



Office of the Inspector General Commonwealth of Massachusetts

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Inspector General

2017 Annual Report

April 30, 2018

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Executive Summary

The Office of the Inspector General for the Commonwealth of Massachusetts (“Office”) is an independent agency charged with preventing and detecting fraud, waste and abuse in the use of public funds and public property.

In keeping with its broad statutory mandate, the Office investigates allegations of fraud, waste and abuse at all levels of government; reviews programs and practices in state and local agencies to identify system-wide vulnerabilities and opportunities for improvement; and assists the public and private sectors to help prevent fraud, waste and abuse in government spending. In addition, the Office provides guidance to local government officials on issues that arise under the Uniform Procurement Act, M.G.L. c. 30B, which governs the purchase and disposition of supplies, services, equipment and real property by municipalities and other public entities. The Office also educates public and private employees through its Massachusetts Certified Public Purchasing Official (“MCPPO”) training program.

When conducting an investigation or review, the Office has the authority to subpoena records, interview witnesses and take testimony under oath. At the completion of an investigation, review or other project, the Office may issue a letter or report detailing findings and outlining recommendations to prevent future fraud, waste and abuse. In some instances, the Office will offer training, policy guidance or technical assistance. In other cases, the Office may require the agency, city or town to submit a corrective action plan detailing the measures it will take to address the problems identified during the Office’s investigation.

Further, the Office reports suspected criminal activity to the appropriate authorities, including the Massachusetts Attorney General’s Office and the U.S. Attorney’s Office. In addition, the Inspector General meets regularly with the Inspector General Council to discuss the Office’s activities.

In 2017, the Office responded to over 1,080 complaints and conducted investigations and reviews in such areas as aviation, health and human services, library administration, pharmacy services, public procurement, public benefits, public works, state pensions and transportation. The Office’s work led to state and federal criminal convictions, legislative initiatives, and policy changes at the state and local levels. The Office’s efforts also resulted in recoveries, cost savings and the imposition of fines totaling more than \$3.4 million. Further, the Office’s work led to increased penalties for misusing disabled persons’ parking placards (“placards”) and to enhanced authority for the RMV to administer placards.

Looking more closely at specific divisions within the Office, the Audit, Oversight and Investigations Division worked on numerous criminal and civil matters that led to convictions, indictments, settlements, restitution and corrective measures. These matters included the review of a Massachusetts Port Authority cleaning supplies contract, leading to recoveries of nearly \$2.75 million; an investigation of a trash hauler that led to over \$460,000 in restitution; an investigation into the Essex County Sheriff’s Department that uncovered over \$1 million in waste and abuse by the former sheriff’s administration; and additional indictments against a former MBTA employee, resulting in 13 counts of criminal conduct involving six different MBTA vendors, including receiving more than \$300,000 in bribes and gratuities.

In addition, in accordance with its enabling statute, the Bureau of Program Integrity (“Bureau”) continued to work collaboratively with the Department of Transitional Assistance on improving the administration of public benefits programs and enhancing fraud detection. The Bureau also continued and expanded its work with the Department of Developmental Services to review business risks and fraud risks, as well as to recommend controls and improvements to the agency’s processes and procedures.

The Internal Special Audit Unit (“ISAU”) evaluated the use of public funds that the Rose Fitzgerald Kennedy Greenway Conservancy receives from the Massachusetts Department of Transportation (“MassDOT”). The Conservancy is a non-profit entity created to oversee the operations and finances of the Rose Fitzgerald Kennedy Greenway, a 15-acre park located in downtown Boston. The ISAU determined that the Conservancy used public funds for expenses that were not within the parameters of its funding agreement with MassDOT. The ISAU also found that the Conservancy’s per-acre expenses were considerably higher than the expenses of other public parks in Massachusetts. Further, the ISAU continued to participate in the RMV’s placard abuse task force, worked with MassDOT to promote training and process improvements and continued to operate its four fraud hotlines.

The Policy and Government Division conducted healthcare reviews of the Massachusetts Medicaid and Health Safety Net programs. In one review, the Office evaluated MassHealth’s administration of claims from hospice providers. The goal of the review was to determine whether there were any systemic issues that made the hospice program vulnerable to fraud, waste or abuse by providers. The division also examined 12 programs from across the country that have implemented an array of interventions to address substance use disorders. The goal of the division’s review was to identify promising practices that Massachusetts might replicate and that could lead to public healthcare cost-savings. Finally, the division continued to participate in the development of policies and procedures related to the Commonwealth’s public design and construction laws, reviewed public land transactions and provided input on over 100 pieces of legislation.

Also during 2017, the Regulatory and Compliance Division provided technical assistance to state and local government officials regarding Massachusetts’ public procurement laws, trained over 1,900 participants in procurement law and related issues through its MCPPO training program, and responded to approximately 1,750 inquiries about public bidding laws. Because education is vital to preventing fraud, waste and abuse, the division also expanded its training program by adding new classes; offering more on-site classes across the Commonwealth; publishing a free guide for members of public boards and commissions; and creating free, online training videos for government officials and the public. The division also reviewed a housing authority’s procurement of a contract for information technology services, which led the authority to re-bid the contract, saving the organization as much as \$113,000.

Further details about the activities summarized above, as well as the results of additional investigations, reviews and other projects, are set forth in the rest of this report.

Structure of the Office

The Office is organized into seven divisions: Administration and Finance; Audit, Oversight and Investigations; the Bureau of Program Integrity; the Internal Special Audit Unit; Legal; Policy and Government; and Regulatory and Compliance.

The **Administration and Finance Division** provides vital support to the entire Office by managing the Office's finances, human resources, case management system, information technology, operations and procurement.

The **Audit, Oversight and Investigations Division** ("AOI Division") investigates allegations of criminal and civil misconduct in the use of public funds. When an investigation reveals potential criminal conduct, the AOI Division often works closely with other law enforcement agencies – such as the FBI, the state police, federal inspectors general and local police departments – as well as with prosecutorial agencies, including the Massachusetts Attorney General's Office, the U.S. Attorney's Office and local district attorneys' offices. Further, the AOI Division works on matters involving potential civil actions, either directly with the affected municipality or in conjunction with the Attorney General's Office. The AOI Division also alerts the State Ethics Commission to potential ethics violations, such as self-dealing and the receipt of unwarranted privileges. At any given time, the AOI Division may be investigating allegations of public corruption or other wrongdoing in a wide array of public sectors, such as education, energy, health and human services, housing, public administration, public construction, public safety, public works, retirement benefits and transportation.

Additionally, the AOI Division works to prevent and detect fraud, waste and abuse by recommending legislative and regulatory changes to internal and financial controls in the expenditure of public funds. The AOI Division also issues public advisories and letters to help state and local governments reduce fraud, waste and abuse.

The **Bureau of Program Integrity** ("Bureau") focuses on public benefits programs administered by the Executive Office of Health and Human Services ("EOHHS"). In this role, the Bureau is responsible for preventing, detecting and correcting fraud, waste and abuse in benefits programs through investigations, performance audits and reviews, as well as consultation and collaboration with EOHHS agencies.

The **Internal Special Audit Unit** ("ISAU") monitors the quality, efficiency and integrity of the Massachusetts Department of Transportation's ("MassDOT") operating and capital programs. As part of its statutory mandate, the ISAU seeks to prevent, detect and correct fraud, waste and abuse in the expenditure of public and private transportation funds. The ISAU is also responsible for examining and evaluating the adequacy and effectiveness of MassDOT's operations, including its governance, risk-management practices and internal processes.

The **Legal Division** provides essential legal advice to the Office and manages legal strategy in all Office litigation. Attorneys in the Legal Division represent the Office in state and federal court, draft and review legislation, teach procurement law, and provide guidance on public procurement matters to state and local officials. Attorneys in the Legal Division also assist the Office's investigatory divisions by taking testimony; analyzing evidence; conducting legal

research; coordinating responses to and enforcing summonses; and liaising with state, municipal and private entities on legal issues that may arise during an investigation or review. Attorneys in the Legal Division also spearhead the Office's efforts to develop false claims and other matters for civil recovery.

The **Policy and Government Division** ("P&G Division") oversees the Office's policy, healthcare and legislative initiatives. The P&G Division is responsible for carrying out the Legislature's annual mandate for the Office to study and review the Massachusetts Medicaid and Health Safety Net programs. The P&G Division also reviews programs and practices in state and local agencies to identify system-wide vulnerabilities and opportunities for improvement.

In addition, the P&G Division helps develop policies and procedures related to the Commonwealth's public design and construction laws. The P&G Division works with state agencies and authorities throughout the Commonwealth to establish best practices in public construction. Each year, the P&G Division reviews public design and construction projects, methods and practices, as well as a variety of public real property transactions, to ensure that the public's interests are protected. Finally, during each legislative session, the P&G Division reviews and comments on numerous pieces of legislation, meets with and provides guidance to legislators and municipalities, and responds to requests from the Governor's Office to review proposed legislation before it is signed into law.

The **Regulatory and Compliance Division** ("R&C Division") manages the Office's educational initiatives, including the Massachusetts Certified Public Purchasing Official ("MCPPO") training program, and provides guidance on public procurement matters to state and local officials. In Massachusetts, public purchasing officials are responsible for procuring the supplies, services and facilities required to provide public services and materials to their communities. These procurements involve considerable expenditures of public funds. As a result, it is vital that state and local officials understand the procurement process and comply with all applicable legal requirements.

To meet this vital need, the R&C Division provides training and professional development through the MCPPO training program; publishes manuals, advisories and a quarterly *Procurement Bulletin*; and offers a hotline to respond to inquiries and complaints concerning the public procurement of supplies, equipment, services and real estate. The R&C Division also provides extensive technical assistance to state and local government officials regarding the Commonwealth's public procurement laws. The R&C Division interprets and formulates policies on the Uniform Procurement Act, M.G.L. c. 30B ("Chapter 30B"), which governs public purchasing by municipalities and other public entities. The R&C Division also provides speakers to address public procurement principles and fraud prevention for a variety of public and private entities. Finally, the R&C Division assists the Attorney General's Office by reviewing municipal bylaws and charter amendments to ensure that they comply with Chapter 30B.

The Recovery of Funds, Imposition of Fines and Identification of Potential Savings

Often, the Office’s efforts result in agencies, municipalities, companies and individuals recovering funds that properly belong to them. These recoveries may be in the form of settlements, negotiated agreements, court-ordered restitution, fines or other court action. The Office also conducts reviews to identify potential cost savings for public entities. Moreover, the Office’s referrals, reviews and investigations may lead to the imposition of fines or civil penalties against individuals or organizations. The Office’s actions can also lead to the prevention of improper payments.

