts General Laws (M.G.L.) Chapter 12A to prevent and detect fraud, waste and abuse in government. M.G.L. c. 12A gives the Inspector General the power to subpoena records and people for investigations and management reviews, and to investigate both criminal and non-criminal violations of law.

The Inspector General employs a staff of experienced specialists, including investigators, lawyers, a certified public accountant, an architect, computer experts and analysts to investigate waste, fraud and abuse in government. In addition, the Inspector General's office also has attorneys specializing in procurement to assist local governments with best value contracting under the Uniform Procurement Act, M.G.L. c. 30B. The Inspector General also certifies public procurement officials through the Massachusetts Certified Public Purchasing Official training program.

Inspector General Gregory W. Sullivan meets quarterly with the eight-member Inspector General Council to consult with them about the duties and responsibilities of the Office of the Inspector General. In 2005, the members of the council were: Auditor Joseph DeNucci, Attorney General Thomas F. Reilly, Comptroller Martin J. Benison, Secretary of Public Safety Edward A. Flynn, James T. Morris, Alan MacDonald, Colin Campbell and Christopher J. Scott.

The Inspector General receives numerous complaints alleging fraud, waste or abuse in government. The staff evaluates each complaint to determine whether it falls within our jurisdiction and merits action. Some complaints lead to extensive investigations. The Inspector General closes others almost immediately – after a preliminary inquiry fails to substantiate the allegations.

When the staff completes a project, the Inspector General usually issues a letter or report detailing findings and recommending reforms to prevent future problems. The Inspector General reports information concerning criminal or civil violations of law to the appropriate authorities, including the Massachusetts Attorney General and the U.S. Attorney for the District of Massachusetts.

Investigations

The Inspector General's investigations of criminal and civil violations of law arise from a variety of sources, including complaints, information developed during the course of other reviews and activities, and requests for review and assistance by other investigative agencies such as local and state police and the attorney general. The Inspector General forwards complaints to other agencies if a preliminary investigation reveals that the complaints are outside the Inspector General's jurisdiction or would more appropriately be handled by another agency.

In 2005, the Inspector General reported complaints to a host of agencies, including: the Federal Bureau of Investigation; the Massachusetts Office of the Attorney General; the Massachusetts State Police; the US Department of Health and Human Services Inspector General; the Massachusetts Department of Housing and Community Development; the Auditor of the Commonwealth of Massachusetts' Bureau of Special Investigations; the Plymouth County District Attorney; the United States Attorney for the District of Massachusetts; and several local police departments.

M.G.L. c. 12A restricts disclosure of ongoing investigations, cases in which no official disposition has been made and on-going joint investigations that are governed by nondisclosure agreements. Therefore, this report details only a portion of the investigations the Inspector General pursued last year.

Investigation Nets \$800 Million in Savings on Saltonstall Project

In February 2002, state and local officials commenced with the \$235-million renovation and rehabilitation of the 22-story Leverett Saltonstall building, relying in part on a \$20-million loan from MassDevelopment, the quasi-public agency managing the project. This office, in an investigation that began in 2004, determined that the MassDevelopment loan was unlike any note commonly used to fund such projects because the interest rate was set at 16 percent (even though the prime lending rate ranged from 4.25 percent to 9.5 percent in the years 2000-2002), and interest was calculated on a compound basis. By the end of the agency's 2006 fiscal year, roughly \$17 million in interest had already accrued on the note, an extraordinary sum given the principal of \$20 million. And at year 25, when MassDevelopment anticipated the Saltonstall project to begin experiencing positive cash flow, roughly \$800 million in interest would have already accrued by the agency's own estimates. That would have all but erased any profits taxpayers would have gotten from the Saltonstall project.

Making matters worse, the Inspector General revealed that MassDevelopment had for years been misstating the basic terms of the

note in its audited financial statements, potentially misleading investors and the public at large.

In 2005, the Inspector General, after numerous meetings with MassDevelopment executives, made two strong recommendations to the agency: first, that MassDevelopment calculate the interest on the note on a simple, and not compound, basis; and second, that they cut the interest rate in half to 8 percent.

At the agency's Dec. 8, 2005, board of directors meeting, MassDevelopment's Chief Executive Officer informed the board of the Inspector General's concerns, and the board agreed to change the interest accrual method from compound to simple, which instantly subtracted roughly \$4 million off the amount of interest that had accrued to date. More importantly, it cut the interest due over the expected life of the note from \$2.35 billion to \$103 million.

And in May of 2006, the MassDevelopment board followed the second recommendation of the Inspector General and halved the interest rate on the promissory note from 16 percent to 8 percent, lopping another roughly \$6 million off the interest amassed to that date.

As a result of these actions, the cumulative interest on the note in June of 2027 will now add up to roughly \$40 million, a savings of 95 percent over what would have been due at that time had this office not intervened.

Everett Guilty Pleas

The Office of the Inspector General, the Massachusetts Attorney General and the Massachusetts State Police in March 2004 announced 41 counts against 11 individuals and five companies charged with defrauding the Everett Public School system. In December 2005, three of those individuals entered guilty pleas in the case:

- Everett Public School maintenance manager Lona DeFeo pleaded guilty to nine charges, including: one count to commit procurement fraud by bid-splitting; one count of larceny over \$250; one count of conspiracy to commit procurement fraud; one count of fraud by procuring by bid splitting; two counts of false claims (presenting); one count of conspiracy by committing procurement fraud; and two counts of conspiracy to present false claims. DeFeo was sentenced to two years in the house of correction for four of the nine counts, suspended for five years; five years probation; and 100 hours of community service.
- Contractor Robert Mastrocola pleaded guilty to procurement fraud and conspiracy to commit procurement fraud. He received one year of probation, and agreed to \$4,451 in restitution to the City of Everett.

- Contractor Anthony Dellano, and his firm, Nino's Iron Works, each submitted guilty pleas for conspiracy to commit procurement fraud. Dellano received a sentence of one year probation and a fine of \$500.

The indictments announced in March 2004 alleged that at least 63 contracts worth more the \$552,000 were obtained by fraudulent means, including conspiracy, procurement fraud, bid rigging, bid splitting, presentation of false claims, larceny, receiving stolen property and kickbacks between local businessmen and Everett Public School employees from 1998 to 2003.

