OFFICE OF THE INSPECTOR GENERAL
MASSACHUSETTS

Boston Public Schools – Procurements, Contracts, and Payments

Improper Workarounds and Oversight Failures Lead to Wasted Public Funds and Inaccurate Budget Reporting

August 26, 2026

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Office of the Inspector General
Commonwealth of Massachusetts

August 26, 2026

Via Electronic Mail

The Hon. Michelle Wu, Mayor City of Boston 1 City Hall Square, Suite 500 Boston, MA 02201 mayor@boston.gov	Mary Skipper, Superintendent Boston Public Schools 2300 Washington Street Roxbury, MA 02119 mskipper@bostonpublicschools.org	Jeri Robinson, Chair Boston School Committee 2300 Washington Street Boston, MA 02119 grobinson@bostonpublicschools.org

Re: Boston Public Schools – Procurements, Contracts, and Payments

Dear Mayor Wu, Superintendent Skipper, and School Committee Chair Robinson:

Boston Public Schools (BPS) is the largest public school district in Massachusetts, with approximately 121 schools, 48,000 students, 11,000 employees, and a Fiscal Year 2026 budget of over $1.6 billion. Managing a school district of this size has its challenges and BPS has encountered its own over the years, including various calls for receivership and a recently completed three-year Systemic Improvement Plan with the Massachusetts Department of Elementary and Secondary Education.[1]

There are basic business functions, however, that any school district, regardless of size, should and must be able to perform. In separate investigations, covered comprehensively in this report, the Office of the Inspector General (OIG) found that BPS failed to apply foundational requirements of procurement law, basic business operations, and the principles of good governance in numerous ways, resulting in the waste of significant public funds. For that reason, the OIG recommends strong and immediate action, including the pause of payments on vendor contracts for non-essential goods and services in certain departments for 10 business days to prevent "passthrough" payments and to ensure proper documentation.

Through these investigations and resulting report, the OIG has documented a flawed system within the BPS Division of Operations that resulted in BPS employees using various schemes involving improper and illegal processes, and ultimately the waste of significant public dollars, including:

(1) Paying invoices through inappropriate passthrough accounts while also paying the passthrough vendor a markup;

(2) Using service contracts to pay other, unrelated vendors for goods and services not included within the service contract;

(3) Using a "sole source" contract to acquire goods that are readily available from other sources;

[1] *Systemic Improvement Plan*, Boston Public Schools, available at https://www.bostonpublicschools.org/about-bps/systemic-improvement-plan (last visited August 24, 2026).

(4) Relying on ineffective internal controls that enabled employees to regularly violate detailed written policies without being noticed; and

(5) Circumventing city of Boston residency requirements by designating an employee as a contractor with a firm that had no relationship to the work performed.

Some of these schemes stand out. For example, it is hard to believe that BPS allowed vendors for health and safety-related goods and services like water filtration or school safety equipment to do their work in school facilities without a contract and then arranged to pay those vendors' invoices under a valid but unrelated contract, with an additional mark-up paid to the passthrough vendor.

In another troubling scheme, the OIG found that BPS allowed a former BPS employee to bypass the city's residency requirement by masquerading as a contractor of a BPS vendor while actually continuing the same BPS work remotely from another state.

And the OIG found that due to a lack of proper controls, a sole source provider of multicultural books turned into an expensive provider of mass market books and often padded bills with exorbitant and duplicative shipping charges that were processed, no questions asked, by BPS staff.

Factors like declining enrollment, special education needs and costs, and increased transportation, labor, and building costs can all complicate BPS planning and spending. But the issues raised by the OIG investigations are not the types of unintended consequences or mistakes that occur in the normal course of operating a large school district that must navigate myriad challenges. While very real, those factors are not among the root causes for the misconduct uncovered by these OIG investigations. On the contrary, the troubling conduct uncovered involves basic business operations that have gone awry and that have remained unchecked for years.

Equally concerning is that leadership within the BPS Division of Operations participated in, or were at least aware of, this conduct, and that senior finance officials responding to OIG questions provided information and responses that were not credible. When a Boston oversight agency, the Boston Finance Commission, previously raised issues similar to those that launched the OIG's investigation, certain BPS officials failed to investigate the claims or take action to end such behaviors, disregarding the troubling conduct.

The 26 findings and 25 recommendations in this report are a road map for BPS to improve its operations, to mitigate and prevent such actions from occurring in the future, and to independently assess the consequences of the behavior of the BPS employees, vendors, and contractors that participated in these schemes or any other schemes that further internal investigation or external audit may reveal. The people of Boston, BPS students, parents, guardians, teachers, staff, and other vendors – especially vendors who declined to take illegal actions when asked to do so by BPS – deserve nothing less.

It is my hope that the direct recipients of this report – Mayor Wu, Superintendent Skipper, and School Committee Chair Robinson – will receive it in the spirit intended of making BPS stronger and will support implementing this report's recommended changes. Public officials also should recognize the value of independent oversight and send a clear "tone from the top" annual systemwide written message to those who work in and with the agencies that they lead that expresses their support for independent oversight and encourages reporting to, and cooperating with, the OIG.

Sincerely,

Jeffrey S. Shapiro, Esq., CIG
Inspector General

cc (via email):

Boston School Committee members
The Hon. Liz Breadon, President, Boston City Council
Mike Firestone, Corporation Counsel, City of Boston
Scott Finn, Auditor, City of Boston
Matt Cahill, Executive Director, Boston Finance Commission
Clare Kelly, Chief of Staff, Boston Mayor's Office
Dr. Stephen Zrike, Secretary of Education
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EXECUTIVE SUMMARY

In response to multiple complaints, the Office of the Inspector General (OIG) investigated certain contracts and procurement practices within the Boston Public Schools (BPS) Division of Operations. These investigations have been combined into one report because each investigation revealed the same troubling pattern: BPS employees have used improper workarounds to avoid a difficult, disorganized, and cumbersome contracting structure. Coupled with internal control weaknesses, these practices have wasted public funds. In total, the OIG's investigations found that within its Division of Operations, BPS spent at least $857,261 in public funds either improperly or in violation of Chapter 30B.

As detailed in this report, despite BPS's written policies on procurements, contract management, payments, and sole sourcing, the OIG uncovered a BPS Division of Operations rife with issues. Various departments in the division regularly operated outside the rules. The OIG found that BPS routinely failed to pay vendors in full for services performed. When vendors demanded payment, BPS often bypassed proper procedures and requested that the vendors send their invoices to other vendors with existing BPS contracts. Those secondary vendors paid the invoice and then sent a "passthrough" invoice to BPS to cover the costs paid, along with an added markup of as high as 19%. These markups resulted in BPS incurring nearly $78,000 in extra costs.

The OIG further found that BPS violated the Uniform Procurement Act, Chapter 30B of the Massachusetts General Laws (Chapter 30B), in multiple ways. First, in some instances BPS failed to solicit price quotes or issue invitations for bids for supplies or services valued at $10,000 or more. BPS also failed to enter written contracts for certain supplies or services as Chapter 30B requires. BPS violated Chapter 30B's sole source procurement exemption by purchasing books from a vendor through a no-bid contract when those books were widely available elsewhere. The OIG also found that BPS violated Chapter 30B by subverting the competitive procurement process in steering a spurious water quality testing procurement to a vendor in order to pay that vendor's outstanding invoices.