In 2017, the Office’s investigations and reviews resulted in \$3,430,916 in recoveries, fines and cost savings. *See* Table 1 below. Further details about the matters listed in Table 1 appear throughout the rest of this report.

| RECOVERIES, FINES AND COST SAVINGS | | |
|---|---------------------------------|----------------------|
| Subject of Investigation or Review | Type of Recovery or Fine | Dollar Amount |
| Ashburnham Stevens Memorial Library: Director | Restitution | \$19,556 |
| Blandford Tax Collector | Restitution | \$13,094 |
| Brookline Housing Authority | Cost Saving | \$113,000 |
| Massport Vendors | Settlement and Cost Recovery | \$2,362,765 |
| Massport Vendor: Billing Change | Cost Saving | \$340,000 |
| MBTA Vendor Procurement Fraud | Fine | \$15,000 |
| | Restitution | \$1,594 |
| State Office of Pharmacy Services: Executive Director | Settlement | \$75,000 |
| State Office of Pharmacy Services: Vendor | Settlement | \$27,500 |
| Westport Trash Hauler | Restitution | \$463,407 |
| Total | | \$3,430,916 |

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Hotlines

I. Fraud, Waste and Abuse Hotlines

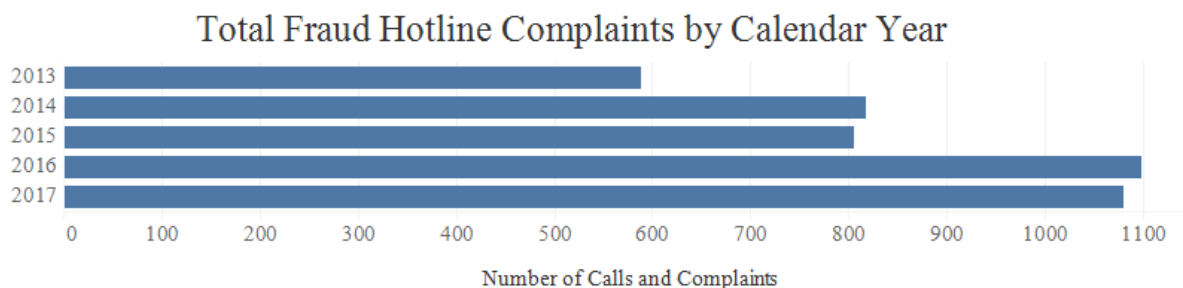
The Office is committed to ensuring that individuals can confidentially report suspected wrongdoing in the use of public funds or assets. Individuals therefore can report suspected misconduct to the Office in person or by telephone, U.S. mail, e-mail or facsimile (collectively, “hotlines”). All complaints to the Office’s hotlines are treated confidentially, and individuals can choose to submit a complaint anonymously. In the Association of Certified Fraud Examiners’ *2018 Report to the Nations on Occupational Fraud and Abuse*, data collected for more than a decade showed frauds are more likely to be detected by a tip when a hotline is in place.

The Office evaluates each complaint to determine whether it falls within the Office’s jurisdiction and whether it warrants action. Some complaints lead to extensive investigations, some are referred to other agencies and others are closed if a preliminary inquiry fails to substantiate the allegations.

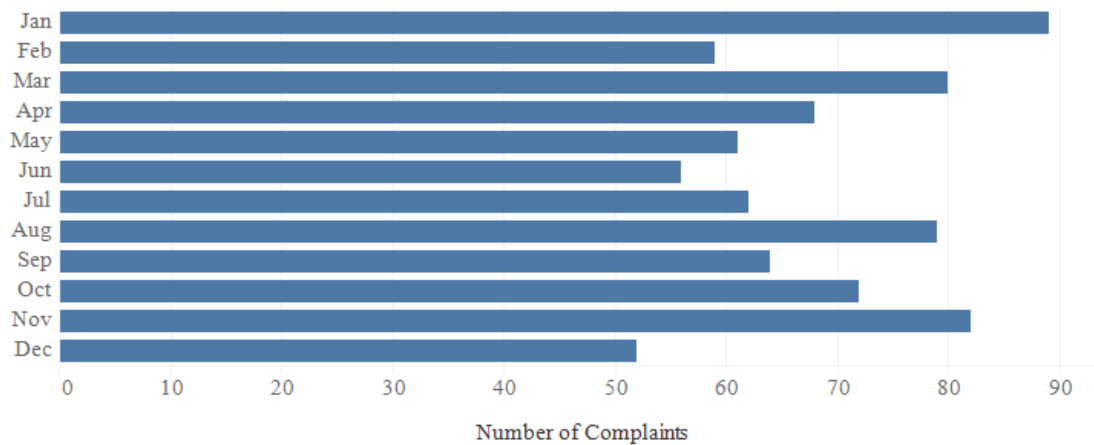
While not all complaints result in an investigation or review, many uncover wrongdoing, such as corruption, theft, time fraud, favoritism in selecting contractors, mismanagement or wasteful spending. Complaints made to the Office’s hotlines also result in improvements in the how government agencies operate. Complaints also often lead to significant cost recoveries and civil settlements.

The Audit, Oversight and Investigations Division operates the general fraud hotlines for the Office. In this role, the Division carefully reviews and evaluates all complaints it receives. The Internal Special Audit Unit (“ISAU”) maintains two hotlines for members of the public to anonymously report suspected fraud, waste or abuse in the expenditure of MassDOT funds. The hotlines are available on the Office’s, MassDOT’s and the MBTA’s websites. The ISAU also maintains an employee hotline on MassDOT’s intranet. The ISAU also monitors the RMV’s disability parking placard hotline.

The Office received 4,391 hotline complaints between January 1, 2013, and December 31, 2017. The overall volume of complaints has grown by 83% in five years. In 2017 alone, the Office received and responded to over 1,080 complaints.



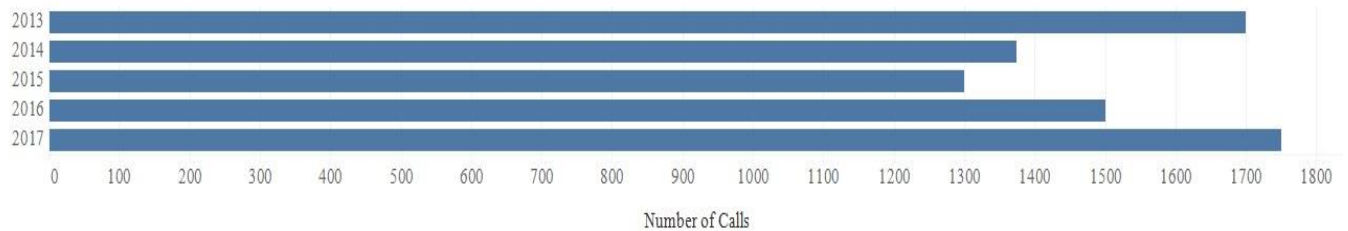
General Fraud Hotline: Monthly Intake in 2017



II. Chapter 30B Hotline

Education is critical to improving government and safeguarding public assets. Consequently, the Regulatory and Compliance Division offers a hotline to respond to questions and complaints concerning public procurements. Calls to the hotline often lead municipalities and other public entities to rebid contracts, strengthen procurement procedures, institute internal controls and implement other process improvements. In 2017, the Division responded to approximately 1,750 inquiries and questions about the Uniform Procurement Act, M.G.L. c. 30B, as well as other public bidding laws and practices.

Chapter 30B Inquiries by Calendar Year



Audit, Oversight and Investigations Division

As previously discussed, the Audit, Oversight and Investigations Division (“Division”) investigates possible criminal and civil misconduct in the use of public funds and property, and recommends improvements to internal and financial controls to prevent fraud, waste and abuse in the use of government assets. In this role, the Division receives, reviews and processes all general complaints addressed to the Office. In some instances, these complaints lead to comprehensive investigations, while in other instances the Division may forward the complaint to the appropriate oversight, regulatory or prosecutorial agency. The Division forwards complaints to other agencies if, for instance, a preliminary investigation reveals that the complaints are outside of the Office’s jurisdiction. In addition to complaints, the Division’s investigations arise from many other sources, including anonymous tips; information developed during the course of other reviews and activities; and requests for assistance from other investigative or prosecutorial agencies, such as local authorities, federal agencies, the state police and the Massachusetts Attorney General’s Office.

During the past year, the Division responded to over 825 complaints from public employees, private citizens, municipalities, and other public and private entities. The Division also investigated and reviewed a wide range of alleged wrongdoing, including bribery, embezzlement, false claims, illegal gratuities, larceny, procurement fraud and time abuse. The Division’s work crossed diverse areas of government, including public procurement, transportation, public administration, waste disposal and whistleblower protections.

Below is a representative sample of the Division’s work in 2017.

I. Public Transportation

A. Massport and OSD Recover \$2.75 Million from Vendors in Connection with Overbilling

An investigation by the Division revealed evidence that Interline Brands, Inc., had overbilled the Massachusetts Port Authority (“Massport”) for a wide array of janitorial products over several years. The Division and the Attorney General’s Office then conducted a joint investigation that resulted in a \$1,974,765 settlement for Massport and the Executive Office for Administration and Finance’s Operational Services Division (“OSD”). The settlement resolved allegations that Interline violated the Massachusetts False Claims Act and Consumer Protection Act by overcharging Massport for janitorial supplies and by submitting quarterly reports to OSD that misrepresented its pricing methodology. The settlement also required Interline to implement business changes to address the issues uncovered in the investigation.

After the Division notified Massport of the overbilling on its janitorial supplies contracts, Massport reviewed its spending and billing for other supply contracts. It found overbilling by three companies, which together returned \$388,000 to Massport. Massport and Interline also agreed to billing changes for hand soap that saved the authority \$340,000 over the life of the contract.

B. MBTA: Former Procurement Official and Two Contractors Indicted for Procurement Fraud

A joint investigation by the Division and the Attorney General's Office led to 13 criminal charges against a former buyer for the MBTA, as well as criminal charges against two MBTA vendors, in connection with several procurement fraud schemes.