As a result of the investigation initiated by the Inspector General, Everett Superintendent of Schools Frederick Foresteire was also indicted on two counts of receiving stolen property. The indictment alleges that Foresteire's ex-brother-in-law Louis Grande stole two Everett Public School air conditioners worth over \$1,850 and had them installed at Foresteire's home.

Grande, who is now deceased, was the largest benefactor in the alleged plan to defraud the Everett Public Schools. Grande allegedly participated in numerous bid-rigging and kickback schemes with two other "straw" companies to get around the commonwealth's sealed bidding process and receive Everett Public School contracts worth over \$250,000.

In the fall of 2004, three individuals and two companies pleaded guilty to charges arising from the Inspector General's investigation and agreed to pay restitution to the city of Everett for the benefit of the schools and fines to the state:

- Anthony Fabrizio, Sr., of Burlington pleaded guilty to conspiracy to commit procurement fraud;
- Roy A. Merenda of Malden, individually and as the owner of Roy Merenda & Sons, pleaded guilty to one count each of procurement fraud and conspiracy to commit procurement fraud; and
- Victor Silva of Haverhill, individually and as the owner of United Building Services pleaded guilty to one count each of procurement fraud and conspiracy to commit procurement fraud.

Foresteire, as well as four other people and their companies, are scheduled to go to trial soon.

Moonlighting Building Inspector

Information was received by this office on February 24, 2005 regarding Building Inspector Charles Brett's employment with three municipalities simultaneously. An investigation by this office has determined that Charles Brett, while working as the full-time building inspector for the town of Georgetown, is at the same time working as a part-time

building inspector for the towns of Hamilton and Wenham, Massachusetts. Brett is working 40 hours a week for Georgetown, 20 hours a week for Hamilton and between 12 to 15 hours a week in Wenham.

Under that situation, the taxpayers of Georgetown are paying for services that they do not receive, with the tacit approval of officials in the towns involved.

The Office of the Inspector General in December 2005 issued a letter to the boards of selectmen in Georgetown, Hamilton, and Wenham calling the situation grossly inappropriate and unacceptable because Brett was being paid to be in two places at the same time. The letter recommended that each municipality forge an agreement with Brett that specifies actual hours, an hourly wage, and that delineates what benefits he will receive, and what portion of those benefits each community will pay. The towns should also require Brett to fill out time sheets to be approved by an appropriate supervisory official, and they should also review work that was performed by Brett after July 1, 2003, to ensure that it was actually performed properly.

(In April 2006, the Georgetown Board of Selectmen did not reappoint Brett as Building Inspector.)

North Gloucester Sewer Project Settlement

In August 2000, the City of Gloucester requested the assistance of the Office of the Inspector General to investigate cost overruns on the North Gloucester Sewer Project (NGSP) Phases IV and V. City officials were concerned that the betterment fees that were assessed to the approximate 800 property owners were extremely high.

After investigating the NGSP, the Massachusetts Inspector General in conjunction with the Federal Bureau of Investigation, Environmental Protection Agency, and the United States Attorney's Office reached an agreement on November 29, 2005 with a NGSP contractor in which a rebate in the amount of \$315,000 would be paid and then distributed to each overcharged property owner as well as the City of Gloucester.

Because of the effective advocacy and leadership of Senator Bruce E. Tarr and Representative Anthony Verga, House Bill 2313 established a mechanism for the rebate to go directly to the rightful property owners. The proceeds from the rebate have been placed into a trust that allows the Inspector General to disperse them to the adversely affected property owners and to the City of Gloucester according to a policy that was worked out among the Office of the Inspector General, the City of Gloucester, Senator Tarr, and Representative Verga.

Review of Excess Profits for Chapter 40B Developments

Under Chapter 40B, a developer may construct a housing project which does not comply with local zoning and land use controls. Typically, a developer will obtain a density bonus from a municipality in return for providing a percentage (usually 20% -25%) of “affordable” homes in the project and for agreeing to limit their profits from the project to an agreed upon percentage (usually 20%) of allowable development costs. At the completion of the project, the developer must submit a cost certification which details the related income and expenses. Any profits in excess of the agreed upon limit are typically required to be remitted to the municipality for future development of affordable housing.

In order to test the effectiveness of the cost certification process and to ensure the reasonableness and accuracy of reported developer profits, the Inspector General selected a recently completed development (Crossroads) in Acton for detailed review and analysis. The Crossroads development on approximately 2.3 acres of land at 246 and 248 Main Street represents a total of 12 housing units, three of which are deed restricted as affordable. In January, 2005 the developer submitted a cost certification reflecting a net profit for the development of \$525,431 or 19.45% of the total development costs. Since this reported profit was \$14,983 less than the agreed upon profit percentage of 20% there was no excess profit remitted to the town of Acton.

The Inspector General conducted a preliminary review of the reported profits by analyzing various public documents and found that the developer understated the development’s profits reported to the town. Findings included several related party transactions which resulted in reducing the reported profit. The last market rate unit in the development was sold to a related party approximately one month prior to the submission of the cost certification. Less than a month after the cost certification was submitted, the related party “flipped” the unit for a net profit of \$50,000. The records also indicated potential abuse in the payment of expenses to related parties. It was estimated that the developer may owe the town of Acton at least \$200,000.

Based on this preliminary review the Inspector General selected a sample of other developments for detailed review of the profit limitations. A total of 10 developments were selected for future investigation. A detailed audit program was developed which includes verification of project expense details to the supporting source documentation including invoices, cancelled checks and contract agreements. The Crossroads development is included in this sample for detailed verification of reported expense items.

The Inspector General also initiated discussions with some independent public accounting firms in order to identify a suitable firm which we can contract with in order to perform much of the detailed audit verification work. An audit firm was selected in 2006 and a comprehensive investigation is currently under way. The results of this comprehensive investigation will be published later this year.