Furthermore, the OIG's investigations found flaws in BPS's accounts payable and contract management controls. These flaws contributed to many of the issues detailed in this report. As a result of poor internal controls, BPS allowed a textbook vendor to significantly overcharge BPS shipping fees. In some instances, BPS paid multiple shipping charges for the same order. Additionally, the OIG believes that BPS's procurement and contracting policies are so complicated and time-consuming that BPS personnel cut corners to speed up the process to pay vendors.

Finally, the OIG's investigations found evidence that BPS circumvented the requirement that Boston employees reside in the city. BPS personnel worked around this residency requirement for an employee of the Facilities Management Department who moved out of state, making arrangements for the individual to work as a 1099 contractor for a company that provided different services to BPS. That company added a ten percent markup to the payroll invoices, resulting in added costs to BPS. The arrangement also put BPS at risk of violating labor and tax laws.

The OIG found that an independent watchdog agency for the city of Boston, the Boston Finance Commission, alerted BPS in 2023 about the use of a "passthrough" invoice to pay a vendor and in 2024 it informed BPS about excessive shipping fees from the textbook vendor. Interviews with BPS officials and the OIG's review of internal BPS files revealed that little to no action was taken in response to these reports. It is concerning that BPS did not meaningfully investigate or address the problems that the Boston Finance Commission brought to its attention.

These findings represent serious internal control weaknesses and risks within the BPS Division of Operations. Relying on written protocols without sound internal oversight and verification procedures provides a false sense of security. Significant reform is necessary within BPS's operations and finance teams.

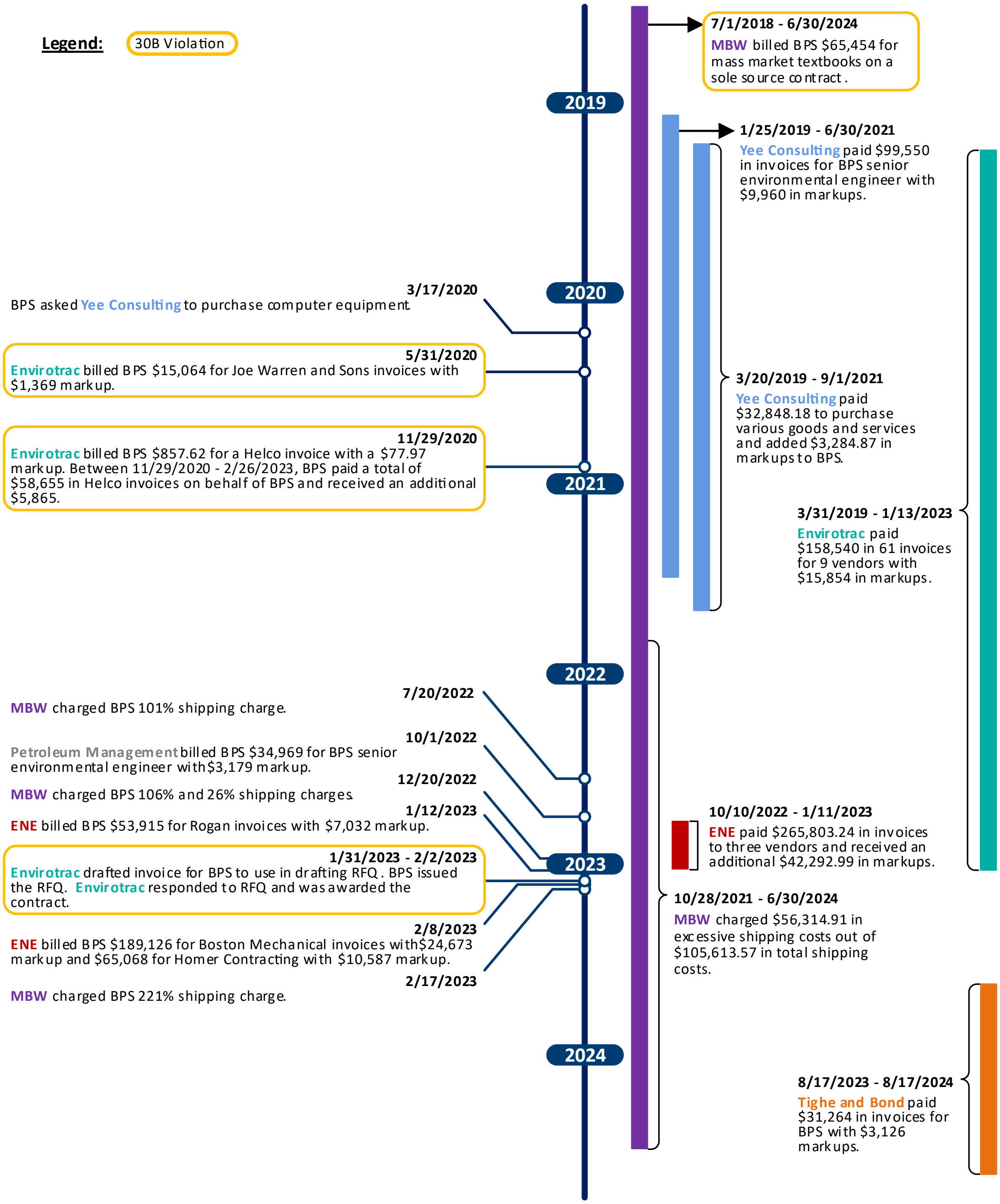
The OIG's investigations looked at only a limited set of contracts, invoices, and payments. The OIG believes that BPS and the city of Boston must take action to ensure that such conduct, including improper passthrough payments, is not continuing to occur on current contracts. The OIG accordingly recommends BPS and the city of Boston take several immediate actions:

1. **Gain control.** The city of Boston and BPS need to take steps to oversee BPS procurement practices to ensure that BPS is complying with state procurement law and state finance law.
2. **Stabilize the short term.** BPS should pause payments on vendor contracts for non-essential goods and services in certain departments of the BPS Division of Operations, for 10 business days, in order to conduct the internal review.
3. **Verify current payments going out.** BPS should conduct an internal review of its accounts payable for the paused accounts to verify basic information about each account, including that payments are going to the contracted vendor and that the goods and services have been received.
4. **Identify high risk contracts and payments.** BPS should identify all high-risk contracts and payments, namely large service contracts and large purchase orders, for referral to independent audit.
5. **Establish interim leadership and controls.** The Superintendent should name an interim leader for the BPS Division of Operations and any teams or departments within that division named in this report.

The OIG presents its full recommendations for BPS and the city of Boston in the immediate, short, medium, and long terms at the end of this report.

Even when acting with good intentions, poor business practices can lead to unnecessary risk and a waste of public resources. As BPS and the city of Boston navigate difficult financial headwinds, including recently announced layoffs, the OIG hopes that they will take these matters seriously and act with the appropriate urgency to address the problems.

Timeline of Improper Payments, Including Passthrough Invoices and Markups, Chapter 30B Violations, and Large Shipping Charges



Timeline events are color-coded according to the vendor contract investigated by the OIG. The vertical bars on the right reflect the time periods of payments under those contracts identified by the OIG as improper.
MBW = Multicultural Book World
RFQ = Request for quotes

BACKGROUND

I. The Office of the Inspector General

The Office of the Inspector General for the Commonwealth of Massachusetts (OIG) is an independent state agency charged with preventing and detecting fraud, waste, and abuse of public funds and assets. In keeping with its mandate, the OIG investigates allegations of fraud, waste, and abuse at all levels of government; evaluates programs and practices in state agencies, local municipalities, and local government entities to identify systemic vulnerabilities and opportunities for improvement; and provides assistance to the public and private sectors through education and training to help prevent fraud, waste, and abuse in government spending. The OIG strives to enhance or restore public confidence in government, ensure accountability, and promote the best interests of the people of the Commonwealth in the use of public funds and property.