In March 2017, a statewide grand jury indicted Timothy Dockery, a former buyer for the MBTA, and William Sheridan, a private contractor who performed work for the MBTA. The indictment alleged that Mr. Dockery had engaged in several illegal schemes with vendors to defraud the MBTA and to enrich himself. For instance, Mr. Dockery allegedly engaged in a larceny scheme with an MBTA vendor who submitted approximately \$38,000 in false invoices to the MBTA. Mr. Dockery and the vendor allegedly then split the proceeds. Mr. Dockery is also alleged to have received illegal gratuities from three MBTA vendors, including over \$60,000 in cash gratuities; luxury box seats and high-end tickets to professional sporting events and concerts worth over \$23,000; and about \$8,000 worth of free meals and custom-printed items for Special Occasion Limousine and Coach, Inc., a company that Mr. Dockery and his wife own.

Mr. Sheridan is alleged to have participated in some of the procurement fraud schemes with Mr. Dockery. Mr. Dockery and Mr. Sheridan allegedly falsified quotes on several MBTA procurements, creating the illusion that there had been competition on four MBTA contracts awarded to Mr. Sheridan. In April 2018, Mr. Sheridan pled guilty to two counts of procurement fraud.

In June 2017, a statewide grand jury charged Mr. Dockery with accepting a bribe from a supplier and engaging in illegal schemes with another vendor, thereby defrauding the MBTA and enriching himself. Specifically, the grand jury issued additional indictments alleging that Mr. Dockery solicited and received a \$5,000 cash bribe from a supplier of flooring tiles in exchange for awarding a \$32,500 contract to the supplier. The indictments further alleged that Mr. Dockery engaged in procurement fraud by fabricating information in the MBTA's procurement file to justify awarding a \$200,000 contract for bus radiator repairs on MBTA buses. Mr. Dockery also allegedly received illegal gratuities, including free auto repairs, a hotel gift card, lunches and dinners in exchange for assistance in securing contracts with the MBTA.

Also in June 2017, the same grand jury indicted Gregory Rogers, the owner of Rogers Auto Radiator, Inc., on three counts of procurement fraud and one count of larceny. Mr. Rogers' firm has done more than \$2 million of work for the MBTA over the past 10 years. Mr. Rogers allegedly instructed his employees to create and submit false bids in the names of other vendors. The indictment further alleged that Mr. Rogers also submitted two fake invoices to the MBTA. In February 2018, Mr. Rogers pled guilty to all four counts. His sentence included a \$55,000 fine, \$1,594 in restitution, 500 hours of community service and a ban on public work during his 5-year probationary period.

In February 2018, a Suffolk County grand jury indicted Mr. Dockery on two additional illegal gratuities charges for receiving more than \$200,000 worth of cash kickbacks from Mr. Sheridan and an in-ground pool, which Mr. Sheridan paid for. Overall, the three sets of indictments charge Mr. Dockery with 13 counts of criminal conduct involving six different MBTA vendors over several years, including receiving more than \$300,000 in bribes and gratuities.

The Criminal Bureau of the Attorney General's Office is prosecuting this case in Suffolk Superior Court with assistance from the Division. Mr. Dockery is presumed innocent until proven guilty.

II. Public Administration

A. Ashburnham: Former Director Pled Guilty to Embezzlement

Following a joint investigation by the Division and the Massachusetts State Police assigned to the Worcester District Attorney's Office, Cheryl Paul-Bradley, the former director of the Stevens Memorial Library in Ashburnham, pled guilty to embezzling over \$53,000 from the library. The investigation found evidence that between March 2010 and July 2014, Ms. Paul-Bradley stole money from the library by making cash withdrawals from a library bank account, and by forging and cashing checks written on that same account.

Ms. Paul-Bradley subsequently pled guilty to one count of embezzlement by a municipal official, two counts of forgery and two counts of uttering. A Worcester Superior Court judge ordered Ms. Paul-Bradley to serve three years of probation and forfeit her municipal pension. Ms. Paul-Bradley is also prohibited from acting as a fiduciary in any capacity and was ordered to pay restitution of \$19,556 to the town of Ashburnham.

B. Blandford: Tax Collector Guilty of Stealing Tax Payments

The Division and the Attorney General's Office conducted a joint investigation into alleged misconduct by Leann Thompson, who served as the tax collector for the town of Blandford from 2002 to 2011. The joint investigation found evidence that Ms. Thompson used various methods to misappropriate money paid to the town and to conceal her improper actions. Evidence indicated, for instance, that Ms. Thompson received tax payments in cash but never deposited the funds into the town's bank account. Ms. Thompson also used other taxpayers' funds and escrow checks to conceal her conduct.

Following the investigation, a Hampden County grand jury indicted Ms. Thompson for one count of embezzlement by a public official, one count of using an official position to secure an unwarranted privilege and one count of larceny over \$250. The indictment alleged that, overall, Ms. Thompson stole more than \$150,000.

Ms. Thompson subsequently pled to all counts in the indictment. She entered an *Alford* plea, a procedure in which a defendant maintains her innocence but admits that there is sufficient evidence for a judge or jury to find her guilty. A state judge ordered Ms. Thompson to serve two years of probation and to pay restitution of \$13,093.96, which represents the taxpayer funds she used to pay her own tax bills. Ms. Thompson is also prohibited from holding a job in the public sector and handling company finances during the probation period.

C. Essex County Sheriff's Department: Sick Leave Abuse Cost the Public Over \$1 Million

In December 2017, the Division completed a review of sick leave abuse at the Essex County Sheriff's Department ("ECSD") between 2009 and 2016. The Division found a pattern of

abuse in which dozens of healthy employees stopped reporting for work at ECSD but remained on ECSD's payroll using significant amounts of leave, including sick leave, prior to retiring. Some employees even worked paid details and other jobs while out on sick leave from ECSD. Others became eligible for retirement only by using sick leave after they stopped reporting to work.

The Division found that the former ECSD Sheriff, Frank G. Cousins, Jr., knowingly authorized healthy employees to use sizable amounts of accrued sick leave in violation of the rules applicable to most ECSD employees. Between 2009 and 2014, ECSD unnecessarily paid more than \$631,000 in sick leave payments and \$412,300 in other leave payments to these employees. ECSD administrators attributed the use of excessive sick leave to a "Retirement Incentive Program," but the Division found no evidence that such a program ever existed. ECSD officials continued to allow healthy employees to use blocks of sick leave through 2016, even after the end of the purported retirement incentive program.

The Division further found that officials allowed employees to accumulate significantly more vacation leave than the limit set out in ECSD's employee handbook. Employees were allowed to use, or be compensated for, the vacation leave, imposing a burdensome liability on the Commonwealth and wasting public funds.

The Division determined that these wasteful practices cost the public more than \$1,000,000. Officials in ECSD's current administration report that ECSD no longer permits healthy employees to use significant blocks of sick leave immediately before retirement.

III. Public Facilities: Trash Hauler Sentenced for Defrauding Fall River Landfill

A joint investigation by the Division, the FBI and the U.S. Department of Housing and Urban Development's Office of the Inspector General revealed that a trash hauler had defrauded the operator of the Fall River Landfill of more than \$460,000.

Stephen Aguiar, Jr. is one of the owners and operators of Cleanway Disposal & Recycling, Inc., a trash removal and recycling company. Mr. Aguiar contracted with the operator of the Fall River Landfill to dispose of trash collected from his private clients in Fall River for one rate, and to dispose of trash collected from his private clients outside of Fall River for a higher rate. Mr. Aguiar also contracted with the city of Fall River to collect trash from the Fall River Housing Authority ("FRHA") and dispose of the trash at the landfill, which Fall River owned. The company operating the landfill allowed the city to dispose of trash collected from the FRHA at no charge.

The investigation found evidence that, between 2009 and 2014, Mr. Aguiar misrepresented the source of a substantial portion of the trash he brought to the landfill. In some instances, Mr. Aguiar claimed he was disposing of trash from the FRHA, when in fact he was disposing of trash collected from his private clients. In other instances, Mr. Aguiar claimed he was disposing of trash collected from his private clients inside of Fall River, when in fact he was disposing of trash collected from private clients outside of Fall River.

Following the Division's joint investigation, in April 2017, Mr. Aguiar agreed to a waiver of indictment and in September 2017, he pled guilty to three counts of mail fraud. Mr. Aguiar was

sentenced to serve one year and one day in federal prison with two years of supervised release. He was also ordered to pay restitution in the amount of \$463,407.

IV. State Pharmacy Services: Settlement with the Former Executive Director of State Office of Pharmacy Services and Integrated Pharmacy Services, Inc.

After conducting an initial investigation of the former executive director for the Massachusetts State Office for Pharmacy Services (“SOPS”), the Division and the Attorney General’s Office conducted a joint investigation that resulted in a financial settlement of \$75,000.

SOPS, an agency within the Department of Public Health, is responsible for overseeing pharmacy-management services and the procurement of pharmaceuticals for 51 public facilities, including state hospitals, prisons and human service agencies. The investigation found evidence of the following: while Louis Dell’Olio was the executive director of SOPS, he also worked for Integrated Pharmacy Solutions, Inc., a local pharmacy-management company run by Michael Tocco. SOPS contracts with pharmacy-management companies to provide pharmacy services to public sector healthcare organizations. After Mr. Dell’Olio retired from SOPS in 2014, he continued to work at Integrated Pharmacy Services.

The investigation also found evidence that in 2007, Mr. Tocco helped Comprehensive Pharmacy Services (“CPS”), a national pharmacy-management company, win a seven-year, \$86 million contract from SOPS. As the executive director of SOPS, Mr. Dell’Olio oversaw that contract. Furthermore, Integrated Pharmacy Services served as an undisclosed subcontractor on the project.

Mr. Dell’Olio, Mr. Tocco and Integrated Pharmacy Services ultimately entered into a financial settlement with the state. The settlement resolved allegations that Mr. Dell’Olio had submitted false timesheets to the Commonwealth, claiming he was working full time at his public job while he was actually working some of those hours for his private employer. In addition, Mr. Tocco and Integrated Pharmacy Services agreed to pay \$27,500 to resolve allegations that they violated consumer protection laws related to their interference with the competitive bid process in the award of the pharmacy contract to CPS.

V. State Pensions

A. Transit Authority Executive Director Ordered to Repay Excess Earnings

The Office investigated allegations that Mohammed Khan, the executive director of the Montachusett Regional Transit Authority (“MART”), violated state ethics and pension laws. The investigation revealed that Mr. Khan served simultaneously for many years as the administrator of the Montachusett Regional Planning Commission (“MRPC”) and executive director of MART. Both MRPC and MART are public entities; state ethics law places restrictions on simultaneously working for two public employers. Mr. Khan maintained that MART was not a public entity, despite a state ethics determination to the contrary.

