

Dear Public Officials:

Congratulations to those public officials that have recently received the Massachusetts Certified Public Purchasing Official (MCPPO) designation. A listing of the designees can be found on page 5 of this publication. Also, January marks the start of a new MCPPO semester. Please see page 6 for the January – June, 2010 MCPPO program schedule.

Congratulations are also due to those of you who worked tirelessly to eliminate the so-called dollar one procurement procedure in M.G.L. c.149, which was added in 2004. Effective November 24, 2009, the legislature repealed the dollar one procurement process requiring the solicitation of three written quotes for building construction projects estimated to cost less than \$5,000, which may now be procured using sound business practices. Additional requirements for those procurements are spelled out in the article opposite this column. Construction projects estimated to cost \$5,000 to \$10,000 must still be procured by soliciting three or more written quotes.

I would like to announce a new section on the Massachusetts Inspector General's website that provides the public with information, guides, and updates on the American Reinvestment and Recovery Act of 2009 (ARRA) at: <http://www.mass.gov/ig/igarra.htm>. The ARRA section will include helpful information and articles such as the "Guide to Developing and Implementing Fraud Prevention Programs," as well as links to other websites that provide useful information about ARRA. In addition to this new website page, on page 7 of this issue, you will find my Office's first dedicated *ARRA Newsletter*. This newsletter will be included in the *Procurement Bulletin* periodically whenever there is important ARRA related information we wish to share.

Lastly, I am happy to announce a new development in the Office's MCPPO program. In December of 2009, this office conducted its first foray into video-conferencing our Public Contracting Overview. This first attempt was a success and we will be offering video-conferencing for future seminars. For more information, including when and where video-conferencing classes will be held, refer to the MCPPO registration form on page 6.

Sincerely,



Gregory W. Sullivan
Inspector General

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Legislature Repeals Dollar One Procurement Process for Building Construction

The Office of the Inspector General, among others, filed bills and lobbied extensively to eliminate the so called "dollar one" issue in the public building construction law, in an attempt to promote efficiency in government and cost effective contract administration. This Office is happy to announce that, effective November 24, 2009, Chapter 166 of the Acts of 2009, section 30, amended M.G.L. c.149, §44A(2) to allow for the use of sound business practices for the procurement of construction, reconstruction, installation, demolition, maintenance or repair of a building by a public agency, estimated to cost less than \$5,000. This amendment removes the previous requirement to solicit at least three written price quotations when procuring these services. Please note that your local rules may dictate more rigorous procedures for these contracts.

The amendment also states that when procuring building construction of less than \$5,000 you must keep a record that, at a minimum, must include the name and address of the person from whom the services were procured. This amendment does not eliminate the requirement to obtain a payment bond for projects costing \$2,000 or more or the requirement to pay prevailing wage.

Three quotes are still required for building construction projects estimated to cost between \$5,000 and \$10,000.

The amendment can be accessed at <http://www.mass.gov/legis/laws/seslaw09/sl090166.htm>.

OVERLY RESTRICTIVE EVALUATION CRITERIA: RAISING COSTS AND LIMITING COMPETITION

Occasionally, we are provided with specifications that are overly restrictive. Solicitation documents that include criteria that are overly restrictive result in a decreased pool of bidders or proposers, potentially higher costs, and raise red flags about the openness of the competition. When drafting specifications for any procurement, an awarding authority has the discretion to set its evaluation criteria (quality requirements and comparative criteria) as stringently as it feels necessary. Our procurement manual, *Municipal, County, District, and Local Authority Procurement of Supplies, Services, and Real Property*, in conjunction with our *Practical Guide to Drafting Effective Invitations to Bid and Requests for Proposals*, have helpful guidance on how to write effective evaluation criteria. This article will focus on the considerations involved in drafting two types of evaluation criteria used in M.G.L. c.30B, quality requirements and comparative criteria, and will include practical tips for drafting your evaluation criteria.

QUALITY REQUIREMENTS

Quality requirements reflect those standards or attributes that you consider essential to satisfactory performance of the contract. You will use quality requirements to identify responsive bids or proposals and responsible bidders or proposers. Your quality requirements are yes-or-no standards that you will apply to every bid. You are not concerned with whether a bidder is good, better, or best. Does the bidder meet each quality requirement? If the answer is yes, the bid remains under consideration. If the answer is no, the bid is eliminated from further consideration.