The Legislature established the OIG in 1980 as the first state-level inspector general's office in the country. Today, the OIG has a budget of over $10 million and a staff of about 100 employees. The OIG oversees more than $190 billion in spending and the work of over 400,000 public employees across all state, municipal, and local public entities throughout the Commonwealth, plus suppliers, vendors, contractors, and nonprofits that receive public funds.

II. Boston Public Schools

According to the Boston Public Schools (BPS) website, BPS serves more than 48,000 students in 121 schools across the city of Boston.[2] BPS has the following district-wide priorities:

> Superintendent [Mary] Skipper's agenda at Boston Public Schools is focused on ensuring students have equitable access to quality education and experiences. As such, she and her leadership team are focused on prioritizing and accelerating academic performance; strengthening access to social-emotional learning; streamlining operations and ensuring student safety; developing authentic family and community engagement practices; improving internal and external communication with families and staff; and, increasing accountability for both the central office and our schools.

BPS is the largest department of the city of Boston by both number of city employees (11,000 in Fiscal Year 2026) and budget (approximately $1.6 billion, or 33%, of Boston's Fiscal Year 2026 budget of $4.8 billion).[3]

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[2] *About Us,* Boston Public Schools, available at https://www.bostonpublicschools.org/about-bps (last visited August 24, 2026).

[3] *Fiscal Year 2026 Budget,* City of Boston, available at https://www.boston.gov/departments/budget/fiscal-year-2026 (last visited August 10, 2026).

A. BPS Budget Process

While many city and BPS officials are involved in the budgeting and purchasing process for the schools, Boston's city charter identifies specific roles for the BPS superintendent, the school committee, the mayor, and the city council.

The **BPS superintendent** is elected by a majority vote of the school committee for a six-year term.[4] The superintendent holds various fiscal responsibilities, including producing a quarterly report detailing the source, purpose, and balance of all funds received or expended, preparing a monthly budget update report, and submitting a proposed annual budget for the forthcoming fiscal year to the school committee for approval.[5] The superintendent is authorized to enter contracts for the purchase of equipment, materials, goods, supplies, leases, alterations, repairs, and other professional services.

The **school committee** is comprised of seven members who are nominated by the School Committee Nominating Panel and appointed by the mayor of Boston for four-year, staggered terms.[6] In addition to electing the superintendent, the school committee is responsible for approving the superintendent's recommended budget.[7] The committee can adopt, reject, reduce, or increase any item in the superintendent's proposed budget before submitting the budget to the mayor.[8]

The **mayor** of Boston holds direct influence over BPS through multiple avenues, including the appointment of the seven members of the school committee. The mayor gives intermediate approval of the BPS budget before submitting the budget to the city council.[9]

The **city council** gives final approval to the BPS budget.[10] The city council votes on the total appropriation requested by the mayor, but neither the mayor nor city council can limit the authority of the school committee to determine expenditures within the total appropriation.[11]

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[4] Boston, Mass., Charter § 73.

[5] Boston, Mass., Charter § 74, 75.

[6] Boston, Mass., Charter § 70. The school committee nominating panel is a 13-member panel, four of whom are appointed by the mayor. This panel is comprised of parents, teachers, principals, and representatives of business and higher education.

[7] Boston, Mass., Charter § 74.

[8] Boston, Mass., Charter § 74.

[9] Boston, Mass., Charter §§ 70, 74. The OIG notes that the mayor also holds significant influence in the school committee's selection of the superintendent.

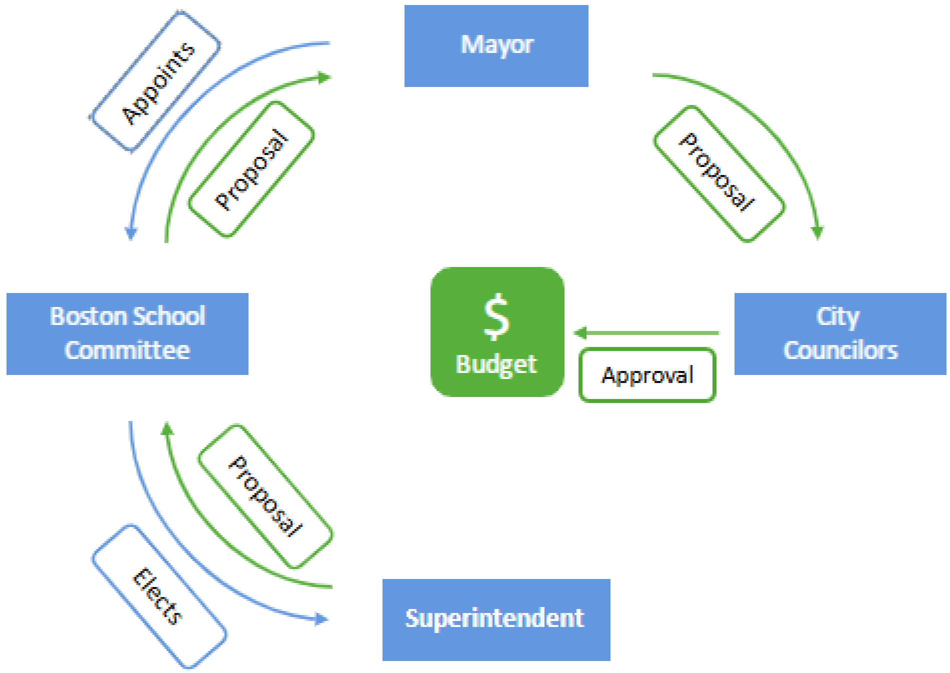
[10] Boston, Mass., Charter § 75.

[11] *Boston School Comm'n Nominating Panel,* City of Boston, https://www.boston.gov/departments/schools/boston-school-committee-nominating-panel (last visited August 7, 2026).

Figure 1. Key BPS and city of Boston officials.

Title / Name	First Elected/Appointed	Current Term Ends
Superintendent		
Mary Skipper	2022	2030
Mayor		
Michelle Wu	2021	2029
School Committee Members		
Jeri Robinson	2014	2027
Rachel Skerritt	2025	2028
Stephen Alkins	2022	2030
Rafaela Polanco Garcia	2021	2028
Franklin Peralta	2026	2030
Lydia Torres	2026	2029
Quoc Tran	2019	2027
City Councilors		
Liz Breadon	2019	2028
Ruthzee Louijeune	2021	2028
Julia M. Mejia	2019	2028
Erin J. Murphy	2021	2028
Henry Santana	2023	2028
Gabriela Coletta Zapata	2022	2028
Edward M. Flynn	2017	2028
John Fitzgerald	2023	2028
Brian Worrell	2021	2028
Enrique J. Pepén	2023	2028
Benjamin J. Weber	2023	2028
Miniard Culpepper	2025	2028
Sharon Durkan	2023	2028

Figure 2. Appointment of BPS officials and approval of BPS budget.