Further, when Mr. Khan retired from MRPC in 2003, he began collecting a pension based on his cumulative compensation for work at both MART and MRPC, while at the same time claiming (incorrectly) that MART was not a public entity. Additionally, Mr. Khan continued to

work as the full-time administrator of MART, even though state law imposes strict limits on how much compensation an individual collecting a public pension can earn from any governmental entity. State law also limits the number of hours an individual can work for a public employer while collecting a state pension. The Office concluded that Mr. Khan was violating the state retirement laws concerning excess earnings, was receiving an inflated pension, and that MRPC and MART circumvented a state ethics ruling prohibiting his dual employment.

In 2014, the State Retirement Board voted to take legal action to recover the excess earnings that Mr. Khan collected between 2003 and 2013. Mr. Khan appealed that decision to the Massachusetts Division of Administrative Law Appeals (“DALA”). On February 28, 2018, DALA ruled that the State Retirement Board could recoup the excess earnings. DALA ordered the Board to calculate the amount of the excess earnings. Mr. Khan has appealed the DALA decision.

B. Former Lobbyist Entered Guilty Plea in Pension Fraud Case

In 2017, the Office worked with the Attorney General’s Office on the prosecution of Richard McDonough, a former lobbyist, for filing a false claim in connection with his pension application to the Massachusetts State Retirement Board.

Mr. McDonough’s pension eligibility was based on his claim that he worked full-time at the Merrimack Special Education Collaborative (“MSEC”), a public entity, from 2003 to 2008. An investigation by the Office revealed evidence that Mr. McDonough did very little work for the public entity. He did not have an office at any of MSEC’s facilities or a telephone number associated with the public entity. The Office’s investigation further revealed that during the years Mr. McDonough was listed on MSEC’s payroll as a full-time employee, he was earning up to \$1.1 million a year as the principal of his lobbying firm, McDonough Associates. Mr. McDonough’s lobbying clients included the Merrimack Education Center (“MEC”), a private non-profit corporation associated with MSEC.

Mr. McDonough submitted his retirement application on February 24, 2009, claiming that he had retired from MSEC on December 31, 2008. The State Retirement Board paid Mr. McDonough a pension of approximately \$2,400 a month until the Office notified the Board about Mr. McDonough. All told, the State Retirement Board paid Mr. McDonough \$96,516.39.

In response to the Office’s work, the State Retirement Board voted to rescind Mr. McDonough’s membership in the State Retirement System and to seek repayment of \$10,852.55, which is the difference between the contributions in Mr. McDonough’s retirement account when he retired (\$86,194.30) and the amount the Board paid him in pension benefits (\$96,516.39). Mr. McDonough has appealed the State Retirement Board’s decision to the Division of Administrative Law Appeals (“DALA”). That appeal is pending.

Also as a result of the Office’s investigation, Mr. McDonough was indicted for defrauding the state pension system. On March 21, 2018, he pled guilty to one count of presenting a false claim in connection with his pension application. A state judge declined to enter a guilty finding and continued the matter without a finding for two years. The judge ordered Mr. McDonough to pay \$10,852.55 in restitution to the State Retirement Board but stayed that order pending the resolution of the DALA appeal and Mr. McDonough’s payment of federal fines and restitution in connection with a prior criminal conviction in federal court.

VI. Whistleblower Protections: Court Awards OIG Whistleblower over \$523,000

A Superior Court judge ordered the town of Newbury to pay over \$523,000, including attorney's fees, to a former employee who was subjected to retaliation for filing a complaint with the Office. In his ruling, the judge found that the plaintiff had engaged in protected whistleblower activity when he reported alleged violations of state law to the Office. The complaint raised issues concerning fairness and equity regarding the town's assignment of multiple moorings to private businesses, as well as allegations of certain conflicts of interest related to appointments made to a town task force. The Office investigated the complaint and issued a report in 2011. The report documented improper activities and conflicts of interest in awarding moorings in Newbury. The town of Newbury has appealed the court's decision.

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Bureau of Program Integrity

The Bureau of Program Integrity (“Bureau”) monitors the quality, efficiency and integrity of programs administered by the Executive Office of Health and Human Services (“EOHHS”). The Bureau’s enabling statute, G.L. c. 6A, § 16V, directs the Bureau to prevent and detect fraud, waste and abuse through oversight as well as consultation and collaboration with EOHHS agencies. To fulfill its statutory mandates, the Bureau conducts reviews, performance audits and investigations. The Bureau identifies business risks and fraud risks and recommends controls and improvements to processes and procedures. After completing a review, the Bureau may continue to work with EOHHS agencies to monitor their responses to recommendations and develop partnerships for problem-solving as appropriate.

In conjunction with the Audit, Oversight and Investigations Division, the Bureau responds to complaints regarding EOHHS agencies and programs that the Office receives through its hotline and other complaint intake processes. The Bureau worked on 15 such complaints in 2017.

Throughout 2017, the Bureau worked primarily with the Department of Transitional Assistance (“DTA”) and the Department of Developmental Services (“DDS”). Here is a summary of the Bureau’s work:

I. Department of Transitional Assistance

A. The Transitional Aid to Families with Dependent Children (“TAFDC”) Program

In November 2016, the Office published a report, *The Bureau of Program Integrity’s Update on the Work Program Requirement for Transitional Aid to Families with Dependent Children* (“November 2016 report”). In 2017, the Bureau monitored DTA’s response to the recommendations in the report, working collaboratively with DTA on several projects to improve the TAFDC program. For example:

- **Data Analytics.** The Bureau recommended that DTA develop relevant, purposeful and reliable data reports and metrics for the TAFDC program. To follow up on this recommendation, the Bureau assisted DTA with testing methodologies for analyzing data from its case management system to track progress and outcomes for TAFDC recipients. In response, DTA started to produce monthly data summaries to inform management decisions about the TAFDC program. The Bureau regularly reviews these data summaries and provides ongoing feedback to DTA regarding the use of data and other opportunities for improving the TAFDC program.
- **Assessment and Case Management.** The Bureau recommended that DTA improve its assessment interviews and processes. The Bureau also recommended that DTA connect with nationally recognized subject matter experts to learn about best practices for this important work. DTA pursued technical assistance from these experts, developed new models for TAFDC case management and planned pilot implementations to assess how well the models work in its field offices. The Bureau is monitoring these pilot projects and any proposed changes to TAFDC’s case management. The Bureau also analyzed

subgroups of the TAFDC recipient population and identified specific ways to improve assessment and case management based on their needs.

- **Partnership with the Department of Career Services.** In the November 2016 report, the Bureau reviewed DTA’s responsibilities for implementing the Work Innovation and Opportunity Act (“WIOA”) and collaborating with the Department of Career Services (“DCS”). WIOA is a federal law that funds and regulates workforce development, with the goal of increasing access to employment opportunities for under-employed and unemployed individuals. DCS is the division of the Executive Office of Labor and Workforce Development that oversees One-Stop Career Centers, which provide employment related services to individuals. For several months after releasing the November 2016 report, the Bureau reviewed the services offered to TAFDC recipients at a small sample of One-Stop Career Centers. This review provided the Bureau with a baseline understanding of the status of workforce development resources for TAFDC recipients at the early stages of WIOA implementation. Following this review, in June 2017, the Bureau sent an advisory letter to DTA with observations and recommendations for building the DTA/DCS collaboration and ensuring that TAFDC recipients have access to all available and appropriate workforce development resources.

B. Fraud Detection Program

In accordance with its statutory mandate, the Bureau continued to work with DTA on developing a fraud detection program. In March 2015, DTA ceased using employment wage data from the Department of Unemployment Assistance and the Department of Revenue for fraud detection and eligibility determination purposes. At that time, DTA was responding to a lawsuit and concerns about business risks arising from the use of the wage data to trigger automated case maintenance functions. The Bureau assisted DTA with an analysis of the employment wage data to understand how it is collected, the business purposes for which it is collected and how it is produced for other agencies to use. The Bureau found that while the employment wage data provides valuable information about potential sources of employment income for benefits recipients, it is not collected for that business purpose, and the data must be carefully reviewed and compared to other available information about a recipient’s income before DTA can detect potential fraud or determine eligibility for benefits.

- **Pilot Testing and Phased Implementation.** The Bureau recommended that DTA test and gradually implement new methodologies for utilizing the employment wage data. DTA developed new procedures and piloted new processes for staff to review wage data and its potential impact on recipients’ eligibility for benefits programs. The Bureau met with DTA’s Program Integrity Division on a regular basis to review the results of pilot testing and help identify best practices for utilizing the wage data.
- **Focus on High Fraud Risk.** The Bureau recommended that DTA focus on wage data that indicated a high risk of fraud, based on the eligibility rules for each benefits program. The Bureau and DTA worked collaboratively to develop methodologies for identifying high-risk cases through a combination of data analytics and case review. The Bureau and DTA agreed to work together to continuously review whether DTA is identifying and addressing cases with the highest risk of fraud.

- **No Automated Functions.** The Bureau recommended that DTA not resume using the employment wage data to trigger automated case maintenance functions. The Bureau found that the employment wage data could inform fraud detection, but only if DTA assigned cases for individual review, and only if DTA validated the employment wage data before taking any action. The Bureau is monitoring DTA’s procedures and processes to ensure that DTA complies with this recommendation.

In addition, drawing upon lessons learned from analyzing the employment wage data, the Bureau recommended a new data match with the Office of the State Comptroller (“OSC”) to identify Commonwealth employees who receive benefits but fail to report their income for eligibility determinations. The Bureau consulted with DTA as it implemented this new data match.

II. Department of Developmental Services

A. Risk Identification and Management

The Bureau worked extensively with DDS on several projects focused on business and fraud risks, with an emphasis on improving processes and procedures for state-operated group homes, which have an annual budget allocation of \$211 million for fiscal year 2017. State-operated group homes are small, community-based residences administered directly by DDS for individuals with developmental disabilities. The Bureau initiated regular meetings with DDS management to discuss the Bureau’s observations and recommendations. The Bureau recommended key steps for improving DDS’ budget controls, monitoring activities and fraud detection processes. In November 2017, the Bureau provided an overview and summary of its recommendations in an advisory letter. In brief, the Bureau recommended:

- **Building Internal Controls Capacity.** DDS should redesign its management infrastructure to support a statewide, centralized system of internal controls and monitoring. DDS should also develop internal mechanisms for fraud reporting and response.
- **Prioritizing Program Integrity.** DDS should establish a program integrity division that includes managers designated to identify and manage business and fraud risks involving employees, vendors and consumers on an ongoing basis. DDS should develop business and data analytics resources to support its control activities.