Common errors in developing quality requirements include unreasonable limits to competition such as requiring a vendor to be located within a certain distance from town hall, or to have a warehouse, storage space or garage located within the jurisdiction at the time of the bid. Take for example a requirement that a school bus operator have a garage located within the jurisdiction *at the time of the bid*. While this requirement may seem important given the potential need for back up buses or excise tax considerations, it is very common that only the incumbent has a garage in the jurisdiction *at the time of the bid*, preventing all other qualified vendors from bidding. This could be solved by requiring the winning vendor to obtain a garage after being awarded the contract or, requiring that the vendor pay a fee equal to the excise taxes if a garage cannot be located. Another example found in a recent solicitation for auctioneer services, required a vendor to have conducted 100 real estate auctions and have ten years of experience conducting auctions for municipalities. Two vendors responded to the solicitation, but only one vendor met the quality re-

quirements. While both vendors submitted a quote for an 8% buyer's fee, the vendor that met the requirements also charged an additional fee of almost \$10,000 to be paid by the town. Unduly restrictive quality requirements often result in decreased competition and can result in a jurisdiction paying more money for the service or a re-bid if faced with a protest.

COMPARATIVE CRITERIA

Comparative criteria are used in the request for proposal (RFP) process to further evaluate vendors that first meet your quality requirements. Comparative criteria are the attributes of the supply or service or the qualifications of a vendor for which you may be willing to spend more money. Because comparative criteria often build on quality requirements (experience being the most common example) by nature, they will be more restrictive. It is not uncommon for a jurisdiction to set a quality requirement of 3 years of experience, and a comparative criterion which requires a vendor to have at least 15 years of experience to obtain the highest rating category. Because a vendor does not have to obtain the highest rating (highly advantageous) in order to win, overly restrictive comparative criterion may not have the same restrictive effect on competition as would quality requirements, but they can still result in a jurisdiction paying a higher price or can prevent an otherwise qualified vendor from winning a contract.

Recently, this Office reviewed an RFP for food services, which contained an evaluation criterion that required ten years of Massachusetts experience in order to receive a rating of highly advantageous. A vendor with more than ten years of experience received a lower rating because it was new to Massachusetts, even though previous Massachusetts experience was not necessary for the performance of the services. Because vendors can only be evaluated based on the evaluation criteria included in the RFP, the jurisdiction could not consider the vendor's full experience. For this and other reasons, the jurisdiction was advised to rewrite the criterion and re-solicit the procurement.

The Office offers the following practical tips for drafting evaluation criteria:

- Know the market and common business practices associated with the procurement. While requiring a vendor have at least ten years of experience may be reasonable for certain procurements such as legal services, a similar requirement would not make sense when contracting for a renewable energy broker, a new field with a relatively small vendor pool. This shows that while a given quality requirement may not severely limit competition for one procurement, it may negatively impact another procurement. You must

- See Overly Restrictive Evaluation Criteria, next page -

Chapter 30B Questions and Answers

Q.1. What procedures apply to the disposition of real property taken through the tax-title process?

A.1. The redemption or auction of tax title property is not subject to M.G.L. c. 30B. M.G.L. c. 60, §§37-60 sets forth procedures for redemption or auction of tax title property. However, any sale of tax title property by means other than an auction, including sale after foreclosure, is subject to Chapter 30B.

Q.2. I am the town treasurer. Does Chapter 30B apply to my town's procurement of a tax title property auctioneer?

A.2. Yes. While the redemption or auction of tax title property is subject to M.G.L. c. 60, §§37-60, the procurement of a tax-title property auctioneer is a services contract that is subject to Chapter 30B. The contract value is based on the auctioneer's estimated commission. However, Chapter 30B does not apply to the appointment of a tax title custodian by a mayor, or the employment by the custodian of one or more assistants, pursuant to M.G.L. c. 60, §77B.

Q.3. Must late bids be retained as public records?