B. BPS Fiscal Year 2026 Budget

The BPS budget for Fiscal Year 2026 was $1,635,960,595. As shown in Figure 3, this amount constituted a $109.3 million increase from Fiscal Year 2025.

Figure 3. BPS budgets, Fiscal Year 2019 through Fiscal Year 2026.[12]

Fiscal Year	Budget	Change in dollars from prior fiscal year	% change from prior fiscal year
2019	$1,112,248,803	N/A	N/A
2020	$1,177,744,616	+$65,495,813	+6%
2021	$1,258,633,068	+$80,888,452	+7%
2022	$1,294,719,867	+$36,086,799	+3%
2023	$1,334,845,508	+$40,125,641	+3%
2024	$1,445,729,446	+$110,883,938	+8%
2025	$1,526,629,446	+$80,900,000	+6%
2026	$1,635,960,595	$109,331,149	+7%

[12] *Budget Office,* BOSTON PUBLIC SCHOOLS, available at https://www.bostonpublicschools.org/about-bps/budget/budget-office (last visited August 24, 2026).

In Fiscal Year 2026, BPS allocated 93% of the budget to student services. BPS allocated the remaining 7% to centrally budgeted services like transportation, specialized services, facilities, benefits, and central administration.[13]

The present report involves events occurring across multiple departments within BPS, particularly Business Services, Facilities Management, and Planning and Engineering, which are all within the BPS Division of Operations. As shown in Figure 4, the BPS budget for Fiscal Year 2026 allocated over $81 million in "contracts & other non personnel" expenses across these three departments.

Figure 4. Fiscal Year 2026 approved contract spending in certain BPS departments.[14]

Department	FY26 Approved Contract Spending
Business Services	$3,049,982
Facilities Management	$34,403,796
Planning and Engineering	$44,355,216
Total	**$81,808,994**

C. BPS Governance Structure

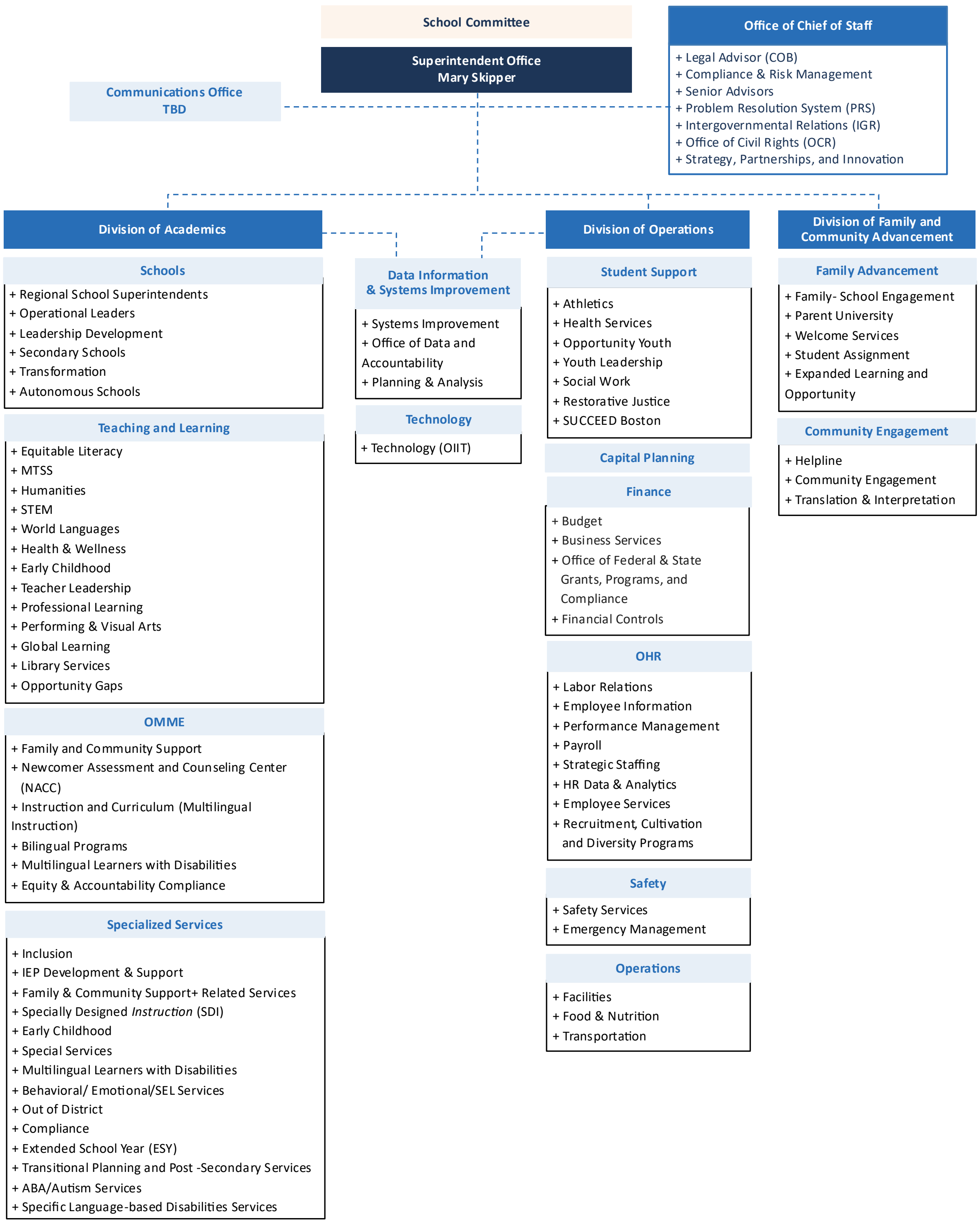
As shown in Figure 5, BPS is separated into three divisions: the Division of Academics, the Division of Operations, and the Division of Family and Community Advancement.[15]

[13] *Fiscal Year 2026 Budget Book,* Boston Public Schools, available at https://www.bostonpublicschools.org/about-bps/budget/fy2026-budget-development (last visited August 24, 2026).

[14] *Id.* at 69-71.

[15] *Superintendent's Leadership Team,* Boston Public Schools, available at https://www.bostonpublicschools.org/about-bps/office-of-the-superintendent/organizational-chart (last visited August 24, 2026).

Figure 5. BPS organizational chart.[16]



[16] This chart was formatted by OIG to fit the page. The source document is on the BPS website. *See Organizational Chart*, BOSTON PUBLIC SCHOOLS, available at https://www.bostonpublicschools.org/about-bps/office-of-the-superintendent/organizational-chart (revised February 19, 2026, last visited August 12, 2026).

As shown in Figure 5, the Division of Operations is made up of six departments, including the Operations Department. Within the Operations Department is the Facilities Management Department. BPS's website shows that the Facilities Management Department is further subdivided into the Building Services Department and the Planning and Engineering Department. The Building Services Department is responsible for custodian and grounds maintenance services, equipment repair, materials distribution, and energy and environment programs.[17] The Planning and Engineering Department consists of electricians, plumbers, and carpenters, and is responsible for ensuring BPS buildings and systems work properly on a day-to-day basis.[18]

Another one of the Division of Operations' six departments, as shown in Figure 5, is the Finance Department, which includes the Business Services Department. Within the Business Services Department is the Purchasing Department, which is generally responsible for managing and handling procurement requests from the schools and most BPS departments for the purchase of supplies and services.[19] Some departments handle their own finances. The Food and Nutrition Department and the Transportation Department (within the Operations Department) are responsible for handling their own accounts payable, and the Facilities Management Department is responsible for handling its own purchasing and accounts payable.[20]

In an interview with the OIG, the BPS Chief of Finance stated that while his finance team oversees the Purchasing Department, the finance team has no role in reviewing facilities-related procurements, or associated accounts payable, from the Facilities Management Department.