The Bureau consulted with OSC to assist DDS with improving its controls and business practices, and OSC provided technical assistance and subject matter expertise to DDS.

In addition, the Bureau continued contributing to the Self-Determination Advisory Board. Self-determination provides an individual with disabilities more control to make decisions about services. The board’s role is to advise DDS of “efforts to implement, publicize, evaluate, improve and develop information regarding self-determination.” M.G.L. c. 19B, § 1(c). The Bureau assisted with the development of outreach materials to raise awareness about fraud and consumer risk related to the expenditure of public funds.

B. Reviews

The Bureau and DDS worked collaboratively on reviewing food purchasing for state-operated group homes. Through this work, the Bureau identified specific business and fraud risks with respect to DDS' food purchasing, including the utilization of Supplemental Nutrition Assistance Benefits (SNAP) on behalf of the residents of state-operated group homes. To address these risks, the Bureau initiated a joint workgroup with DDS and DTA to assess and improve the administration of SNAP benefits to residents of state-operated group homes.

The Bureau and DDS also reviewed payroll and overtime practices for state-operated group homes. The Bureau identified vulnerabilities to fraud and waste and engaged in ongoing discussions with DDS, highlighting specific concerns. The Bureau recommended that DDS work directly with OSC to implement standard and effective payroll and overtime practices, as well as management controls and monitoring activities. The Bureau, DDS and OSC have agreed to engage in joint work focused on further risk identification and problem-solving.

Internal Special Audit Unit

The Massachusetts Department of Transportation (“MassDOT”) is responsible for managing the Commonwealth’s roadways, public transit systems, and Registry of Motor Vehicles. The Internal Special Audit Unit (“ISAU”) monitors the quality, efficiency and integrity of MassDOT’s operating and capital programs. As part of its statutory mandate, the ISAU seeks to prevent, detect and correct fraud, waste and abuse in the expenditure of public and private transportation funds. The unit is also responsible for examining and evaluating the adequacy and effectiveness of MassDOT’s operations, including its governance, risk-management practices and internal processes. This also includes the operations of the Massachusetts Bay Transportation Authority (“MBTA”).¹

I. Audits, Investigations and Reviews

A. Letter to State Transportation Secretary Stephanie Pollack Regarding the Rose Fitzgerald Kennedy Greenway Conservancy

In 2017, the ISAU evaluated the use of public funds that the Rose Fitzgerald Kennedy Greenway Conservancy (“Conservancy”) receives from MassDOT. The Conservancy is a non-profit organization created to oversee the operations and finances of the Rose Fitzgerald Kennedy Greenway (“Greenway”), a 15-acre park located in downtown Boston. Since 2008, MassDOT has provided public funds to the Conservancy through a series of subsidy agreements. As of June 2017, MassDOT had spent over \$24 million to help fund the Conservancy. The ISAU examined the Conservancy’s operating costs and its compliance with its subsidy agreement with MassDOT.

The ISAU found that in 2016, the Conservancy spent approximately \$326,328 per acre to operate the Greenway.² In comparison, the collective parks managed by Boston Parks and Recreation cost the city \$11,627 per acre in 2016. The Department of Conservation and Recreation’s cost-per-acre in fiscal year 2017 was \$193. This discrepancy in per-acre expenses raises concerns about the Conservancy’s need for, and stewardship of, the public funds it receives.

The ISAU also evaluated the Conservancy’s compliance with its subsidy agreements with MassDOT. According to the subsidy agreements that were in effect through June 2017, the Conservancy could only use MassDOT funds for horticulture and maintenance programs, *i.e.*, expenses directly related to maintaining the park’s green spaces and hardscape areas. Horticulture and maintenance expenses include maintaining the landscaping, fountain and gardens in the park. In its limited review, the ISAU determined that the Conservancy used MassDOT funds for expenses that were not related to horticulture and maintenance. In particular, these expenses included general office overhead, uniforms, recruiting and professional development.

Most notably, the Conservancy used funding from MassDOT to pay for 57% of its entire overhead costs. This included information technology costs, office supplies, telecom charges and other administrative costs associated with running an office. In the ISAU’s view, the subsidy

¹ The MBTA is a part of MassDOT’s Rail and Transit Division and the ISAU has a separate legislative mandate to review certain of its procurements. *See* Section 196 of Chapter 46 of the Acts of 2015.

² This amount includes public art expenses.

agreements did not permit the funds to be used for general overhead. Specifically, these administrative expenses did not directly relate to maintaining the park's green spaces and hardscapes, contrary to the restrictions in the subsidy agreement. While the remaining expenses listed above pertained to horticulture and maintenance staff, the ISAU found that they were not attributable to the operation of the park itself.

When MassDOT began financially supporting the Conservancy in 2008, it expected the Conservancy to become self-sustaining. Consequently, it intended the funding to be temporary. In May 2017, before the then-current subsidy agreement expired, the ISAU recommended that MassDOT postpone signing any new subsidy agreement with the Conservancy in light of the ISAU's findings. The ISAU recommended that, at a minimum, any new agreement be based on a demonstrated need for public funds.

While MassDOT did not postpone entering into a new subsidy agreement with the Conservancy, the department's new agreement reduces funding over the next six fiscal years. By fiscal year 2020, MassDOT will decrease its funding to \$750,000 per year, down from nearly \$2 million per year in the previous subsidy agreement. Moreover, MassDOT added new language to further protect public funding. The new subsidy agreement, which is for fiscal years 2017 through 2023, stipulates that if MassDOT determines the Conservancy used the funding for purposes other than those specified in the subsidy agreement, the Conservancy must repay that amount to MassDOT. Conversely, MassDOT may deduct the amount in question from any future subsidy payments. This language provides additional protections for public funding that were not in the prior agreement.

The ISAU supports this revised agreement and commends MassDOT for its commitment to limiting and protecting the use of public funds.

B. The MBTA's Billboard Contract with Clear Channel Outdoor, Inc.

In 2017, the ISAU evaluated certain aspects of the MBTA's contract with Clear Channel Outdoor, Inc., ("Clear Channel") for billboard advertising. The contract allows Clear Channel to erect outdoor billboards on various MBTA properties. In return, the MBTA receives a portion of the advertising revenue that Clear Channel earns from the billboards. The ISAU reviewed whether the MBTA appropriately amended the contract to allow Clear Channel to convert 18 billboards to a digital format. The ISAU concluded that the MBTA was not required to conduct a new procurement because the amendment did not constitute a material change and was not out of the scope of the original contract. The ISAU also concluded that while digital billboards should bring in more revenue for the MBTA, a shorter extension for the 18 digital billboards may have been more favorable to the MBTA.

The ISAU also analyzed whether the MBTA was required to hold a public meeting before Clear Channel constructed a billboard on MBTA property in Dorchester. The ISAU found no statute, regulation or rule requiring the MBTA to hold public meetings before allowing a vendor to install a billboard on its property. The ISAU also determined that the Office of Outdoor Advertising held a public hearing before issuing a permit for the billboard in question. *See, e.g.*, M.G.L c. 93D and 700 CMR 3.00.

II. Statutory Mandate Concerning MBTA Procurements

Pursuant to legislation passed in 2015, the Office is required to review and analyze contracts for certain services that the MBTA outsources.³ After a contract for such a service has expired, the Office must evaluate whether the outsourcing resulted from a competitive process, saved the MBTA money, and maintained the same level of quality of goods or services that the MBTA provided before the outsourcing. As of the date of this report, the MBTA has executed five contracts that fall within the purview of this statutory mandate. Because all contracts are ongoing, the Office is not yet obligated to complete its statutory review. Nonetheless, the ISAU continues to monitor the MBTA's outsourcing activities.

III. Hotlines

As stated earlier, the ISAU maintains four hotlines, including a hotline to receive reports of suspected fraud or abuse related to disabled persons' parking placards. During 2017, the ISAU received 255 complaints from the public and employees. In 2017, 24 of the 255 complaints the ISAU received pertained to reports of alleged placard abuse.

IV. Massachusetts Disability Placard Abuse Task Force

The misuse of disability parking placards continues to be an ongoing public concern across Massachusetts. The Office has conducted several investigations into this abuse over the past decade and has identified numerous repetitive issues in each of its investigations. Given the importance of this issue, the ISAU continues to stay involved in the collaborative effort to combat placard abuse. In addition to monitoring the placard abuse hotline, the ISAU participates in the RMV's Disability Placard Abuse Task Force, which is dedicated to addressing and resolving issues surrounding the misuse of disability parking placards. The ISAU participates in the task force along with members of the RMV, the Massachusetts Office on Disability, the State Police, the Boston Office of the Parking Clerk, the Boston Commission for Persons with Disabilities, the Boston Police Department, the Burlington Police Department and the Massachusetts Executive Office of Elder Affairs. The task force is committed to increasing enforcement of the current laws, amending state law to deter placard abuse, and tightening administrative controls to prevent and detect abuse more easily. The ISAU provides input to the task force, makes recommendations and discusses proposed legislative initiatives.

V. Legislation

After the ISAU completed an investigation into the misuse of disability parking placards in 2016, the Office filed legislation – with input and support from member agencies of the RMV's Task Force – to strengthen the placard laws. *See* House Bill 14, An Act Relative to Disability Placards. In 2017, the Legislature unanimously enacted legislation modeled after the Office's bill, and the Governor signed the legislation into law. *See* Chapter 137 of the Acts of 2017. The new law:

- Makes it a crime to, or assist another to, obtain a placard under false pretenses.
- Imposes criminal penalties for forging, counterfeiting or stealing a placard.

³ *See* Section 196 of Chapter 46 of the Acts of 2015.

- Prohibits using a deceased person's placard, imposing a \$500 fine for first-time violators and a \$1,000 fine for a second or subsequent violation.
- Increases the driver's license suspension for a person wrongfully displaying a placard to 60 days for a first offense and 120 days for a second offense.
- Imposes a \$50 fine for obstructing the number or expiration date of a placard.
- Allows the RMV to request additional documentation or information from an applicant to support the medical necessity for a placard. The RMV may refuse to process the application until such documentation or information is provided by the applicant.

Policy and Government Division

The Policy and Government Division (“Division”) oversees the Office’s policy, healthcare and legislative initiatives. The Division also reviews programs and practices in state and local agencies to identify system-wide vulnerabilities and opportunities for improvement.