A.3. Yes. Absent a statutory exemption, the Massachusetts public records law, M.G.L. c. 4, § 7(26), presumes that certain records made or received by a government entity or employee are presumed to be public records. The definition of public records includes but is not limited to documents, paper, records, maps, and photographs. Late bids are public records because they are received by a public employee.

Q.4. I am the CPO for a town. We conducted an RFP process for consultant services and two vendors failed to meet the quality requirements and will not be considered further. Are these price proposals public records subject to the public records laws retention requirements?

A.4. Yes, all documents made or received by a public entity or employee are public records, absent a statutory exemption. While a non-responsive vendor will not be further evaluated, you must retain that vendor's entire proposal, including the price proposal.

Q.5. My jurisdiction conducted an advertised, competitive request for proposals process for a public health consultant and only received one proposal. May we award a contract?

A.5. Yes. There is no requirement in Chapter 30B that you must receive a certain number of quotes, bids, or proposals in order to award a contract. If the proposer was fully

responsive and responsible and your jurisdiction complied with all of the Chapter 30B requirements for soliciting competition, you may award a contract on the basis of a single response.

Contracts for Energy and Energy-Related Services Chapter 30B Compliance Form

The Office of the Inspector General has created a form to assist public officials in complying with reporting requirements for energy or energy-related services contracts. If these reporting requirements are met, M.G.L. c. 30B, §1(b)(33) exempts contracts for energy and energy-related services entered into by jurisdictions that are subject to M.G.L. c. 30B (governmental bodies). The exemption requires that within fifteen days of contract execution, governmental bodies send a copy of the contract and a report of the process used to procure energy or energy-related services to the Department of Public Utilities, the Department of Energy Resources, and the Inspector General. We encourage you to keep the completed form in your procurement file.

The compliance form may be accessed at http://www.mass.gov/ig/publ/energy_contracts_form.pdf.

Overly Restrictive Evaluation Criteria, continued from previous page

also be aware that the law places limits on proprietary specifications, which cite a specific brand name or otherwise limit the procurement to only one item or vendor. See M.G.L. c.30B, §14.

- Weigh the potential benefits of restrictive evaluation criteria against the potential increased costs. While the procurement laws allow you the discretion to set stringent evaluation criteria, you must consider that restrictive evaluation criteria may prevent certain vendors from bidding and therefore could increase the cost of your procurement. Moreover, it creates the potential for a complaint to our Office. If a complaint is made, we will require that you provide the rationale for the criteria in determining whether the complaint has merit.
- Make sure that your evaluation criteria are closely related to your procurement goals. Many people feel that it is necessary to require that a vendor have municipal experience, or to have provided services in Massachusetts. Unless there is a specific reason why a vendor must have had such experience, such a requirement is not recommended. For example, if a janitorial company has cleaned private schools successfully in the past, is it necessary that it has worked in a public school? If you have a reasonable justification for the evaluation criterion, such as it is important that the auctioneer have previous experience auctioning off tax-title property on account of the complex legal requirements of tax-title property, such a requirement is acceptable.

Recent Publications

Report: Experience of Massachusetts Public Agencies with Construction Management at Risk Under M.G.L. c. 149A, October, 2009.

Pursuant to Chapter 193 of the Acts of 2004, "An Act Further Regulating Public Construction in the Commonwealth," the Office of the Inspector General submitted its review of the construction management at risk (CM at risk) alternative method of construction to the Joint Committee on State Administration and Regulatory Oversight. The Office analyzed the experiences of local and state entities that have employed the alternative delivery method on their projects. Since 2005, local entities have invested over \$1 billion in construction costs using the CM at risk method. Based on the experiences of those that have used CM at risk, most appear satisfied with the current process and few expressed disadvantages. Nevertheless, the Office has identified some changes to the law that would correct unclear or problematic provisions and strengthen the public protections contained in the law.

The complete report can be accessed at <http://www.mass.gov/ig/publ/cmatriisk.pdf>.

Letter Regarding 2005 Report on the Town of North Attleborough Electric Department's (NAED) Use of Certain Bond Funds, November 2009.