Misuse of Funds by North Attleborough Electric Department Flagged

In December 2005, the Office of the Inspector General issued a report and wrote a letter to the North Attleborough Board of Electrical Commissioners and Selectmen strongly recommending that an effective system of independent oversight and control be implemented for North Attleborough Electric Department (NAED) expenditures. The letter was written after an Office of the Inspector General investigation revealed that the NAED had misused bond funds to finance the start-up of an internet business, and had knowingly misled Town officials in requesting issuance of these funds.

This Office estimates that the misapplication of funds will cost the electric ratepayers of the Town of North Attleborough more than \$8 million, costs that include the repayment of bond principal, interest on the bonds, capital write-offs and cumulative business losses.

The investigation revealed that NAED auditor Grant Thornton LLP enabled these inappropriate expenditures from the capital bond fund to remain undetected by town officials for years. The lack of reasonable care exercised by Grant Thornton violated generally accepted auditing standards.

The Office of the Inspector General called for appropriate recourse by town officials against Grant Thornton for its negligent auditing of NAED's financial statements during the period when the bond funds were unlawfully expended.

Proposed Pembroke Land Swap Stopped

In January 2005, the Office of the Inspector General received information regarding a proposed land swap between a Pembroke Selectman and the Pembroke Housing Authority (PHA). The individual selectman wanted the PHA land because it abutted land that he owned and wished to develop. The selectman wished to swap another parcel of land that he owned for the PHA parcel.

The investigation determined that the PHA had entered into a Purchase and Sale Agreement with the Pembroke Selectman, acting as a private individual, an agreement subject to the approval by the Department of Housing and Community Development (DHCD).

The selectman hired a certified general appraiser to appraise both parcels of land involved. The appraiser informed this office that he did not consider any potential development of the PHA land by the selectman in calculating the value of the PHA land. The PHA land, as a result, was assessed at \$6,000, and the Selectman's land was valued at \$17,000.

Prior to entering into the agreement, the selectman informed the Town Planning Board that he intended to build 14 residential units on a parcel of land owned by him that abuts the PHA parcel involved in the swap.

After the agreement, the selectman's son presented a new plan to the Planning Board that disclosed his intention to build another unit erected, in part, on the PHA land. Condominiums in Pembroke are on the market in Pembroke for approximately \$350,000.

This Office contacted officials of DHCD and informed them that the PHA parcel was severely under-appraised. As a result, DHCD required new, realistic appraisals that valued the PHA land at more than \$25,000. Valued thus, this parcel now qualifies for disposition in accordance with M.G.L. c. 30B, the state's Uniform Procurement Act.

Investigation Leads to \$526,000 Recovery from Orthopedic Footwear Providers

Fifteen members of the Massachusetts orthopedic footwear industry in February 2005 agreed to pay \$526,000 to the Massachusetts Medicaid program to settle allegations that they were overpaid due to incorrect billing and poor documentation in violation of Medicaid regulations.

The settlement with the Attorney General's Office was a direct result of an April 2000 report of the Office of the Inspector General that revealed widespread waste and a pervasive pattern of abuse in the Medicaid Orthopedic Footwear Program. Following release of the 196 page report entitled "Department of Medical Assistance: Orthopedic Footwear Benefits, Policies and Procedures", the Attorney General's Medicaid Fraud Control Unit commenced an industry-wide investigation and Medicaid revised its orthopedic regulations based in part on recommendations of the Office of the Inspector General.

\$1.2 Million in Tax Credit Dollars Pledged to be Returned

The Inspector General wrote a letter to the commissioner of the Department of Revenue in January 2004 asking him to examine the Economic Development Incentive Program tax credit and determine whether companies are abusing a program designed to attract companies to "economically distressed areas" and to create jobs in the state's most-depressed communities.

The letter pointed to \$10.5 million in tax credits, including two handed to two multi-billion-dollar companies – insurance giant Manulife Financial and Affiliated Managers Group, a Beverly-based investment management firm – to relocate to prestigious addresses. Affiliated Managers Group received a tax credit after it decided to relocate to a mansion in the exclusive Prides Crossing section of Beverly. Manulife received a tax break after most of the construction on its offices on the South Boston waterfront was complete.

The Inspector General urged the Department of Revenue and the Department of Business and Technology to improve their oversight of the program, which has handed out tax credits worth hundreds of millions of dollars. The letter also asked the revenue department to examine each tax credit to determine whether it complied with the law, to revoke any tax credits taken under false pretenses, and recoup any money owed to the commonwealth.

Following the Inspector General's report, the Legislature asked the Department of Revenue to examine Economic Development Incentive Program tax credits and determine whether any of the money should be returned to the commonwealth. The Legislature is still awaiting this report.

In October 2005, Affiliated Managers Group wrote a letter to the Revenue Commissioner informing him that the firm would be returning approximately \$1.2 million to the state.

Other Tax Incentive Program Issues

As identified above, for several years now, the Office of the Inspector General has been reviewing various state and local programs that offer an array of property tax credits to businesses seeking to re-locate or expand their operations within the commonwealth. While these programs represent a vital tool for the continued economic growth of Massachusetts, some communities have worked to secure such incentives for companies that should not have otherwise qualified to receive such handsome tax breaks.

In May 2005, the Inspector General's office informed the Attleboro Economic Development Incentive Board that a proposal to offer Texas Instruments Inc. \$9 million in state and local tax breaks did not properly safeguard the public's interest in holding the company to its promises of creating 100 new jobs. Texas Instruments' 2004 annual report had described a plan to lay off, relocate, or offer early retirement to 433 Attleboro-based workers in 2005 and 2006. As a result, this office instructed Attleboro to seek "an ironclad and well-defined commitment for job creation" from Texas Instruments, as well as "clear recourse for Attleboro if job creation and retention promises are not met."

In December 2005, the Inspector General sent a letter to Revenue Commissioner Alan LeBovidge raising yet another issue with the Economic Development Incentive program: That the Economic Assistance Coordinating Council, which oversees the program, was not informing the revenue department when companies were de-certified from the program. Without such knowledge, the revenue department could not know to pursue such firms to recapture some or all of the tax credits obtained by companies that, ultimately, may not have deserved the money.

In January 2006, Mr. LeBovidge wrote the Inspector General to inform him that the council had provided the revenue department with a complete list of de-certified companies, and that it would in the future make it a matter of routine to inform the department of future de-certifications.