I. Healthcare Reviews

Each fiscal year, the state budget includes language requiring the Office to oversee and examine issues related to healthcare. Specifically, the language tasks the Office with reviewing the Health Safety Net and Medicaid programs. These healthcare reviews may include reviewing eligibility requirements, utilization, claims administration and compliance with federal mandates.

A. MassHealth’s Administration of the Hospice Benefit

Pursuant to its mandate under Section 103 of Chapter 47 of the Acts of 2017, the Division examined the Office of Medicaid’s (“MassHealth”) administration of hospice claims. Hospice care provides for the palliation and management of terminal illnesses, but does not provide for curative treatment of an illness or injury. Palliative treatment is patient- and family-centered care that makes quality of life the priority by anticipating, preventing and treating suffering. To that end, hospice care involves a group of comprehensive services that address physical, intellectual, spiritual and emotional needs, and which facilitate patient autonomy, access to information and choice. Hospice providers care for patients wherever they live, including private homes, assisted living facilities and skilled nursing facilities.

The Office examined claims for hospice and other end-of-life care for MassHealth members and Health Safety Net users. In this review, the Office examined hospice claims for 10,117 MassHealth members with dates of service from January 1, 2015 through December 31, 2016. For this period, 67 hospice providers submitted claims to MassHealth, and MassHealth paid these providers over \$153 million for 10,176 hospice stays. MassHealth paid an average of \$15,186 per member who received hospice services during this time.

On the whole, the Office found that MassHealth members stand out in three ways from hospice patients nationally. First, MassHealth members with dementia-related primary diagnoses received hospice care more than members with other primary diagnoses, and at a higher rate than nationally. Second, MassHealth members with cancer and heart- and lung-related diagnoses used hospice care at a lower rate than patients across the nation. Finally, MassHealth members are discharged from hospice care before their death at higher rates than in other states. Overall, the Office’s review did not find widespread fraud, waste or abuse in the hospice program. There were, however, instances in which providers’ claim histories raised questions regarding compliance with the hospice regulations. The Office has given the names of those providers to MassHealth for additional review.

Specific Findings and Key Recommendations:

- Seven hospice providers cared for members for substantially longer time periods than predicted. The Office recommended that MassHealth conduct an in-depth review to determine whether these providers are committing fraud, waste or abuse.

- The Office found members who received hospice care for longer time periods than predicted. To ensure that hospice providers care for members for the appropriate length of time, the Office recommended that MassHealth consider requiring a physician to conduct a face-to-face examination of members who remain on hospice after the initial approval period set out in the regulations.
- Two hospices provided care to members with dementia-related diagnoses for less time than predicted. The Office recommended that MassHealth evaluate those hospices to determine if they are providing appropriate clinical care for members with dementia at the end of life. If so, MassHealth should determine whether and how other providers can replicate their approval processes and the resulting hospice services.
- A higher-than-expected number of MassHealth members with dementia-related diagnoses receive hospice care in Massachusetts. Because of the difficulty of evaluating when to start end-of-life care for individuals with dementia-related diagnoses, MassHealth should consider implementing specific guidelines for hospice admission by either adopting the Medicare guidelines or another set of objective measures.
- Skilled nursing facilities often contract with other companies to provide hospice care to their patients. The Office found four instances in which a skilled nursing facility regularly contracted with one hospice provider for its patients on MassHealth; in some cases, the nursing facility and hospice provider had common ownership. The Office recommended that MassHealth consider reviewing frequent skilled nursing facility/hospice associations as one possible indicator of fraud, waste or abuse of the program.
- The Office identified several indicators of fraud, waste or abuse – including those discussed above – that MassHealth should add to its program integrity activities to more effectively identify potential misconduct by hospice providers.

B. Program Interventions to Address Substance Use Disorders and Save Public Healthcare Funds

Pursuant to its mandate under Section 152 of Chapter 133 of the Acts of 2016, the Division examined 12 healthcare programs from across the country – public and private health insurers, a workers’ compensation program, a hospital-based program and a health system – that have implemented an array of interventions to address substance use disorders. The goal of the Division’s review was to identify promising practices that MassHealth might replicate and that could lead to public healthcare cost-savings. To the extent possible, this examination included the health outcomes of these practices in an effort to determine what interventions have the potential to prevent substance misuse and abuse in the first instance. Effective prevention would, in turn, save public healthcare funds by, for example, reducing the need to treat substance use disorder; reducing the overall healthcare costs for people with substance use disorder; and lessening fraud, waste and abuse in healthcare spending. The Division identified a number of practices that MassHealth may be able to implement.

Key Recommendations:

- The use of alternative therapies (such as physical therapy, chiropractic services, cognitive behavioral therapy acupuncture, osteopathic manipulative treatment, injections and non-opioid pain-modulating drugs) to manage pain increases the likelihood that patients can avoid opioids altogether, or use them for a shorter time, thereby reducing the risks of addiction.
- Changing prescription limits, strengthening prior-authorization requirements, and requiring second opinions for opioid prescriptions are all methods of reducing the use of prescription opioids.
- Switching from brand-name to generic opioid prescriptions may reduce the number of prescription opioids that are diverted into the community.
- Data analytics can identify patients at risk of developing chronic pain, as well as those who are currently using high levels of opioids. By identifying these patients, providers have an opportunity to intervene to prevent opioid use or to offer alternatives or treatment. A strong partnership between the data team and the clinical team appears to be critical to successfully using data analytics in this regard.
- Removing barriers to treatment by eliminating prior authorization for medication-assisted treatment for substance use disorder and expanding the number of providers available to treat this disorder can increase treatment.

II. The State's Financial Liability for Sick and Vacation Leave

In 2017, the Office examined the Commonwealth's financial liability for state employees' sick and vacation leave balances – currently estimated to exceed \$558 million. The Office found that 10,427 state employees had sick leave balances of 1,000 hours or more.⁴ One employee, for instance, had accrued over 9,000 hours of sick time under a rule that allowed him to convert unused vacation time into sick time. When he retired, he received a sick-leave payout of over \$266,000. In total, the 10,427 employees had accrued over 17 million hours of sick time. The Office conservatively estimated that the liability associated with these sick leave balances is more than \$117 million.

The Office further found that 19,955 state employees had vacation leave balances of 187.5 hours or more. For example, one employee had accrued over 2,500 vacation hours, exposing the state to a potential payout of \$144,000. In total, the 19,955 employees had accrued over 6 million hours of vacation time. The Office conservatively estimated that the liability associated with these vacation leave balances exceeds \$217 million.

During the review, the Office identified the major causes for the Commonwealth's high liability, including the structure of sick-leave payouts, the ability to convert vacation and personal time into sick time, the absence of limits on carrying over vacation and other leave time, and poor

⁴ As of November 12, 2016.

recordkeeping. The Office offered recommendations to the Joint Committee on Public Service to mitigate the Commonwealth's financial liability. Recommendations include:

- Limiting vacation time carryover to 75 hours.
- Eliminating the conversion of vacation and personal time into sick time.
- Mandating accurate tracking of the use of all leave time.

The First Assistant Inspector General testified before the Joint Committee on Public Service in support of legislative proposals amending state laws governing sick and vacation leave for public employees. As of the date of this report, all such bills before the Committee received a study order.

III. Public Design and Construction

Since its inception, the Office has helped develop policies and procedures related to the Commonwealth's public design and construction laws. In 2017, the Division worked with the Department of Capital Asset Management and Maintenance ("DCAMM"), the Massachusetts Department of Transportation, the Massachusetts Bay Transportation Authority, the Massachusetts Port Authority, the Massachusetts School Building Authority, the Massachusetts Attorney General's Office, the Operational Services Division, and other state and local entities to establish best practices in public construction.

A. Alternative Construction

Pursuant to M.G.L. c. 149A, the Office reviews applications to use alternative delivery methods, including the construction management at-risk ("CM at-risk") and design-build methods.⁵ In addition, before certain state agencies and authorities may use alternative delivery methods on construction projects, the Legislature has charged the Office with reviewing and approving the procedures for utilizing those delivery methods. Consequently, the Division reviews and approves certain procedures for DCAMM, the Massachusetts Port Authority, the MBTA, the Massachusetts Water Resources Authority, the Massachusetts State College Building Authority and the University of Massachusetts Building Authority.

In 2017, the Division received 19 applications to use the CM at-risk delivery method, totaling over \$1.2 billion in estimated project costs. The projects included the proposed headquarters for General Electric, 10 public schools, two charter schools, three affordable housing developments, a parking garage, a public safety complex and a town hall. Applicants included the cities of Boston, Cambridge and Worcester; the towns of Lexington, Saugus and Millis; Neighborhood House Charter School; and the Cambridge Housing Authority. The town of Mashpee was approved to use CM at-risk for a school building project but did not receive enough competitive responses from CM-at risk firms; it therefore used a design-bid-build delivery method instead.

⁵ "Alternative delivery method" means a delivery method other than the traditional design-bid-build sequential method of construction required in M.G.L. c. 149 (building construction projects) and M.G.L. c. 30, § 39M (public works construction projects).

B. Owner's Representatives' Annual Reports

Pursuant to M.G.L. c. 30, § 39M½, and M.G.L. c. 149A, § 15½, in 2017, the Office reviewed 43 annual reports from owner's representatives in connection with ongoing or recently completed public works projects. Each of these projects is valued at \$50 million or more.

IV. Real Estate Transactions

Each year, the Office reviews a variety of public real property transactions, including dispositions, acquisitions and long-term leases, to ensure that the public's interests are protected. In addition, the Legislature frequently mandates that the Office review and approve independent appraisals of real property that the Commonwealth, counties and municipalities propose to convey or acquire. The Office's appraisal reviewers evaluate whether the analyses, opinions and conclusions in the appraisal are appropriate and reasonable. The Office provides a report on each appraisal to the Commissioner of DCAMM for submission to the House and Senate Committees on Ways and Means and the Joint Committee on State Administration and Regulatory Oversight. The Office also generally recommends that all real property appraisal reviews conducted at the direction of the Legislature follow the Uniform Standards of Professional Appraisal Practice.⁶

Below are examples of transactions that the Division reviewed in 2017.

A. Chelmsford Forum

Pursuant to Chapter 141 of the Acts of 1998 ("Act"), DCAMM leased an ice rink to the town of Chelmsford for 20 years, with an option for Chelmsford to purchase the property. The Act also provided that if Chelmsford exercised the option, certain improvements the town made to the rink could be deducted from the purchase price. Chelmsford exercised the purchase option in 2017. In accordance with the Act, therefore, the Office reviewed the appraisal; the proposed release deed; and expense reports related to improvements, alterations and renovations the town made during the 20-year lease. The Office approved the methodology and opinion of value presented in the appraisal. The Office also found that the release deed was consistent with the terms and conditions of the Act and that the sale price (\$1,101,771.33) accurately reflected the appraised value minus the approved deductions (\$1,598,228.67).