Earlier this year, this Office received a formal request from one of the subjects of a 2005 Inspector General report entitled "An Investigation of the Use of Certain Bond Funds by the North Attleborough Electric Department" (NAED), asking that the Report be removed from the Office's website due to inaccuracies contained in it. The Office undertook an evaluation of the Report and reviewed additional evidence not available or reviewed at the time the Report was written, including a December 29, 2008 Memorandum and Opinion issued by the Fall River District Court, evidentiary materials from files at the Fall River District Court and the Bristol County District Attorney's Office, video recordings of Board of Selectmen meetings and related materials from other sources. The results of the Office's evaluation are set forth in a letter dated November 13, 2009. The Office concluded that certain evidence characterized as exculpatory, together with the additional evidence reviewed, in fact confirmed the finding in the original Report, i.e. that "NAED management knowingly misled Town officials in requesting issuance of [bond] funds" and that NAED violated M.G.L. c.40, §20, which requires that "proceeds of any sale of bonds or notes... be used only for the purposes" voted by town meeting." Accordingly, the Office denied the request to remove the Report from its website, supplementing it with the November 13, 2009 letter.

The letter and the original report can be accessed at http://www.mass.gov/ig/publ/noattleborough_ltr.pdf and <http://www.mass.gov/ig/publ/naedrpt.pdf>, respectively.

Letter to Chelmsford Town Manager Paul Cohen Regarding a Real Property Disposition, November 2009.

This Office reviewed a real property disposition by the town of Chelmsford and found that the town violated pertinent sections of M.G.L. c.30B, §16. The review found that there was no evidence that the town declared the property available for surplus, properly advertised the disposition in a newspaper for two consecutive weeks, or published notice in the *Central Register* of the selected parties and the difference between the fair market value and the price received by the town. Because of the length of time that passed the transaction was not invalidated. However, the town was advised that in future real property transactions it must follow M.G.L. c.30B.

The letter can be accessed at <http://www.mass.gov/ig/publ/chelmsfordltr.pdf>.

Letter to City of Gloucester Mayor Carolyn Kirk Regarding Timekeeping System Vulnerabilities, November 2009.

This Office reviewed an issue regarding two Gloucester police officers who may have been working for other employers on city time. This Office requested and received timekeeping information for the officers but found that the information was inadequate to determine whether the issues had merit because the city's timekeeping system did not require the officers to record actual hours worked, but only to identify when an officer used leave time or did not work. This type of system is vulnerable to fraud, waste and abuse and does not provide an adequate audit trail for review and internal control purposes. This Office advised the City that its policy should be updated to reflect time worked, should require adequate documentation and include rules for the earning, recording and use of compensatory time.

The letter can be accessed at http://www.mass.gov/ig/publ/gloucester_timekeeping_ltr.pdf.

Letter to Town of Groton, Regarding Certain Practices of the Zoning Board of Appeals, November 2009.

This Office conducted a review of the Groton Zoning Board of Appeals (ZBA) and its relationship with two M.G.L. c.40B consultants to determine whether the consultants were hired and paid by the ZBA in accordance with applicable laws and regulations. This Office found that the ZBA failed to conduct a procurement process when hiring the two consultants at issue, a practice that is in conflict with M.G.L. c.30B and certain M.G.L. c.40B regulations. Additionally, this Office found that in at least one instance, one of the consultants was permitted to settle a payment dispute directly with an applicant, a practice that promotes an appearance of impropriety. This Office provided recommendations to the ZBA, which indicated its willingness to adopt better practices, including following the proper procurement procedures, reviewing statements, and establishing rules to prevent private negotiation between consultants and applicants.

The letter can be accessed at <http://www.mass.gov/ig/publ/grotonzbaltr.pdf>.

Congratulations!



