



*The Commonwealth of Massachusetts*  
*Office of the Inspector General*

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May 18, 2011

Mayor Susan M. Kay  
Town of Weymouth  
75 Middle Street  
Weymouth, MA 02189

Dear Mayor Kay:

As you know, the Massachusetts Office of the Inspector General (OIG) reviewed a sample of American Recovery and Reinvestment Act (ARRA) grants issued by the U.S. Department of Energy (USDOE). The OIG has included the Town of Weymouth (Town) in its review sample of Energy Efficiency and Conservation Block Grant (EECBG) recipients. EECBG is a program intended to help deploy energy efficient and conservation technologies across the country. The Town received a direct grant from the USDOE for \$485,800.

The OIG is reviewing ARRA-related grants to identify potential vulnerabilities to fraud, waste, and abuse and other risks that could negatively impact the accountability, transparency, and anti-fraud mandates contained in the statutory language and interpretive guidance of ARRA. Our review of the provided documents should not be construed as an audit, investigation, or a comprehensive programmatic review. The OIG intends these reviews to assist recipients of ARRA funding identify and address risks.

The Town's grant included funding for developing an energy conservation strategy, technical services to develop projects, computer service virtualization and consolidation, an energy lighting initiative and replacement of traffic signal heads. At the time of our review, the Town had completed the energy conservation strategy and the computer server virtualization project and had awarded contracts for the three other activities planned under the grant.

In response to a document request, the Town provided the OIG with EECBG grant expenditure information related to its grant activity, which amounted to \$148,194.25. The Town's most recent reporting to the federal ARRA site (Recovery.gov) shows that the town has expended \$222,353 as of December 31, 2010. In its response to the OIG, the Town indicated that it had spent \$4,999 for an energy conservation strategy (Activity #1), \$6,640 for technical services (Activity #2), and \$111,415 for the computer server virtualization and consolidation project (Activity #3),

\$19,516 for an energy lighting initiative (Activity #4) and \$1,909 for replacement of traffic signal heads (Activity #5).

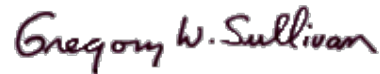
For Activity #1, the Town indicated that it used sound business practices for contract services under \$5,000, as required by M.G.L. c.30B – the Uniform Procurement Act. The Town indicated that for Activity #2 it solicited three written quotes, as required by Chapter 30B for purchases valued between \$5,000 and \$25,000. Under Activity #3, the Town awarded contracts to three different vendors; two vendors on existing statewide contracts and the third through a competitive bidding process under Chapter 30B for contracts valued at more than \$25,000. Additionally, the Town awarded 12 separate contracts for an energy lighting initiative (Activity #4) under M.G.L. c.25A §14 which, exempts energy conservation projects from Chapter 30B. The Town awarded the contract for work under Activity #5 through a competitive bidding process under Chapter 30 §39M, the law governing public works construction and services.

The OIG review has not revealed any material defects in the procurement of goods or services under any of the five grant activities identified above.

The OIG would like to take this opportunity to remind the Town that it must accurately report project information and status updates to appropriate authorities and must follow all applicable requirements of the ARRA legislation including, but not limited to the use of prevailing wages and reporting to appropriate federal agencies.

I appreciate your cooperation with this review. Please do not hesitate to contact the OIG with any questions or concerns you may have.

Sincerely,

A handwritten signature in dark ink that reads "Gregory W. Sullivan". The signature is written in a cursive, flowing style.

Gregory W. Sullivan  
Inspector General