Nearly \$139,000 in Wasteful Spending Revealed in Wachusett Regional School District

Lacking clear spending controls and adequate documentation, the executive office of the Wachusett Regional School District made tens of thousands of dollars in questionable expenditures between fiscal years 2000 and 2004, an investigation by the Inspector General's office determined in May 2005. The spending included unapproved vacation buybacks, excessive vacation pay, \$19,500 in insurance payments for coverage that was never purchased, more than \$14,000 in bonuses and merit pay increases for executive staff, more than \$28,000 in meal and travel expenses, and a \$32,000 superintendent's stipend for attending district functions.

This spending occurred at a time of dramatic staff cuts – 60 positions in all –and severe budget constraints that led to the elimination of Advanced Placement classes and late busing for the high school, the imposition of middle school athletic fees, and a significant reduction in elementary school art, music, and physical education programming. The Inspector General called on the district to establish tighter spending controls and to retain an independent certified public accounting firm to conduct a thorough fraud risk assessment.

Big Dig Cost Overruns

Even as the \$14.6-billion Central Artery/Tunnel project wound down in 2005, the Office of the Inspector General continued to focus substantial resources in 2005 on investigating Bechtel/Parsons Brinckerhoff's (B/PB) mismanagement of the Central Artery/Tunnel Project.

In 2005, the Inspector General issued four reports that made specific cost recovery referrals to the Attorney General, who is now responsible

for cost recovery efforts on the Project. One referral concerned paving mismanagement by B/PB in East Boston, a second concerned waterproofing mismanagement by B/PB (also in East Boston), a third related to questionable costs associated with the Dewey Square Air Intake structure, and a fourth looked into problems with the project's Professional Liability Coverage program.

These reports identified specific management lapses by B/PB and various firms it oversaw that may have led to at least \$8 million in Big Dig cost increases. That comes in addition to more than \$155 million in such cost increases flagged by the Office of the Inspector General in 2004. The cost overruns are currently under review by the state Attorney General. The report on Professional Liability Coverage revealed that the Project has been lax in ensuring that Section Design Consultants, who will likely be targets of the Attorney General's cost recovery efforts, maintained errors and omissions insurance. While the taxpayers paid for this type of insurance, B/PB's failure to maintain adequate records has made it impossible for this Office to determine if the insurance coverage was purchased and in effect during the applicable contract periods. In addition, this Office cannot discern whether such firms fully complied with their contractual obligations concerning insurance coverage. While such problems have no dollar amount associated with them yet, insurance coverage complications could in years to come severely hamper the commonwealth's efforts to recoup monies lost to mismanagement or shoddy construction on the Big Dig.

In addition to the four cost recovery referrals, the Office of the Inspector General issued a letter to the Massachusetts Turnpike Authority in September 2005 raising serious concerns about the stability and reliability of more than \$2.2 billion in surety bonds covering construction contracts involved in the Attorney General's investigation of tunnel leaks. Several of those contracts are underwritten by a firm with an A.M. Best substandard rating of "D", raising the possibility that the insurer could default on its bond commitments in the event that claims are made.

Dangerous Loopholes in Employee Screening Practices by the Department of Mental Health Questioned

In February 2005, the Office of the Inspector General issued a report that cited several potentially disastrous gaps in the procedure used by the Department of Mental Health to screen potential employees and vendors. The report revealed that the department, while relying on minimal background check standards, did not look at criminal information from the FBI, or from states that border Massachusetts. The system also failed to cross-check names against the state's Sex Offender Registry or against offender records maintained by other

social service agencies. The report recommended that the administration submit a background check reform package to the legislature as soon as possible to correct the situation.

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Effective and Ethical Contracting

Wellfleet

In December 2005, the Office of the Inspector General wrote a letter to the town administrator of Wellfleet to inform him that a decision by the Wellfleet Board of Selectman to appropriate money for the plowing of private ways was not in compliance with state statutes concerning the expenditure of public funds.

In order to spend money in that manner, the town should have put the matter to a public vote at an annual election. The assistant town administrator informed this office that Wellfleet voters would have a chance to vote on the matter in the spring election.

Operational Services Division

In December 2005, the Office of the Inspector General informed the Operational Services Division that a statewide contract held by School Specialty Inc. to provide art and instructional supplies contained language that violated the rules governing statewide contracts. Specifically, the office, after a year-long effort to monitor School Specialty, revealed that the company was negotiating lower prices to public users than the statewide contract prices. The review also determined that the division's promise to impose strict monitoring practices on the contract was not fulfilled. This office recommended that the contract with School Specialty be terminated given its repeated violations.

In February 2006, the Operational Services Division suspended School Specialty's contract and ordered the firm to pay \$12,237.55, which represented the dollar amount of the contract violation plus a 25 percent penalty. The company must also pay \$96,339.17 in credit rebates if its suspension is to be lifted. The Division also commenced an investigation into whether other contractors had violated the terms of their agreements.

Massachusetts Water Resources Authority

In October 2005, the Inspector General's office made a series of cost-recovery referrals to the MWRA after a series of questionable cost overruns on the authority's contract number 6499 – Deer Island Ancillary Modifications 1. The project, as of September 2005, had increased by 5 percent, even though the contractor had been given notice to proceed in July 2004, less than a year earlier. The October 2005 letter recommended the authority pursue 10 change orders and

proposed change orders for cost recovery. Their total value was \$269,003, and each was rooted in either errors or omissions by the project's private-sector design firm, Metcalf & Eddy.

Massachusetts Office of Travel and Tourism

In June, the Inspector General's office contacted the Massachusetts Office of Travel and Tourism, or MOTT, after it was determined that officials at MOTT had advised the Town of Westborough that it could merely seek quotes for a \$50,000 building project. In fact, Massachusetts laws require that public building projects costing more than \$25,000 be awarded to contractors through a sealed bid procurement process outlined in Chapter 149 of the General Laws. Because MOTT, at that time, was handling roughly 65 grants for such construction projects, the Inspector General issued a letter to MOTT strongly suggesting that the agency, if it deems it necessary to offer procurement advice in the future, consult counsel or the Attorney General's office before doing so.