B. Former Worcester State Hospital Disposition

Chapter 367 of the Acts of 2016 authorized DCAMM to convey 44 acres of land at the former Worcester State Hospital campus to the Worcester Business Development Corporation ("WBDC"). Under Chapter 367, DCAMM divided the land into two lots and planned to convey them at separate closings. Chapter 367 also authorized DCAMM to convey the property for a purchase price developed "based on consultation with appraisal professionals" less certain development costs incurred by WBDC. In addition, the Commonwealth will share in any net proceeds from the development of the two lots.

Pursuant to Chapter 367, the Office reviewed the land disposition agreement ("LDA") and associated exhibits related to the sale. The Office found that the terms and conditions of the LDA

⁶ The Uniform Standards of Professional Appraisal Practice, promulgated by The Appraisal Foundation, set out voluntary industry standards for licensed appraisers of property rights.

were consistent with Chapter 367. However, the Office noted that some of the provisions in the LDA were quite favorable to WBDC, a private non-profit. For instance, WBDC would receive 80% of the proceeds of any future sale or lease. Also, some expenses that WBDC is permitted to deduct are more analogous to carrying costs. The Office urged DCAMM to remain diligent in protecting the Commonwealth's property interests

C. Protocol Relating to Valuations of Utility Gas Lines and Associated Infrastructure Easements

The Office worked with DCAMM to develop a methodology for determining the value of easements for utility gas infrastructure, including temporary and permanent easements. DCAMM reports that the Legislature granted approximately 30 such easements to utilities, dating as far back as 1981, and that pipeline companies have constructed pipelines within those easements. DCAMM had most of the easements appraised years ago and, if mandated, the Office reviewed the appraisals at that time. However, the Commonwealth never formally conveyed the easements. DCAMM therefore proposed a process to resolve the outstanding transactions. The proposal addresses the fact that (1) appraisals conducted many years ago may not reflect current property values; and (2) the gas companies have had the benefit of using the pipelines for many years. The Office reviewed the proposed protocol and determined that it met the intent of the legislative acts that authorized such easements. The Office therefore concluded that DCAMM's proposed protocol was one option that it could use to develop valuations for the outstanding permanent and temporary easements.

V. Energy

The Uniform Procurement Act, M.G.L. c. 30B ("Chapter 30B"), requires cities, towns and other political subdivisions of the Commonwealth to submit all contracts for energy or energy-related services to the Office. In 2017, the Office received 107 such contracts.

VI. Legislative Initiatives

Since it was established in 1981, the Office has reviewed and commented on proposed legislation during each legislative session. In addition, the Office regularly provides feedback to individual legislators who are developing both legislation specific to the districts they represent and legislation that affects the general operations of state and local government. The Office also responds to requests from the Governor's Office to review legislation that the Legislature has passed and that is awaiting the Governor's signature.

The Office continued to provide these important services throughout 2017. For instance, the Office reviewed and commented on more than 100 pieces of legislation for the 2017-2018 legislative session. In 2017, the Inspector General and his staff also provided testimony and guidance to legislative committees on issues related to disabled persons' parking placards, training members of public boards and commissions, film tax credits, real estate transactions, fraud controls, employee leave time policies, and the procurement of public supplies and services. In all cases, the Office stressed the importance of transparency in government and the need for safeguards to ensure the appropriate oversight of taxpayer dollars.

VII. Proposed Legislation: 2017-2018 Session

Chapter 30 of the Massachusetts General Laws permits the Office to file legislation in the November of even years for the upcoming legislative session. In November 2016, the Office filed the following bills for the 2017-2018 legislative session.

A. House 12, An Act Relative to Higher Education Boards and Trustees

This proposal would require every member of a board of trustees for a public institution of higher education in Massachusetts to participate in training from the Department of Higher Education on such issues as fiduciary responsibilities, the open meeting law, conducting public procurements and state ethics requirements. The proposal also states that membership on a board of trustees would terminate if a member failed to complete the required training. The Inspector General testified in support of this bill before the Joint Committee on Higher Education in May 2017. The Committee reported the bill out favorably and referred it to the House Committee on Ways and Means.

B. House 13, An Act Relative to Chapter 30B

This bill would increase the fine for causing or conspiring to enter into a contract in violation of Chapter 30B, the Uniform Procurement Act. Based on the Office's investigations and reviews, those who conspire to violate Chapter 30B can earn tens of thousands of dollars as a result of their misconduct. Consequently, the current fine – \$2,000 – is an insufficient deterrent to violating Chapter 30B. Raising the fine to \$10,000 – as the Office proposes – would have a far greater deterrent effect.

House Bill 13 also would update Chapter 30B to include correct statutory references based on recent amendments to other statutes. The proposal would also strike a section of Chapter 30B that is duplicative. As of the date of this report, this bill has been reported out favorably by the Joint Committee on State Administration and Regulatory Oversight and has been referred to the House Committee on Ways and Means.

C. House 14, An Act Relative to Disability Placards

This proposal would create administrative and criminal penalties for the fraudulent use of disabled persons' parking placards. Obstruction of a placard number or expiration date would result in a fine. The Registry of Motor Vehicles ("RMV") would be able to request additional documentation or information from an applicant supporting the medical necessity for a placard. The bill would prohibit the RMV from processing an application until an applicant provides all documentation. The bill would also increase the duration of license suspensions for wrongful use of a placard. A person falsely reporting a placard lost or stolen would be subject to a fine. Finally, the bill would establish criminal penalties for using a deceased person's placard, making or stealing a placard with the intent to distribute, and obtaining a placard under false pretenses. Passage of the bill would help make handicapped parking more available to those who need it. The bill also would increase parking revenue for cities and towns because those who do not need handicapped parking could no longer use a placard to avoid paying at a parking meter. The RMV Disability Placard Abuse Task Force, which the RMV established to combat placard abuse, has helped to refine this legislation in its current form.

The Inspector General offered testimony in support of this legislation before the Joint Committee on Transportation in June 2017. In November 2017, the Legislature passed legislation modeled after the Office's bill, which the Governor then signed into law. See page 23 for more information about the new law.

D. House 15, An Act Relative to Tax Returns

This proposal would allow the Department of Revenue to provide the Office with records it needs to carry out its mandate to prevent and detect fraud, waste and abuse. The Office would maintain such records as confidential pursuant to Chapter 12A. The Inspector General testified in support of House 15 before the Joint Committee on Revenue in June 2017. As of the date of this report, the bill received a study order from the Committee.

E. House 16, An Act Relative to Chapter 30B Notification

This proposal would require contractors to notify the Office if they discover an employee committed a statutory violation related to a public contract or if the vendor received material overpayments on a contract. The Office could suspend or debar vendors for not complying with this notification requirement. As of the date of this report, the bill has been reported out favorably by the Joint Committee on State Administration and Regulatory Oversight and has been referred to the House Committee on Ways and Means.

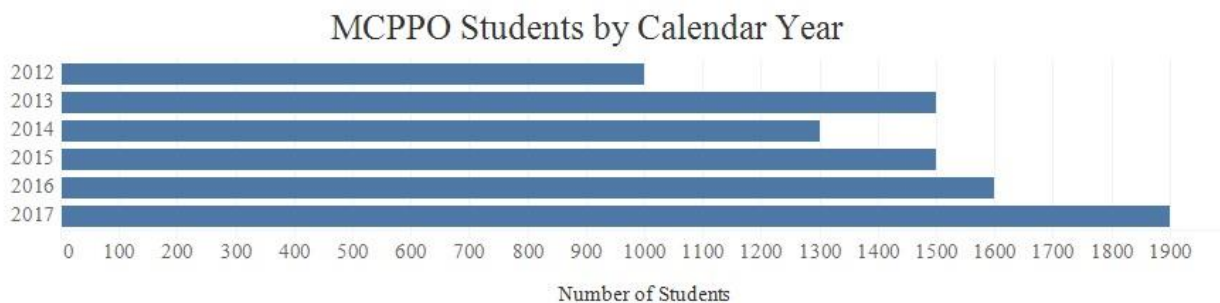
Regulatory and Compliance Division

The Office’s Regulatory and Compliance Division (“Division”) provides extensive educational and technical assistance to state and local government officials regarding Massachusetts’ public procurement laws. Among other activities, the Division operates the Office’s training programs, publishes educational materials, and offers a hotline to respond to inquiries and complaints concerning public procurement. The Division also interprets and formulates policies on the Uniform Procurement Act, M.G.L. c. 30B (“Chapter 30B”), which governs the purchase by local public officials of supplies, services, equipment and real property, as well as the disposal of real property and other tangible surplus supplies.

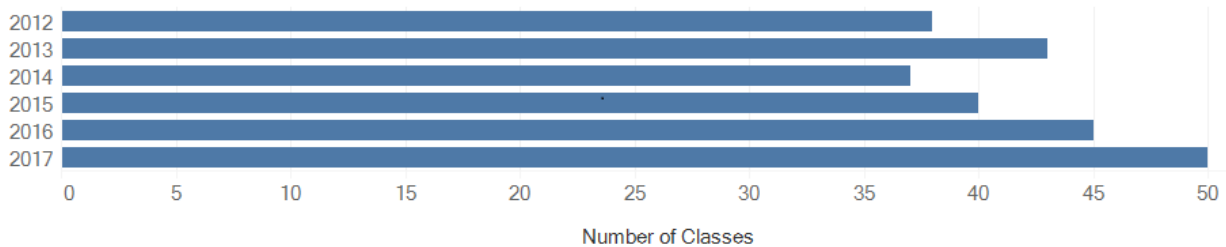
I. Training and Professional Development

The Office established the Massachusetts Certified Public Purchasing Official (“MCPPO”) program 21 years ago. The Office created the training program to promote excellence in public procurement by ensuring that public purchasing officials have the tools necessary to operate effectively and in accordance with state procurement laws. Additionally, the program helps private-sector employees understand state and local bidding requirements. Since 1997, nearly 22,000 participants, including town, city and state employees, as well as members of the private sector, have attended the MCPPO program’s classes and presentations.