D. Municipal Procurement Requirements and BPS Procurement Policies[21]

Chapter 30B of the Massachusetts General Laws (Chapter 30B) establishes uniform statewide procedures for municipal and local governmental bodies, including school districts, to follow when procuring supplies or services. Chapter 30B requires different procedures based on the estimated value of the contract for those supplies or services.

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[17] *Facilities Management – Building Services,* BOSTON PUBLIC SCHOOLS, available at https://www.bostonpublicschools.org/about-bps/facilities-management/facilities-management-building-services (last visited August 24, 2026).

[18] *Facilities Management – Planning and Engineering*, BOSTON PUBLIC SCHOOLS, available at https://www.bostonpublicschools.org/about-bps/facilities-management/facilities-management-planning-engineering (last visited August 24, 2026).

[19] *Purchasing Department,* BOSTON PUBLIC SCHOOLS, available at https://www.bostonpublicschools.org/about-bps/business-services/purchasing (last visited August 24, 2026).

[20] *Business Services Guide,* BOSTON PUBLIC SCHOOLS (2022).

[21] The conduct referenced in this report took place between 2018 and 2024; therefore, unless otherwise specified, the referenced BPS policies were those in place as of 2024.

Figure 6. Procuring supplies and services under Chapter 30B and BPS policy.

Cost of Contract	Procurement Method	BPS Estimated Timeline	BPS and City of Boston Approval/Sign-off
Under $10,000	Sound business practices	1 - 2 Weeks	Purchase order
$10,000 - $100,000	Seek written price quotes from at least 3 different vendors	2 - 4 Weeks	Approval from the BPS business and purchasing offices and signed by the superintendent and the city auditor
Over $100,000	Issue a formal invitation for bids (contracts awarded through competitive, sealed bids) or request for proposals	4 - 12 Weeks	Approval from city of Boston and BPS legal departments, the superintendent, the city auditor, and the mayor

When purchasing supplies or services valued at less than $10,000 a school district may use "sound business practices."[22] Sound business practices are defined as "ensuring the receipt of favorable prices by periodically soliciting price lists or quotes."[23] The BPS *Business Services Guide*[24] states that the average turnaround time for procuring items valued under $10,000 is 1 to 2 weeks. The procurement requires an authorized purchase order.[25]

For supplies or services valued between $10,000 and $100,000, a school district must seek written price quotes, otherwise known as a request for quotes (RFQ), from at least three vendors.[26] The school district must award the contract to the "responsible person offering the needed quality of supply or service at the lowest quotation."[27] BPS policy requires approval for these contracts – which it refers to as "written quote contracts" – from the BPS business and purchasing offices and requires contract signatures

[22] M.G.L. c. 30B, § 4(c).

[23] *Id.* at § 2.

[24] The BPS Business Services Guide is the official written guide provided by BPS memorializing all their procurement policies and procedures.

[25] *Business Services Guide,* BOSTON PUBLIC SCHOOLS (2022). Current BPS procurement policies require employees to solicit three quotes for supplies or services valued at $10,000 or less. *Superintendent's Circular No. FIN-07 Version 2*, BOSTON PUBLIC SCHOOLS (2025).

[26] M.G.L. c. 30B, § 4(a). For other local governmental bodies, such as cities and towns, the upper threshold for soliciting three price quotes is $50,000. *Id.* Prior to 2022, the $50,000 upper threshold for three price quotes also applied to school districts. Chapter 198 of the Acts of 2022 amended Chapter 30B by increasing that threshold to $100,000 for municipal and regional school districts.

[27] M.G.L. c. 30B, § 4(b).

by both the superintendent and the city auditor.[28] BPS estimates the average turnaround time for such procurements at 2 to 4 weeks.[29]

For supplies or services valued at more than $100,000, a school district must procure contracts through a competitive sealed bid process.[30] The school district must award the contract to the "lowest responsible and responsive bidder."[31] BPS policy requires approval from the city of Boston and BPS legal departments, the superintendent, the city auditor, and the mayor. BPS estimates the average turnaround time for such procurements at 4 to 12 weeks.[32]

Under Chapter 30B, all contracts in the amount of $10,000 or more, regardless of whether they were a sole source procurement or competitively bid, must be in writing. Municipalities are prohibited from making any payment for a supply or service prior to the execution of a contract.

Chapter 30B contains a special exemption that allows a school district to award a contract for library books, textbooks, educational programs, educational courses, and educational curricula without competitive procurement when "after reasonable investigation, the procurement officer determines in writing that only one practicable source for the required supply or service exists" (sole source procurement).[33, 34] BPS policy states that a sole source procurement must be requested in writing to the BPS business office and purchasing department four weeks before the planned procurement.[35]

Under Chapter 30B, all contracts in the amount of $10,000 or more, regardless of whether they were sole source procurement or competitively bid, must be in writing.[36] Municipalities are prohibited from making any payment for a supply or service prior to the execution of a contract.[37]

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28 *Business Services Guide,* Boston Public Schools (2022). As noted above, BPS policy in 2024 still reflected the $50,000 value rather than the increased $100,000 value.

29 *Id.*

30 M.G.L. c. 30B, §§ 5, 6. For other local governmental bodies, such as cities and towns, the lower threshold for using competitive sealed bids is $50,000. Prior to 2022, the $50,000 lower threshold for competitive sealed bids also applied to school districts. Chapter 198 of the Acts of 2022 amended Chapter 30B by increasing that threshold to $100,000 for municipal and regional school districts.

31 M.G.L. c. 30B, § 5(g).

32 *Business Services Guide,* Boston Public Schools (2022).

33 M.G.L. c. 30B, § 7(a).

34 As detailed in Finding 12, the OIG found no evidence that BPS completed this investigation.

35 *Business Services Guide,* Boston Public Schools (2022).

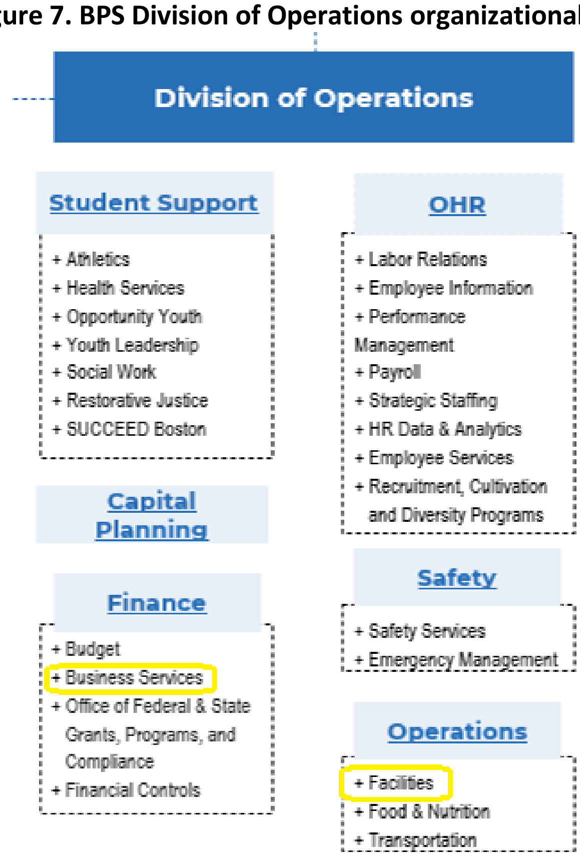
36 M.G.L. c. 30B, § 17(a).