The following is a list of the MCPPO Program's new designees on applications reviewed (not received) between July 1, 2009 and December 31, 2009:

MCPPO

David W. Anthony, Town of Barnstable
Kristen Behnke, Pittsfield Public Schools
Michael E. Bergeron, Town of Amesbury
Anthony C. Blair, Town of Becket
Carolyn B. Carey, Town of Harwich Comm. Center
Paula Ann Carey, Quinsigamond Comm. College
Timothy R. Carroll, Town of Chilmark
Kimberly L. Carter, Whittier Regional Vo-Tech HS
Christopher Clark, Town of Southbridge
Barbara A. Durand, Ashland Public Schools
John W. Ferris, Norwell Public Schools
Virginia M. Fitzgibbons, City of Cambridge
Lee Ann Fratoni, Reading Municipal Light Plant
Michele S. Gillen, MWRA
Susan K. Givens, Masconomet RSD
Vanessa D. Hale, Town of Southborough
Audrey Insalaco, Town of Dedham
Diane Fisk Johnson, Arlington Public Schools
Brenda K. Jones, N. Central Charter Essential School
Charles E. Kostro, Town of Newbury
Carolyn R. Levinson, MA DEP
Kathleen A. Macedo, Bridgewater-Raynham RSD
Kristine M. Mandeville, Town of Hanover
Thomas F. Markham III, Minuteman RVSD
Patrick W. Meagher, Carver Public Schools
Nancy V. Miranda, Cambridge Housing Authority
Kathleen C. Piatelli, Plainville Public Schools
Susan L. Pray, Carlisle Public Schools
Greer G. Pugatch, Town of Dover
David B. Siedentopf, Carver Public Schools
Paul P. Szymanski, Hamilton-Wenham RSD
John K. Westerling, Town of West Boylston
Gregory Zammuto, Melrose Public Schools

Associate MCPPO

Susan E. Cobb, City of Worcester
Donald DeCristofaro, Braintree Electric Light Dept.
Scott J. Lambiase, Town of Duxbury
Robert D. McNeil III, Town of Spencer
Thomas P. Watkins, City of Salem

MCPPO for Supplies & Services

James F. Costa, New Bedford Housing Authority
Susan M. Donahue, Blackstone Valley VRSD
Kathleen Dooley Butters, Town of Wayland
Tracey Lavoie, Seekonk Public Schools
Thomas J. Miller, Marshfield Public Schools
H. Patricia Savage, City of Melrose School Dept.
Bradford T. Tripp, Town of Mashpee
J. Timothy Walsh, Westwood Public Works
Barry W. Woods, Buzzards Bay Water District

MCPPO for Design & Construction

Aaron A. Bean, Westfield Gas & Electric
Mayfrid B. Paul, UMASS Dartmouth
Holly A. Fern, UMASS Dartmouth
Michael A. Flamang, Town of Lexington
Ronald F. Dobrowski, MA EOLWD
Capt. Thomas B. Donoghue, MA State Police
Al Oliveira, City of Fall River
Lt. Joette E. Robin, MA State Police
Laura D. Wood, City of North Adams

Associate MCPPO for Design & Construction

Kevin F. Cafferty, Town of Scituate

Recent Publications, cont.

UMASS Dartmouth Dormitory Renovation Project , October 2009

In February 2008, this Office received a complaint involving the fire alarm procurement process connected to the renovation of the Cedar Dell dormitory buildings located on the campus of the University of Massachusetts Dartmouth (UMass Dartmouth). It was alleged that during the procurement process, Signet Electronic Systems', Norwell, MA (Signet) Vice President attempted to influence other distributors of General Electric Security/Edwards Systems Technology (GES/EST) fire alarm equipment to refrain from bidding or to bid at list prices. The investigation corroborated the initial allegation and uncovered clear anticompetitive behavior engaged in by Signet's Vice President, aided and abetted by the GES/EST District Manager. Moreover, the investigation disclosed a GES/EST policy that is contrary to the spirit and letter of Massachusetts law and which encourages GES/EST approved distributors (Strategic Partners) to influence project electrical engineers to favor GES/EST fire alarm products by writing project specifications to include GES/EST proprietary equipment. This policy contributed to anticompetitive behavior and is detrimental to the public interest. Moreover, UMass was not vigilant in stewarding the project in the public interest and creating a bidding environment that was open and fair.

The Office made several recommendations to UMass Dartmouth and the University of Massachusetts Building Authority including, but not limited to, requiring expeditious reporting of bid rigging and improper practices; providing anti-fraud, ethics and procurement training to the UMass building enterprise; and to require non-collusion forms to be signed by design professionals as well as contractors and subcontractors. Moreover, it was recommended that UMass building officials should carefully scrutinize specifications prepared by architects and engineers to ensure that they do not restrict or limit open and fair completion.