Holyoke

The Inspector General in June informed Holyoke officials that its failure to engage in a competitive process for the city's copier equipment – over the span of roughly a decade – constituted a flagrant violation of the state's procurement law, Chapter 30B. In addition, the city had engaged a single company over that period not only to buy such equipment, but also to service and maintain it. The Inspector General informed the city that it could have likely availed itself of the Operational Service Division's statewide contract for such equipment. In conclusion, the Inspector General told city officials that the contracts were invalid and unenforceable, and that future payments should not be made without consulting counsel.

Lawrence

In April, the Inspector General informed city officials that several vendors were providing services to Lawrence City Hall even though no competitive bidding process for such work was conducted. In one case, a vendor providing payroll and consulting services did not even hold a written contract with the city. A company hired to manage the Lawrence 'HOME' and Community Development Block Grant program also had no written contract with the city, and was retained without benefit of a competitive procurement process. In a letter, the Inspector General strongly recommended that "procurement personnel in the City receive training in proper procurement practices."

Uncompensated Care Pool Audit

The Office of the Inspector General Uncompensated Care Pool Audit Unit, created by Chapter 240 of the Acts of 2004 and extended by Chapter 45 of the Acts of 2005 continued its work to oversee and examine the practices of all Massachusetts' acute care hospitals concerning care of the uninsured and resulting free care charges.

The Uncompensated Care Pool Audit Unit has reviewed the pool's financial and management control systems, conducted financial and clinical audits of pool claims at each of the commonwealth's hospitals, examined the demographic make-up of free care recipients, and reviewed prescriptions at five hospital-run outpatient pharmacies. In reviewing a data base of 4.8 million electronic uncompensated care pool claim records filed with the Division of Health Care Finance and Policy, the Uncompensated Care Pool Audit Unit used claims analysis technology to test more than 100,000 claims for charges that would have been rejected by other health care payers.

The Office of the Inspector General Uncompensated Care Pool Audit Unit completed two reports in 2005:

“A Preliminary Analysis on Employers and the Massachusetts Uncompensated Care Pool,” (June, 2005)

This report identified users of the Uncompensated Care Pool who reported employment in a company but reported no, or inadequate health insurance coverage at the time of service. Because employment status is self-reported by pool recipients and not required for free care eligibility determinations, only 65,000 individuals out of over 100,000 employed individuals reported that they were in fact employed. Total employed pool recipients worked for nearly 40,000 companies and generated over \$300 million of payments of free care through the Uncompensated Care Pool in hospital fiscal year 2004.

“Ongoing Review of the Uncompensated Care Pool Pursuant to Chapter 240 of the Acts of 2004,” (November, 2005)

This report presented a number of findings and recommendations which resulted from ongoing audits, research, interviews and analyses on the practices and uses of the Uncompensated Care Pool for uninsured individuals in the commonwealth. Several areas of weaknesses were identified in the pool's administrative structure

including the lack of reasonable management systems to control costs, ensure appropriate levels of treatment and safeguard against improper billing. Further, the report identified a number of legislative mandates to implement effective controls on pool operations which have not been implemented. The report also advised the legislature to examine the impact on uncompensated care costs of inadequate Medicaid payment rates to hospitals and community health centers.

Construction Reform

The Inspector General played an integral role in drafting Chapter 193 of the Acts of 2004, "An Act Further Regulating Public Construction in the Commonwealth." The new construction reform law was designed to save money for cities and towns by adding flexibility to the procurement process while increasing local accountability to taxpayers.

The Inspector General's involvement didn't end when the governor signed the law in July of that year. The Inspector General continues to be deeply involved in outreach and education efforts as well as implementation.

Among other things, the Office of the Inspector General has had a hand in drafting technical changes; reviewing prequalification regulations written by the Division of Capital Asset Management; developing regulations and guidelines for contractor and subcontractor certification; and developing a matrix listing the qualifications of an owner's project manager.

The construction reform law also charged the Office of the Inspector General with determining whether a municipality is eligible to use alternative delivery methods, including construction manager at risk and design-build. In the later half of 2004, the office developed regulations and an application process for municipalities to help the Inspector General make those decisions.

As 2005 began, the Inspector General started reviewing and approving communities' applications to take advantage of the innovations in the construction reform law. During this year, the office approved three municipal projects, including the renovation of Salem High School, a new Nantucket Airport terminal, and the modernization of the Milford Nursing and Rehabilitation Center.

The Office of the Inspector General also began its annual reviews of construction procedures for exempt agencies, including the Division of Capital Asset Management, Massport and the Massachusetts State College Building Authority.

Highlighting the Risks of Certain Sureties

In January 2005, the Inspector General issued a letter to the Massachusetts Division of Insurance describing the results of a review of the state's bonding requirements for contractors and sub-contractors on public construction projects. The review found that 10 companies on the Division of Insurance list of licensed sureties (as of September 2004) had defaulted on their commitments for

solvency reasons. Despite that, none had their licenses revoked by the division. The review also found that 78 licensees – 20 percent of the total – had poor ratings, or none at all, from the A.M. Best Company, which rates such firms. The letter recommended the creation of a clear warning system for cities and towns to potential risks of relying on sureties with poor ratings or none whatsoever.

New Guide on Bonding

In April 2005, the Inspector General's office issued a lengthy instructional manual entitled "Guide to Bonding Requirements Under Construction Reform." The manual was designed to help public officials ensure adequate protection for all public building construction and public works projects through the effective use of construction bonds. Such bonds, after all, provide taxpayers assurance that projects will continue uninterrupted if a contractor should default on its financial obligations. With bonds playing such a crucial role in the life of any public construction endeavor, public project owners should ensure that due diligence is performed on surety companies before accepting a contractor or subcontractor on a project. The "Guide" offers public officials specific recommendations to achieve that goal.

Worcester Courthouse Investigation Wrapped Up

In June 2005, this office wrapped up an investigation, first referred to the Inspector General's office by Worcester District Attorney John J. Conte, into whether steel used in the construction of the new Worcester County Courthouse was being tested as required in the project's contracts. The investigation determined that the steel was in fact being tested and inspected satisfactorily.