37 *Id.*

The OIG opened multiple investigations after receiving several complaints concerning improper contracting and procurement by BPS. The initial complaints concerned the use of invoice payments funneled through existing but unrelated contracts in order to compensate unpaid vendors.[38] Another type of complaint involved excessive shipping charges on a sole source contract for books. During the OIG's investigations, the OIG also found evidence that BPS employees subverted the city of Boston's residency requirement through a false subcontracting relationship. The OIG details its investigation of these complaints in this section.

This section is organized by the OIG's investigations of contracts related to five types of goods or services, all procured within the BPS Division of Operations (shown in Figure 7 below). Four of these were service contracts procured and managed by Planning and Engineering Department within the Facilities Management Department, while the fifth was a sole source contract for multicultural and multilingual textbooks procured and managed by the Business Services Department, within the Finance Department. The OIG makes no representation as to whether BPS is using more vendors in this manner but instead includes recommendations herein for BPS to assess the full scope of this conduct and develop a compliant systemwide resolution.

Figure 7. BPS Division of Operations organizational chart.



[38] A full list of vendors that submitted "passthrough" invoices, the invoice amounts, and the markups on the invoices is available in **Appendix C.**

Each of the contracts reviewed by the OIG incorporated the city of Boston's Standard Contract General Conditions.[39] Relevant to the OIG's investigation, among these conditions are requirements that "All alterations or additions, material or otherwise, to the terms and conditions of this Contract must be in writing and signed by the Official and Contractor and filed with the City Auditor" and that "The City has no legal obligation to compensate a Contractor for performance that is not requested and is intentionally delivered by a Contractor outside the scope of a Contract."[40]

I. BPS Environmental Consulting and Licensed Site Professional Services Contracts

On July 1, 2018, BPS entered a three-year $1.5 million contract with Envirotrac, LTD., (Envirotrac), a Massachusetts-based environmental consulting, engineering, and remediation company. Under the contract, Envirotrac was to provide "environmental site remediation plans in accordance with applicable federal, state and local regulations; monitoring, supervising and sampling or testing as necessary environmental site contamination and cleanups and providing assistance to implement and maintain a hazardous materials management program for all Boston Public Schools."[41] On July 1, 2021, BPS entered a new contract with Envirotrac to provide environmental engineering, diagnostics, and testing.[42] The contract was extended three times through March 2023. BPS concurrently entered a separate 12-month contract with Envirotrac effective on July 1, 2022.[43]

At the conclusion of Envirotrac's contract, BPS conducted a competitive procurement and awarded the Environmental Consulting and Licensed Site Professional Services contract to Tighe and Bond, a Massachusetts-based engineering, environmental, planning, and design firm. Tighe and Bond's current contract with BPS is through June 30, 2027.

Figure 8. Environmental consulting and licensed professional services contracts, July 2018 – June 2025.

Contract	Vendor	Start Date	Duration (Months)	Amendment (Y/N)	End Date	Value
46442	Envirotrac	7/1/2018	36	N	6/30/2021	$1,500,000.00
53503	Envirotrac	7/1/2021	5	N	11/21/2021	$103,545.00
53503	Envirotrac	11/22/2021	5	Y	4/30/2022	$129,431.25
53503	Envirotrac	5/1/2022	2	Y	6/30/2022	No change
53503	Envirotrac	7/1/2022	1	Y	7/30/2022	$85,000.00
53503	Envirotrac	8/1/2022	8	Y	3/31/2023	$185,000.00
55389	Envirotrac	7/1/2022	12	N	6/30/2023	$265,500.00
57629	Tighe and Bond	4/1/2023	15	N	6/30/2024	$563,600.00
60577	Tighe and Bond	7/1/2024	12	N	6/30/2025	$563,600.00

[39] *Standard Contract Document*, CITY OF BOSTON, available at https://www.boston.gov/sites/default/files/embed/c/cm10-and-cm11-standard-contract-doc-terms.pdf (last visited August 24, 2026).

[40] *Id.* at Art. 6.2, 6.3.

[41] Envirotrac first contracted with BPS on July 1, 2014.

[42] This contract was procured through a Commonwealth of Massachusetts Operational Services Division (OSD) statewide contract, PRF67 Environmental Engineering, Diagnostics and Testing.

[43] This contract was procured through an OSD statewide contract, PRF77 Environmental Engineering, Diagnostics, and Testing.

A. Water Filter Replacement Invoices

On April 1, 2020, Joe Warren and Sons, a Massachusetts-based commercial refrigeration and food equipment service and sales company, issued three invoices, each dated March 31, 2020, to now-retired BPS Facilities Management Department environmental specialist Jeffrey Lane. The invoices, totaling $13,694.76, were for the installation of water filters at various schools. As shown in Figure 9, Lane forwarded the invoices to an Envirotrac employee on the same day and asked, “Can you pay these invoices for drinking water fountain filter replacement from Joe Warren & Company through your contract?”

Figure 9. April 2020 email correspondence between Joe Warren and Sons, BPS, and Envirotrac.

From: Lane, Jeffrey [redacted]@bostonpublicschools.org>
Sent: Wednesday, April 01, 2020 11:55 AM
To: [redacted] [redacted]@envirotrac.com>
Subject: Fwd: Invoices

/
Hi [redacted]

Can you pay these invoices for drinking water fountain filter replacement from Joe Warren & Company through your contract?

Thanks,

Jeff

---------- Forwarded message ---------
From: [redacted] [redacted]@joewarren.com>
Date: Wed, Apr 1, 2020 at 8:40 AM
Subject: Invoices
To: [redacted]@bostonpublicschools.org < [redacted]@bostonpublicschools.org>

Hi Jeff,

I've attached copies of the three summery invoices along with the Compliance Statement for each school. Please note; the invoice 561318 did change. I added the Denis Haley School to that summery invoice. We changed four filters on 3/19/20. If you need anything else, just let me know.

Thanks

[redacted]

As shown in Figure 10, following the request, an Envirotrac manager emailed an Envirotrac accountant and stated, in part:

> Boston Public Schools is asking us if we can pay their contractor (who works for them under agreement and has to provide them with insurance certificates, etc) through our BPS contract as a “pass through” if you will. Can we do this with just obtaining their W9?

I have done this in the past but wanted to make sure. Please let me know when you get a chance.

Figure 10. April 2020 email correspondence between Envirotrac employees regarding Joe Warren and Sons passthrough.

From: [redacted]
Sent: Wednesday, April 1, 2020 1:34 PM
To: [redacted]@envirotrac.com>
Subject: FW: Invoices

Hey [redacted]

Hope all is well with you and family. See below – Boston Public Schools is asking us if we can pay their contractor (who works for them under agreement and has to provide them with insurance certificates, etc) through our BPS contract as a "pass through" if you will. Can we do this with just obtaining their W9? I have done this in the past but wanted to make sure. Please let me know when you get a chance.