The complete report can be accessed at http://www.mass.gov/ig/publ/umass_dartmouth_rpt.pdf.



MASSACHUSETTS CERTIFIED PUBLIC PURCHASING OFFICIAL PROGRAM
REGISTRATION FORM January-June 2010

Office of the Inspector General
Gregory W. Sullivan, Inspector General
MCPPO@maoig.net Fax: (617) 723-2334

REGISTRATION INFORMATION:
All seminars will be confirmed based on a minimum of 20 participants.

GOVERNMENT/NON-PROFIT COURSE PRICE:

Government employees shall include all employees of the commonwealth, employees of the commonwealth's political subdivisions, employees of other state governments, employees of the federal government and employees of any other municipality, county, or local district.

Register/ Reserve Seating:

To reserve seating, fax registration and purchase order to (617-723-2334).

MAIL ORIGINAL TO:

Commonwealth of Massachusetts
Office of the Inspector General
One Ashburton Place, Rm. 1311
Boston, MA 02108

ATTN: MCPPO Program

MAKE CHECK PAYABLE TO: OIG

SUBSTITUTIONS / CANCELLATIONS:

Each seminar is limited and filled on a space available basis. No refunds for cancellations. Registration transfer to someone in your organization is possible with prior notice. The OIG reserves the right to cancel/reschedule any seminar and is not responsible for any costs incurred by registrants. Terms and conditions may change without notice. Alternate course dates may be substituted in the event of an emergency, upon notification. NO-SHOWS or LATE CANCELLATIONS will be invoiced a \$100.00 service charge

For more information regarding administrative policies, such as complaint and refund resolution, please email Joyce McEntee Emmett, Director of the MCPPO Program at MCPPO@maoig.net or go to our website at www.mass.gov/ig.

PUBLIC CONTRACTING OVERVIEW

No Prerequisite

- February 10, 11, 12-2010
March 9, 10, 11-2010
June 8, 9, 10-2010

3-day seminar

Tuition: \$450 for government/non-profit employees \$700 for all others

BOSTON April 27, 28, 29-2010 BOSTON
BOSTON April 27, 28, 29-2010 HUNTINGTON NEW
BOSTON Video Conference hosted by Gateway RSD
Limited seats available

SUPPLIES & SERVICES CONTRACTING

Prerequisite: Public Contracting Overview or Charter School Procurement

- January 26, 27, 28-2010
March 2, 3, 4-2010

3-day seminar

Tuition: \$450 for government/non-profit employees \$700 for all others

BOSTON May 11, 12, 13-2010 BOSTON
BOSTON

DESIGN & CONSTRUCTION CONTRACTING

Prerequisite: Public Contracting Overview or Charter School Procurement

- February 24, 25, 26-2010
April 6, 7, 8-2010

3-day seminar

Tuition: \$650 for government/non-profit employees \$900 for all others

BOSTON May 18, 19, 20-2010 BOSTON
BOSTON June 14, 15, 16-2010 BOSTON

ADVANCED TOPICS UPDATE

- April 14 & 15-2010

2-day seminar

Tuition: \$350 for government/non-profit employees \$600 for all others

BOSTON

CERTIFICATION for School Project Designers & Owner's Project Managers

- March 24, 25, 31 & April 1-2010
May 26, 27 & June 2, 3-2010

4-Day Training

Tuition: \$1200 -Private Sector

BOSTON
BOSTON

CONSTRUCTION MANAGEMENT AT RISK

Under M.G.L. c. 149A: Legal Requirements & Practical Issues

*Introductory material geared to procurement officials who are not construction experts

- March 18-2010

1-day seminar

Tuition: \$275 for government/non-profit employees \$600 for all others

BOSTON May 6-2010 BOSTON

CHARTER SCHOOL PROCUREMENT

No Prerequisite

- FALL 2010 To be announced

2-day seminar

Tuition: \$400 for government/non-profit employees \$600 for all others

BOSTON

Drafting A Model IFB

Self-paced

Tuition: \$75 ea. for govt./non-profit employees

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ARRA

American Recovery and Reinvestment Act

Volume 1, Issue 1 December, 2009

Introduction:

This section of the *Procurement Bulletin* will focus on matters pertaining to American Recovery and Reinvestment Act (ARRA) funds. It will serve as an information source for issues, questions, guidelines and deadlines concerning ARRA.