Proposed Changes to Construction Reform Law

Also in June, the Inspector General forwarded a letter to the Senate in support of Senate Bill 2064, "An Act Making Technical Corrections to the Public Construction Reform Law." As a member of the Construction Reform Implementation Group, the Inspector General and other interested parties have proposed over 66 technical as well as substantive corrections designed to reduce misinterpretations of law and enable state and local awarding authorities to implement reforms in the most effective manner. The Implementation Group also meets to discuss practical interpretations of the construction reform law.

Sixth Edition of Public Construction Manual Published

In September 2005, the Inspector General published the sixth edition of "Designing and Constructing Public Facilities," a manual that has provided crucial guidance to public officials undertaking construction projects since 1985. The updated manual incorporated the procedural requirements of the 2004 construction reform law. According to state website traffic statistics, between September and December, 2005, over 30,000 online requests to view the manual were made.

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Real Estate Dealings

The Inspector General reviews a variety of real property transactions each year to ensure that the public interest is adequately protected.

In addition, the Legislature frequently mandates that the Inspector General review and approve independent appraisals of real property interests being conveyed or acquired by the state, counties and municipalities. The Inspector General provides a report on each appraisal to the Commissioner of the Division of Capital Asset Management for submission to the House and Senate Committees on Ways and Means and the Joint Committee on State Administration.

The Inspector General also reviews and comments on the disposition agreements controlling certain conveyances.

The Inspector General requires that all real property appraisal reviews conducted at the direction of the Legislature follow the Uniform Standards of Professional Appraisal Practice published by the Appraisal Standards Board for the Appraisal Foundation.

The Inspector General's appraisal reviewers form an opinion as to whether the analysis, opinions and conclusions in the work under review are appropriate and reasonable. If the reviewer disagrees with an appraisal, the reasons for any disagreement are set forth in the Inspector General's response.

Below are a few examples of disposition agreement reviews the Inspector General reviewed in 2005.

Former J.T. Berry Rehabilitation Center Disposition: The Inspector General's office weighed in on a proposed third amendment to the Land Disposition Agreement between the Division of Capital Asset Management and a private development firm, The Gutierrez Co. This office recommended that language be included in the agreement to ensure that the developer pay \$1.5 million in contributions toward public wastewater treatment enhancements for the community's benefit at the closing for the project's 'residential phase.' Doing so would ensure that the public gets the enhancements called for in the agreement.

Worcester Armory Annex: The Inspector General approved of a 30-year lease arrangement for the facility that would allow a private organization, Massachusetts Veterans, Inc., to operate a veterans' shelter in the armory for annual rent of \$1,200,

provided that the organization submit annual audited reports prepared by an independent certified public accountant describing renovations, repairs, or long-term capital improvements. The approval was based on an appraisal, also reviewed by this office, that determined market value of the Armory requiring no rent in exchange for maintenance.

Former Lawrence Mills Property and the Ames Parcel in Lowell: The Inspector General approved an appraisal of the parcels for residential development.

1.84 Acres of Land in the City of Revere: The Inspector General reviewed a release deed for the parcel to be conveyed to the City of Revere for use as a public safety facility or a public recreational facility.

Property within Glavin Mental Health Center in Shrewsbury: This office reviewed a draft release deed regarding three parcels covering 4.32 acres.

Former Metropolitan State Hospital: The Inspector General reviewed an escrow agreement related to a land disposition of the hospital's main campus. The agreement established the terms of the holding and disbursing of \$750,000 to provide mitigation to the town of Lexington for potential impacts to the school system. This office also reviewed transactional documents related to the disposition of the Gaebler Center site within the hospital.

Former Foxborough State Hospital: The Inspector General reviewed the release deed concerning roughly 29,000 square feet of land, including a 2,100 square foot building, being conveyed to the Foxborough Housing Authority.

Southeastern Massachusetts Bioreserve: The Inspector General reviewed a memorandum of understanding, escrow agreement, management plan, and various amendments aimed at establishing the bioreserve in Fall River. The transaction of the bioreserve land, encompassing roughly 14,000 acres, called for payments of \$2.45 million from the Fall River Redevelopment Authority to be used for further development, and the conveyance of 300 acres from the state to the authority to create a business park.

Land on Winter Street in Bridgewater: This office reviewed a proposed release deed between the Division of Capital Asset Management and an individual, Patrick Driscoll, for the sale of 3.81 acres at full market value.

And here are some examples of appraisal reviews conducted by this office:

Easements in Middleton, Peabody and Salem: The easements were intended to convey more than 1.3 million square feet of land for the Maritimes & Northeast Pipeline, L.L.C., to construct, repair, and renovate interstate pipeline facilities for the transmission of natural gas.

Land Parcel Exchange in Tewksbury: The exchange focused on two properties owned by the state and two by the town. According to the guiding legislation, the owner of the more valuable land would receive a cash adjustment, if necessary, to realize full and fair market value. While the Inspector General approved of the exchange, he noted that the state's land was worth more than the town's, and as a result, Tewksbury owed the state the outstanding difference.

Land on Belcher Street in Plainville: An appraiser determined that the highest and best use for 16.41 acres being conveyed to a private party was for industrial development. The Inspector General found an error in the appraiser's adjustments to comparable land sales in the area, but determined that it had little effect on the analysis.

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Local Government Procurement Assistance and Enforcement

The Office of the Inspector General provides extensive technical assistance to local government officials regarding Massachusetts public procurement laws. The Inspector General encourages effective and ethical public purchasing by local governments by providing training and professional development; publishing manuals; a quarterly "Procurement Bulletin"; and by answering inquiries, complaints and protests. The Inspector General also interprets and formulates policy on M.G.L. c. 30B, the procurement law that local governmental bodies follow when they buy supplies, services, equipment and real property.

Training and Professional Development

The Inspector General's office administers the Massachusetts Certified Public Purchasing Official Program (MCPPO), which the office created nine years ago. The training program is designed to develop the capacity of public purchasing officials to operate effectively and promote excellence in public procurement.