In 2017, the Division held 50 different classes, providing training to over 1,900 participants. Specifically, the MCPPO program offered three, three-day classes throughout the year: (1) *Public Contracting Overview*, which includes segments on Massachusetts’ procurement and construction bidding laws, purchasing principles, prevailing wage laws, public records laws, and ethics; (2) *Supplies and Services Contracting*, which instructs participants on interpreting Chapter 30B, conducting invitations for bids and requests for proposals, writing effective specifications, and recognizing and solving common bidding problems; and (3) *Design and Construction Contracting*, which provides in-depth instruction on the procurement laws governing public design and construction in Massachusetts, effective contract administration, the prequalification process, alternative delivery methods, and the identification of special issues in construction bidding.



MCPPO Classes by Calendar Year



During 2017, the Division also offered classes in several other topics relevant to public officials, including real property, construction management at-risk under M.G.L. c. 149A, special procurement issues for schools, the fundamentals of running a public procurement office, procurement fraud and contract administration. Additionally, the Division offered its seventh and eighth *Story of a Building* class, presented in collaboration with the Massachusetts School Building Authority (“MSBA”). This one-day class, which is presented at a recently renovated or constructed public school, is essential for all public school officials who are considering undertaking a school building project. In early 2017, the Division offered *Story of a Building* at Bay Path Regional Vocational Technical High School in Charlton and in the fall of 2017 at West Bridgewater Middle-Senior High School. In the spring of 2017, the Division also introduced a hands-on workshop that taught the fundamentals of using invitations for bids and requests for proposals to procure supplies and services.

The Division also offered a four-day class, *Certification for School Project Designers and Owner’s Project Managers*, in response to the MSBA’s regulations requiring public school designers and owner’s project managers to receive MCPPO certification. The Division presented this class two times in 2017. The Division offered a one-day class, *Recertification for School Project Designers & Owner’s Project Managers*, for private sector designers and owner’s project managers who previously received their MCPPO certification. The Division presented this class four times in 2017.

The Division continued to incorporate additional videoconference classes into the MCPPO program, making it possible for those with travel, budget or personnel constraints to attend MCPPO classes. In 2017, the Division held 12 videoconferences at the following locations: Gateway Regional School District in Huntington; the Centerville, Osterville and Marston Mills Fire District located in Centerville; the University of Massachusetts at Lowell; and Northern Essex Community College in Lawrence.

Finally, as part of its effort to reach public officials throughout the Commonwealth, the Division held classes at the following locations:

- Barnstable County
- The Department of Elementary and Secondary Education in Malden
- The Massachusetts Association of School Business Officials’ Institute in North Falmouth
- The Massachusetts Chapter of the National Association of Housing and Redevelopment Officials’ fall conference in Plymouth

- Northern Essex Community College in Lawrence
- The Town of Charlton
- The Town of North Attleboro
- The Town of West Bridgewater
- The University of Massachusetts at Amherst

II. Boards and Commissions Initiative

The Office previously identified that members of public boards and commissions often need technical assistance and support to help them navigate the laws and rules they must follow and the duties they should perform. To meet this need, the Division launched an education initiative for members of public boards and commissions. The Division began this initiative by collaborating with the Board of Higher Education and the Department of Housing and Community Development to train public college and university trustees and housing authority commissioners, respectively.

The Division also developed a free, one-day training entitled *Are You a Member of a Public Board or Commission? Know Your Responsibilities*, which it offers across the Commonwealth. The Division is also developing an online training video on the same subject matter, which will be available later in 2018. This video will provide board members with an overview of topics such as the open meeting law, fiduciary duties and understanding the organizational mission.

Finally, in 2017, the Division produced a guide for governing boards entitled *How to be an Effective Member of a Public Board or Commission*. The guide, which is available in printed form and on the Office's website, contains comprehensive information and practical advice for board and commission members. The guide is also distributed by the Governor's Office to gubernatorial appointees to governing boards.

III. Online Training Videos

In 2017, the Division produced two online training videos, which are available for free on the Office's website. *An Overview of Chapter 30B – The Uniform Procurement Act* provides students with the fundamentals of complying with the state procurement laws that apply to municipalities and other public entities. *Fraud Awareness and Prevention in the Workplace* introduces viewers to basic fraud concepts and outlines useful tools for identifying and preventing fraud in the workplace. Providing these videos and other web-based informational materials is part of the Office's commitment to proactive outreach to public officials and their constituents. The Division is planning to offer additional training videos in the coming year.

IV. Speaking Engagements

Throughout 2017, the Office provided speakers on various topics in public procurement, fraud prevention and public administration. The Office staff made presentations to numerous cities, towns, agencies, authorities, colleges and associations, including:

- The Association of Government Accountants
- Bentley University

- The City of Worcester
- The Massachusetts Association of Public Purchasing Officials
- The Massachusetts Association of School Business Officials
- The Massachusetts Chapter of the National Association of Housing and Redevelopment Officials
- The Massachusetts Department of Housing and Community Development
- The Massachusetts Facilities Administrators' Association
- The Massachusetts Higher Education Consortium
- The Massachusetts Housing Partnership
- The Massachusetts Library System
- The Massachusetts School Building Authority
- The Massachusetts Technology Collaborative
- The Operational Services Division's MassBuys Exposition
- The Paul School of Business
- The Peabody School Department
- The Town of Carver
- The Town of Southbridge
- The Town of Templeton
- World Boston

V. Inquiries and Complaints

The Division regularly advises purchasing officials on how to comply with state bidding laws, obtain the best value for their jurisdiction and increase competition for public contracts. As indicated earlier, the Division therefore offers a hotline to respond to questions and complaints concerning public procurements. In 2017, the Office responded to approximately 1,750 inquiries and questions about Chapter 30B and other public bidding laws.

VI. Technical Assistance

In 2017, the Division continued its compliance review program, which is designed to help cities and towns improve their procurement practices. As part of the program, the Division evaluates a jurisdiction's procedures for complying with Chapter 30B, identifies internal control weaknesses, assesses vulnerabilities to fraud and identifies best practices for conducting procurements. In 2017, the Division reviewed a procurement that the Brookline Housing Authority ("BHA") conducted for information and technology services.

The housing authority conducted a new procurement after learning from the Division that the original procurement did not comply with Chapter 30B. The new procurement generated an estimated 54% savings that could ultimately save the BHA more than \$113,000 over the term of

the contract. This is the intended outcome for the Division's compliance reviews: ensuring that public funds are used efficiently and in compliance with state law.

VII. Publications

The Division publishes a wide range of materials designed to educate and inform public procurement officials, private vendors and the public. Since 1994, the Office has published the *Procurement Bulletin*, a quarterly newsletter containing information about public procurement, new legislation, the Office's investigations and other topics of importance to purchasing officials. During 2017, nearly 5,500 individuals subscribed to the *Procurement Bulletin*. Topics covered in 2017 included the procurement of smart phones, emergency services, Public Education and Government Programming ("PEG") services, and sole-source procurements. These *Procurement Bulletins*, as well as a topical index, are located on the Office's website.

VIII. Owner's Project Manager Review Panel

Each month, a staff member from the Division represents the Office at the Owner's Project Manager Review Panel ("Review Panel"). When a school district receives state funding to build a new school, it must use an owner's project manager ("OPM") to oversee the building project. The Review Panel, led by the MSBA, reviews each school district's selection of an OPM, including the evaluation process the school district used.

As a member of the Review Panel, Division staff reviews each district's process and evaluation of its OPM-applicants. This review entails examining both the school district's needs and the OPM's qualifications, including the OPM's project experience, managerial experience, backlog of other ongoing work and financial viability. Staff then participates in the Review Panel's meeting, listening to the presentations of the school district and the proposed OPM. After considering the presentations, reviewing the materials and soliciting questions, the Review Panel may either agree with the school district's selection of an OPM or recommend further review and consideration.

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Reports, Letters and Publications

When the Office completes an investigation, review or other project, it may issue a report, letter or case update. The Office also publishes manuals, advisories, guides and a quarterly *Procurement Bulletin*. The following documents related to the Office's 2017 activities are available on the Office's website, www.mass.gov/ig:

I. Reports, Letters and Case Updates

- Case Update: Joint Investigation Results in Charges Against Former Blandford Tax Collector
- Letter to Thomas Tinlin, MassDOT Highway Administrator regarding MassDOT's Payments for Individuals' and Businesses' Emergency Services on the Massachusetts Turnpike
- Case Update: Hotline Call to OIG Results in Assembly Square Station Contractors Paying More Than \$420,000 for Submitting False Claims to the MBTA
- Report: Program Interventions to Address Substance Use Disorders and Save Public Healthcare Funds
- Internal Special Audit Unit's 2016 Annual Report
- Case Update: Joint Investigation Leads to Indictments of MBTA Procurement Official and Construction Contractor
- Letter to Janelle Chan, MBTA Chief of Real Estate, regarding the Authority's Billboard Contract with Clear Channel Outdoor, LLC
- Case Update: Joint Investigation Results in Westport Trash Hauler's Fraud Conviction
- Letter to Joint Committee on Municipalities and Regional Governments Regarding Chapter 30B Real Property Dispositions
- Letter to Stephanie Pollack, Transportation Secretary, regarding the Rose Fitzgerald Kennedy Greenway Conservancy's Use of State Funds
- Letter to Conference Committee on FY2018 Budget Sections related to MassDOT Real Property
- Letter to Conference Committee on FY2018 Budget Sections related to the Film Tax Credit
- Case Update: Additional Indictments Brought in Case Against Former MBTA Procurement Official
- Case Update: Westport Trash Hauler Sentenced for Defrauding Fall River Landfill
- Case Update: Former Treasurer of South Royalston Nonprofit Indicted
- Letter to the Joint Committee on Public Service regarding State Employee Sick and Vacation Leave Policies

- Letter to the Cotuit Fire District regarding Firefighter Vacation Accruals
- Report: Sick Leave Abuse at the Essex County Sheriff's Department (2009 to 2016)

II. Legislative Testimony

- Inspector General Testimony on House 13, An Act Relative to Chapter 30B
- Inspector General Testimony of House 14, An Act Relative to Disability Placards
- Inspector General Testimony on House 16, An Act Relative to Chapter 30B Notification

III. Publications

- *Procurement Bulletin*, Vol. 23, Issue #1 (January 2017)
- *Procurement Bulletin*, Vol. 23, Issue #2 (April 2017)
- *Procurement Bulletin*, Vol. 23, Issue #3 (July 2017)
- *Procurement Bulletin*, Vol. 23, Issue #4 (October 2017)
- Guide for Members of Public Boards and Commissions (December 2017)