Thanks,

[redacted]

On May 31, 2020, Envirotrac issued an invoice to BPS. Under the "consultants" portion of the invoice, the company included the three March 31, 2020 invoices from Joe Warren and Sons. Envirotrac charged BPS $15,064.24 through these invoices, comprised of Envirotrac's payment to Joe Warren and Sons ($13,694.76) plus a 10% markup ($1,369.48).

As shown in Figure 11, following this invoice, the Envirotrac manager emailed another Envirotrac employee and stated, in part, "Please see attached. The [certificate of insurance] for Joe Warren & Sons represents the timeframe they did work for Boston Public Schools – this is a 'passthrough' for BPS at their request and I do not expect to ever contracting [sic] with them directly."

BPS did not procure Joe Warren and Sons' services in a manner compliant with Chapter 30B. BPS did not have a written contract with Joe Warren and Sons for water filter replacement services in 2020, even though the company did more than $10,000 worth of work for BPS.

Figure 11. June 2020 email correspondence between Envirotrac employees regarding Joe Warren and Sons passthrough.

From:	[redacted]@envirotrac.com>
Sent:	6/18/2020 1:44:32 PM -0400
To:	[redacted]@envirotrac.com>
CC:	[redacted]@envirotrac.com>; [redacted]z@envirotrac.com>
Subject:	RE: Vendors and W9"s
Attachments:	[redacted]

[redacted]

Please see attached. The COI for Joe Warren & Sons represents the timeframe they did work for Boston Public Schools – this is a "passthrough" for BPS at their request and I do not expect to ever contracting with them directly. I do have a current one for them which they supplied initially, but Buhag wanted it for the timeframe they did the work for BPS, so I attached that version. The remaining should be in order and are current approved vendors. Let me know if you have any questions or require any additional information.

BPS did not procure Joe Warren and Sons' services in a manner compliant with Chapter 30B. BPS did not have a written contract with Joe Warren and Sons for water filter replacement services in 2020, even though the company did more than $10,000 worth of work for BPS. Moreover, Envirotrac's contract with BPS did not include water filter replacement services.

B. First Aid Kit Restocking Invoices

On November 17, 2020, an Envirotrac employee emailed their supervisor a copy of an invoice dated January 6, 2020, in the amount of $779.65 from Helco Safety Equipment Corporation (Helco), a Massachusetts-based industrial safety products company. As shown in Figure 12, the employee stated:

> Boston Public Schools Facilities Management has asked us to pass-through invoices for another service provider for them under our contract. We did this previously for another company, Joe Warren & Sons this past spring/summer. Helco provides safety supplies and does the first aid kit inspections for their science labs and administrative buildings. Attached is the [Certificate of Insurance] naming EnviroTrac as additionally insured and their W9. Please let me know if this is sufficient to process their invoices including the attached. I will process the attached invoice only after hearing back from you.

Figure 12. November 2020 email correspondence between Envirotrac employees regarding Helco invoices.

From:	[redacted]@envirotrac.com>
Sent:	11/17/2020 2:08:46 PM -0500
To:	[redacted]@envirotrac.com>
CC:	[redacted]@envirotrac.com>; [redacted]@envirotrac.com>
Subject:	BPS pass-through Invoice
Attachments:	COI 19-20 - EnviroTrac Ltd.pdf; W-9.pdf; Scan_20201116.pdf

[redacted]

Boston Public Schools Facilities Management has asked us to pass-through invoices for another service provider for them under our contract. We did this previously for another company, Joe Warren & Sons this past spring/summer. Helco provides safety supplies and does the first aid kit inspections for their science labs and administrative buildings. Attached is the COI naming EnviroTrac as additionally insured and their W9. Please let me know if this is sufficient to process their invoices including the attached. I will process the attached invoice only after hearing back from you.

Thank you.

[redacted]

On November 29, 2020, Envirotrac submitted an invoice to BPS. Included on the invoice under the line item "reimbursable expenses" was a line item labeled "Helco Safety Equipment," along with a copy of Helco's January 6, 2020 invoice. Envirotrac charged BPS $857.62, comprised of Envirotrac's payment to Helco ($779.65) plus a 10% markup ($77.97).

BPS did not procure Helco's services in accordance with Chapter 30B. In addition to other deficiencies, BPS did not have a written contract with Helco to purchase first aid kit supplies even though Helco provided more than $10,000 worth of supplies to BPS each year.

Between November 29, 2020, and February 26, 2023, Envirotrac paid a total of $58,655.00 to Helco across 38 invoices on behalf of BPS. Envirotrac received a total of $5,865.00 from BPS as compensation for paying these invoices.

BPS did not procure Helco's services in accordance with Chapter 30B. In addition to other deficiencies, BPS did not have a written contract with Helco to purchase first aid kit supplies even though Helco provided more than $10,000 worth of supplies to BPS each year.

C. Payment for past due invoices through a new procurement

By January 2023, as a result of BPS asking Envirotrac to pay unrelated invoices, BPS had run out of money in Envirotrac's contract budget to pay Envirotrac's remaining invoices. In a January 24, 2023 email to BPS Senior Environmental Supervisor Maria Carvalho, an Envirotrac manager stated:

After December 2022 invoicing, there is $6,777.68 remaining in our original $185,000 budget for July 1, 2022 – March 31, 2023, which is not enough remaining to finish the contract out. The following itemizes all the known work and subcontractor invoices that remain as well as a few estimated items based on unknowns which would require a Change Order to the contract.

In the email, the Envirotrac manager then itemized $86,382.88 in outstanding and estimated invoices, including $11,490.63 in past due invoices from Helco.

As shown in Figure 13, on January 31, 2023, the Envirotrac manager emailed Carvalho again and stated, in part, "As suggested yesterday, I had [an Envirotrac employee] generate a draft invoice for the Written Quote Contract – see attached." The email explained that the draft invoice "includes five (5) Helco Safety Invoices," as well as other overdue invoices. An invoice was attached to the email documenting $30,790.08 in outstanding amounts due, including $11,490.63 associated with Helco's invoices.

Figure 13. January 2023 email correspondence between Envirotrac and BPS.

From:	[redacted]@envirotrac.com>
Sent:	1/31/2023 3:13:49 PM -0500
To:	Maria Carvalho [redacted]@bostonpublicschools.org> [redacted]@bostonpublicschools.org>
CC:	[redacted]@envirotrac.com>
Subject:	WQC Draft Invoice for your review and other items
Attachments:	Draft 2023 January Invoice.pdf

Maria/Audrey,

As suggested yesterday, I had [redacted] generate a draft invoice for the Written Quote Contract - see attached. For explanation purposes:

Task 01.0000 Science Safety: this includes five (5) Helco Safety Invoices

Task 02.0000 Drinking Water Sampling: this includes the June 2022 invoice short pay $1,103.85, new draft January 2023 invoice amount $9,721.70 and the Adams/McKinley lab invoices I just received last week for $1,907.40 for a total of $12,732.95.

Task 03.0000 Mario Umana School: I had initially put $1,500.00 as an estimate; however, when [redacted] ran the draft January 2023 invoice for this project, the actual is $6,566.50 (includes the $5,406.50 MassDEP fee)

I have the following changes to the EnviroTrac PO amount and the WQC amount:

Increase the PO amount for Mildred Ave as the $1,078.00 MassDEP fee is on the draft January 2023 invoice, which I did not account for in my initial estimate of $3,000: new amount for Mildred $4,000

Increase the WQC amount for Umana from $1,500 to $8,500 (this reflects an increase due to the MassDEP fee and a little more money for additional project support between now and 3/31)

Please review and let us know if this works for invoicing purposes towards the WQC and if you have any questions on the increases.