Approximately 400 municipal purchasing officials took Massachusetts Certified Public Purchasing Official courses in 2005, bringing the total number of participants since 1997 to 5,686.

Public purchasing officials are responsible for procuring the supplies, services and facilities required to provide public services. These procurements involve massive expenditures of public funds. Therefore, it is important that state and local officials understand the process.

In 2005, through the MCPPO program, the Inspector General offered three three-day seminars: "Public Contracting Overview," a prerequisite for other courses, that includes segments on purchasing principles, ethics and Massachusetts purchasing laws; "Supplies and Services Contracting", which trains participants how to interpret M.G.L. c. 30B and to use invitations for bids and requests for proposals; and "Design and Construction Contracting," which provides in-depth instruction in the procurement laws governing public design and construction in Massachusetts and in effective design and construction contract administration.

In addition to the core curriculum seminars in the MCPPO program, the Inspector General offered a one-day "Construction Management At Risk" seminar, and a two-day "Advanced Topics Update."

The Inspector General's office also expanded its non-core curriculum seminars by offering "Bidding Basics and Contract Administration" and

“Bidding Basics 101,” as an option to be requested by local jurisdictions for procurement training at their location; and also offered computer-based training with “Drafting a Model Invitation for Bids.”

Each participant who successfully completes a core-curriculum seminar receives a certificate of completion. Participants who complete the requisite seminars and who meet education and experience requirements may apply for any one of three MCPPO designations.

The Inspector General’s office also provided speakers on public procurement laws at programs sponsored by the state’s Operational Services Division, the Plymouth County Department of Public Works, and the state’s Department of Housing and Community Development.

The topics of those talks included municipal bidding laws and real property issues.

Inquiries, Complaints and Protests

In 2005, the Office of the Inspector General responded to more than 1,751 inquiries about M.G.L. c. 30B and other public bidding laws. The Inspector General regularly advises purchasing officials on how to obtain best value and increase competition for public contracts. The staff also responds to requests from local officials, aggrieved bidders and concerned citizens by reviewing bid and proposal documents for compliance with M.G.L. c. 30B.

Publications

The Office of the Inspector General publishes a wide range of materials designed to educate and inform local procurement officials, to provide guidance on best value contracting and to disseminate lessons learned. All publications listed in this section are available from the Inspector General’s website: www.mass.gov/ig.

In 2005, the Inspector General published the following advisories: “Guide to Bonding Requirements Under Construction Reform (April 2005); “Guide to Developing and Implementing Fraud Prevention Programs (April 2005); “Advisory to Local Officials: Computer Usage Policies” (May 2005); “Advisory to Local Officials: Telephone Usage Policies” (May 2005).

The Inspector General also continued to publish the “Procurement Bulletin,” a newsletter distributed to approximately 900 procurement officials and other interested parties across the state. Launched in 1994, the “Procurement Bulletin” summarizes current procurement-related news and issues, addresses frequently asked questions about M.G.L. c. 30B, provides legislative updates and highlights special topics in procurement.

Current and past issues of the “Procurement Bulletin” can be downloaded from the Inspector General’s website.

Bylaw and Charter Amendment Reviews

Each year, the Inspector General's office provides critical input to the Attorney General's office as it conducts reviews of municipal bylaws and charter amendments to ensure that they comply with state law. Specifically, the Inspector General's office offers input on whether such bylaws and charter changes comply with the Uniform Procurement Act, Chapter 30B of the General Laws.

In 2005, this office reviewed five such cases at the Attorney General's office. One involved contracts by town officers in Dedham (April); another concerned the disposition or purchase of real property in Conway (April); the third case involved contracting by town officers in Templeton; the fourth concerned vendors and staff members at the Foxborough Council on Aging (May); and the last case concerned legislation in Dracut.

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Legislative Reviews

The Office of the Inspector General reviewed and commented on scores of pieces of legislation during the first half of the 2005-2006 legislative session. In many instances, lawmakers redrafted bills following the Inspector General's recommendations. The vast majority of such legislation involved M.G.L. c. 30B, the Uniform Procurement Act.

In addition, the Office of the Inspector General in 2005 sought to establish a general set of guidelines for lawmakers as they look to craft legislation dealing specifically with land disposition bills that seek to exempt certain property transactions from M.G.L. c. 7 or M.G.L. c.30B. In letters sent to the Joint Committee on Bonding, Capital Expenditures, State Assets, and to the Joint Committee on Municipalities and Regional Government, this office called for all such bills to: state the purpose of the disposition and any use restrictions; identify the property to be conveyed, including the precise location and total acreage; require an independent appraisal establishing fair market value of the property; require the private party to pay no less than the established value; require the private party to pay all direct transaction costs; require the property to revert in the event the property is not used for the intended purpose; and require that the disposition be subject to the requirements of M.G.L. c.7, §40J.

This office also sent several letters to lawmakers strongly opposing bills that sought to exempt certain municipalities from new and tougher public construction laws established by the Legislature in 2004.

Of the legislation passed into law in 2005 that the Office of the Inspector General reviewed and commented on were:

- Chapter 51, "An Act authorizing the town of Rowley to lease certain conservation land;"
- Chapter 76, "An Act authorizing the conveyance of certain land in the town of Tewksbury to Robert W. Lafreniere;"
- Chapter 110, "An Act authorizing the city of Lowell to grant a permanent easement in certain parkland to abutters;"
- Chapter 132, "An Act relative to property in the town of Foxborough;"
- Chapter 135, "An Act authorizing the town of Dedham to transfer land for senior center purposes;"

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Legislative Recommendations: First Half of 2005-2006 Session

Under M.G.L. c. 12A, the Office of the Inspector General has the authority to recommend policies that will assist in the prevention or detection of fraud, waste and abuse. The Inspector General must report these recommendations annually to the governor and the Legislature.