Confidential Fraud Hotline:

Please don't hesitate to use the OIG hotline (800)322-1323 to report any waste, fraud, or abuse of ARRA funds. All calls are confidential. For general questions about ARRA spending call (617) 727-9140.

ARRA Construction and Prevailing Wages:

According to the Massachusetts Division of Occupational Safety, "Persons awarding contracts for public works construction projects that are funded in whole or in part by the American Recovery and Reinvestment Act must comply with the provisions of both the Federal Davis Bacon Act and the Massachusetts Prevailing Wage Law."

For Davis Bacon information visit:

<http://www.dol.gov/compliance/laws/comp-dbra.htm>

Massachusetts wage information can be requested online at: www.mass.gov/dos

Toolkit for Departments to Combat Fraud, Waste and Abuse

To assist state agencies, the Office of the State Comptroller, in collaboration with the Office of the Inspector General, the Office of the Attorney General, the State Auditor's Office and others developed the *Toolkit for Departments to Combat Fraud, Waste and Abuse*. Most of the information is applicable to all public jurisdictions, contractors, and other recipients of public funds. This information may assist your jurisdiction to evaluate your vulnerability.

The Toolkit can be accessed at: http://www.mass.gov/Aosc/docs/business_functions/bf_int_cntrls/fraud_waste_toolkit.doc

Renewable and Green Energy

Many grant programs under ARRA are facilitating the use of green energy technologies and energy consultants. There are a few simple ways to be informed when approaching these new technologies. For background information on green energy technology please visit:

<http://www.eere.energy.gov/>

For a basic tutorial on solar energy please visit:

<http://www.nrel.gov/docs/fy04osti/35297.pdf>

Notice:

ARRA reporting period is January 1- 10, 2010.

What if Oversight Officials Show Up at My Door?

Government oversight of spending goes hand in hand with the administration of government programs. In fact, government programs generally include mandates for audits, reviews, investigations, and other accountability measures. So, if an oversight agency shows up at your door, it is most often a routine part of a sound and responsible government practice.

If your jurisdiction has or will receive federal stimulus funding under the ARRA, then you may be subject to additional oversight to meet ARRA compliance standards, including fraud prevention. These requirements are meant to ensure a high level of accountability and transparency in the distribution and use of these funds. As soon as possible after receiving any ARRA money, you should review your jurisdiction's current practices for compliance with the requirements, and implement changes, if necessary.

To conduct an oversight review, the reviewer may analyze contracting, accounting, reporting and record keeping practices and related documents. If your processes follow appropriate standards, guidelines, requisite procurement practices and other funding requirements, then the review should be routine. We offer the following suggestions to help make this process run smoothly and effectively with the least amount of disruption.

Ask oversight staff what the scope of the review is. Oversight staff should make this clear up front; but if they do not or if you need clarification, just ask. This may prevent misunderstandings.

It's only business. Your cooperation will speed the process and set the tone for a positive and constructive process.

Be open and honest. A delay in disclosing information and/or attempting to falsify or destroy documents will quickly escalate a routine review into an investigation that can have serious consequences. It is better to disclose information upfront rather than having it uncovered by oversight officials.

Department of Housing and Urban Development and ARRA Local Housing Authority Issue:

The offices of the Massachusetts Inspector General and the Massachusetts Attorney General have received several inquiries regarding the applicability of the Commonwealth's construction bid laws to the ARRA-funded Capital Fund Grant awarded to local housing authorities. This office and the Attorney General's office met with Department of Housing and Urban Development officials and determined that public housing authorities may use state and local procurement laws and regulations provided that their use is not "contrary to the purpose of the Recovery Act," one of which as stated in the act under the section on Public Housing Capital Fund is "to expedite or facilitate the use of such funds."

Procurement Bulletin **Subscription Information**

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