During the first half of the 2005-2006 legislative session, the Inspector General submitted the following eight bills for consideration:

House 4, An Act Clarifying Oversight by Municipal Financial Officers of Municipal Light Department Expenditures

The bill amends the law relative to the management and oversight of municipal light department expenditures; directs local authorities to appoint managers of municipal lighting; requires said managers to submit annual statements to local authorities; requires payment of all amounts for the sale of gas or electricity to the city or town treasurer; authorizes municipal auditors to inspect accounts related to said sales; directs local authorities to approve expenditures by said managers; prohibits members of municipal light commissions from accepting gifts, commissions or other compensation from persons entering into contracts with the city, town or municipal lighting plants without disclosing their interest in said contracts; articulates penalties for violation of said provisions; requires all contracts made by said municipal light commissions or boards to be in writing; regulates disclosure of said contracts to city and town auditors; articulates record keeping requirements for said sale of gas or electricity by municipalities.

House 5, An Act Enabling Municipalities to Utilize Reverse Auctions

The bill would enable municipalities with a Chief Procurement Officer to utilize reverse auctions to procure supplies and services of \$25,000 or more which must presently be procured using an invitation for bids (IFB) or request for proposals (RFP) process under M.G.L. c.30B, the Uniform Procurement Act. This legislation would create a new section of M.G.L. c.30B.

House 6, An Act Relative to the Ethics Commission

Would amend chapter 268B by adding the Inspector General to the list of officials who can share personnel and materials with the Ethics Commission. Presently, the auditor, attorney general and Office of Campaign and Political Finance are allowed. This legislation would allow

the agencies to cooperate in matters which they have joint interests. This legislation has full support of the Ethics Commission.

House 7, An Act Repealing Tow Exemption

The bill would repeal an unnecessary Chapter 30B exemption. Contracts for police ordered towing and storage of motor vehicles would be subject to the bidding requirements of the Uniform Procurement Law.

House 8, An Act Repealing Trash Exemption

The bill would repeal the exemption to M.G.L. c. 30B for solid waste disposal and recycling services. M.G.L. c. 30B requires local jurisdictions to conduct best value procurements of supplies, equipment, services, and real property by fostering competition in the private marketplace. Competition is an essential prerequisite to efficient, cost effective contracts with the private sector.

The exemption to M.G.L. c. 30B for solid waste disposal and recycling services does not serve the public interest in obtaining services from qualified vendors at the best available price. House No. 8 would repeal this exemption, thereby subjecting these services to open and fair competition. There is no public policy justification for permitting these lucrative contracts to be awarded on a no-bid basis.

House 9, An Act Concerning Proprietary Specifications in Public Construction

The bill amends provisions relative to the establishment of specifications for qualified materials used on public works contracts, or the purchase of materials for same; requires statement of said specifications using descriptive elements and characteristics, and performance standards; requires said standards to provide three named brands of material; articulates procedures for exempting specifications from said procedures; requires said standards to accept an item equal to those named or described.

House 10, An Act To Increase Penalties To The Federal Levels For Bid Rigging And Conspiracies In Restraint Of Trade

The bill would increase the penalties for bid rigging and conspiracies in restraint of trade to the federal level. Presently, the Commonwealth's antitrust statute is inadequate to protect the citizens against such flagrant crimes as bid rigging. Municipalities within the Commonwealth are fleeced by this practice and forced to pay much more for their necessary goods and services.

House 11, An Act Relative to Boat Excise

The bill would prohibit issuance of new or replacement registration certificates or numbers to an owner of a motorboat unless the owner presents proof of excise tax payment on the motorboat.

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Listing of 2005 Reports and Publications

The Office of the Inspector General published dozens of reports, letters and guides in 2005. The following documents are available on the Inspector General's Internet site www.mass.gov/ig:

- Employment of the Building Inspector, letter to Selectmen in the towns of Georgetown, Hamilton and Wenham, December 2005.
- Economic Incentive Tax Credit Decertification, letter to Commissioner Alan LeBovidge, December 2005.
- Statewide Contract for Art and Instructional Supplies, letter to State Purchasing Agent Ellen Bickelman, December 2005.
- Wachusett Regional School District's Personnel Management Policies, letter to Chair Alice Livdahl, Wachusett Regional School Committee, December 2005.
- An Investigation of the Use of Certain Bond Funds by the North Attleborough Electric Department, December 2005.
- Plowing of Private Ways, letter to Town Administrator Timothy C. Smith, Town of Wellfleet, December 2005.
- Ongoing Review of the Uncompensated Care Pool Pursuant to Chapter 240 of the Acts of 2004: Second Report to the House and Senate Committees on Ways and Means, November 2005.
- Change Orders on a Massachusetts Water Resources Authority Deer Island Contract, letter to General Counsel Steven Remsberg, October 2005.
- Follow-up: An Investigation of Certain Wachusett Regional School District Expenses, October 2005.
- Surety Bonds and the Central/Artery Tunnel Project, letter to Chairman Matthew J. Amorello, September 2005.
- A Review of Big Dig Professional Liability Insurance Coverage, June 2005.
- A Preliminary Analysis on Employers and the Massachusetts Uncompensated Care Pool, June 2005.
- Worcester Courthouse Construction Inspection and Testing, letter to District Attorney John J. Conte, June 2005.
- Inspector General Review of Allegations About a Local Department of Public Works, June 2005.
- Attleboro Tax Incentive Financing Economic Development Program, letter to Members of the Economic Development Incentive Board, May 2005.
- An Investigation of Certain Wachusett Regional School District Expenses, May 2005.
- A Big Dig Cost Recovery Referral: Dewey Square Air Intake Structure, March 2005.
- A Big Dig Cost Recovery Referral: Waterproofing Mismanagement by Bechtel/Parsons Brinckerhoff in East Boston, March 2005.
- Chapter 28 School Construction Pilot Program, March 2005.

- A Review of the Department of Mental Health's Employee Screening Practices, February 2005.
- Reviews Spark Changes in Legislation, February 2005.
- Inspector General's Investigation Leads to Recovery of \$526,000 from Orthopedic Footwear Providers, February 2005.
- Performance Bonds and the New Construction Reform Law, letter to Commissioner Julianne M. Bowler, January 2005.
- A Big Dig Cost Recovery Referral: Paving Mismanagement by Bechtel/Parsons Brinckerhoff, January 2005.
- Pursuing an Adjustment of U.S. Census Bureau Population Estimates for Massachusetts, letter to Governor W. Mitt Romney, January 2005