Thank you,

[redacted]

On or about the next day, BPS issued a request for quotes (RFQ). This February 2023 RFQ was titled "Written Quote Contract Water Quality Testing" and sought to award a contract to:

> Provide water quality testing services for drinking water equipment and data consulting across various schools including, but not limited to Higginson Elementary, Mario Umana Academy, Adams Elementary, McKinley School. Testing lab must be able to provide the option of expedited results within 72 hours after samples have been collected.

On February 2, 2023, Envirotrac submitted a $38,000 quote in response to the RFQ. On or about February 21, 2023, BPS awarded the contract to Envirotrac. The OIG has not found evidence that any other company submitted a bid.

The February 2023 RFQ was not used to contract for future water quality testing. Rather, the new RFQ was used to award a contract to Envirotrac to cover outstanding Envirotrac invoices, including outstanding invoices from an entirely separate company (Helco). In an interview with the OIG, the Envirotrac manager stated that BPS issued the February 2023 RFQ to pay outstanding invoices owed to his company. He also stated that BPS used his January 31, 2023 email to write the February 2023 RFQ.

The February 2023 RFQ was not used to contract for future water quality testing. Rather, the new RFQ was used to award a contract to Envirotrac to cover outstanding Envirotrac invoices, including outstanding invoices from an entirely separate company.

D. Continuation of "passthrough" payments under Tighe and Bond

In April 2023, after its contract with Envirotrac ended, BPS entered a new contract with Tighe and Bond for environmental consulting and licensed site professional services.[44] BPS continued using this contract to pay invoices for vendors that it did not have contracts with, including Helco. Between October 2023 and December 2023, Tighe and Bond paid a total of $18,614.21 to Helco for supplies and services provided to BPS. Tighe and Bond billed BPS $20,475.65 for these invoices. This included reimbursement for the amount paid to Helco ($18,614.21), plus an additional 10% ($1,861.44).

Tighe and Bond also paid a total of $6,870.00 to the Massachusetts Department of Environmental Protection. These payments represented annual compliance fees that were invoiced directly to BPS for waste cleanup sites pursuant to the Massachusetts Contingency Plan. These fees were not related to services provided by Tighe and Bond. Tighe and Bond billed BPS $7,557 related to these payments. This included DEP licensing fees ($6,870), plus a 10% markup ($687).

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[44] An Envirotrac employee, who was BPS's point of contact, left Envirotrac to work for Tighe and Bond prior to BPS awarding its environmental consulting contract to Tighe and Bond. That employee became BPS's point of contact at Tighe and Bond and continued to coordinate passthrough invoices for BPS through Tighe and Bond.

Figure 14. November 2023 past due invoice from DEP to BPS, paid by Tighe and Bond.

PAST DUE

Remit to:

PAY ONLINE AT MASSPAYS.COM/DEP
DEPT. OF ENVIRON. PROTECTION
COMMONWEALTH MASTER LOCKBOX
P.O. Box 3982
BOSTON MA 02241-3982

Bill to:

CITY OF BOSTON
SCHOOL DEPARTMENT
ATTN: MARIA CARVALHO
1216 DORCHESTER AVE
DORCHESTER MA 02125-1504

Customer Name		PAGE 1
CITY OF BOSTON		
Customer Number	Invoice Number	Notice Date
VC6000192075	INTP94544RT3X0036825	11-27-23
E-Payment ID	ARDept/BPRO	Due Date
0068018098	BQE:SCAI	11-25-23
	Amount Due	Amount Enclosed
	$2,455.00	

Payment Method: Check ☐ Money Order ☐

☐ Please check if address has changed. Write correct address on back of stub and attach with payment

Please write Invoice No on front of check or Money Order. DO NOT MAIL CASH

Please detach the above stub and return with your remittance payable to COMMONWEALTH OF MASS OR ONLINE AT MASSPAYS.COM/DEP

Commonwealth of Massachusetts
DEPARTMENT OF ENVIRONMENTAL PROTECTION
PAST DUE NOTICE

Page : 1

Customer Number
VC6000192075

Customer Name	Invoice Number	Notice Date	Due Date
CITY OF BOSTON	INTP94544RT3X0036825	11-27-23	11-25-23

Invoice charges and Other charges

Ref Line No.	DESCRIPTION	Invoice Date	No.of Units	Unit of Measure	Unit Price	Charges/ Credit
1	Year Ending 5/13/2023 TIER II Fee	09-26-23			$0.00	$2,455.00
					TOTAL Charges	$2,455.00

Credit Payments Applied	$0.00
Total Amount Due By 11-25-23	$2,455.00

Description
THIS INVOICE RELATES TO RTN 3-0036825, MARIO UMANA ACADEMY, 312 BORDER STREET, EAST BOSTON, MA 02128

DEP RECORDS INDICATE THAT THE ABOVE REFERENCED ANNUAL COMPLIANCE ASSURANCE FEE(S) ARE APPLICABLE TO THIS SITE FOR THE BILLABLE YEARS INDICATED ABOVE. PAYMENT IS NOT AN ADMISSION OF LIABILITY PURSUANT TO C.21E SECTION 5. TO ENSURE PROPER CREDITING, PLEASE INCLUDE YOUR FEDERAL TAX IDENTIFICATION NUMBER OR SOCIAL SECURITY NUMBER ON THE VERIFICATION FORM INCLUDED WITH THE ORIGINAL INVOICE. PLEASE CONTACT DEP FOR INFORMATION OR ASSISTANCE.
Instructions
NEW PAYMENTS CAN NOW BE MADE ONLINE. LOG ONTO THE MASSACHUSETTS DEPARTMENT OF ENVIRONMENTAL PROTECTION E-PAYMENTS WEB SITE AT HTTPS://MASSPAYS.COM/DEP

YOUR ACCOUNT IS PAST DUE. PLEASE DISREGARD THIS NOTICE IF FULL PAYMENT WAS MADE. PLEASE CALL THE NUMBER LISTED AT THE BOTTOM OF THIS INVOICE IF YOU HAVE ANY QUESTIONS. PLEASE FOLLOW PREVIOUSLY SENT BILLING RIGHTS FOR WRITTEN REQUESTS FOR REVIEW. NON-PAYMENT WILL RESULT IN INTEREST, LATE CHARGES, INTERCEPT OF STATE OR FEDERAL PAYMENT OR TAX REFUNDS AND REFERRAL TO DEBT COLLECTION UNDER C.7A, C.62D AND 815 CMR 9.00.

II. BPS Asbestos Monitoring and Indoor Air Quality Consulting Services Contract

In 2018, BPS contracted with Yee Consulting Group, Inc. (Yee Consulting), a now-inactive Massachusetts-based environmental engineering firm, to provide asbestos project monitoring and indoor air quality consulting services.[45] The contract was for a three-year term and valued at over $1 million.[46] In 2020, the contract was amended to include additional asbestos monitoring and indoor air quality testing.

[45] In interviews with the OIG, a Yee Consulting employee stated that the entity is inactive. The corporations database maintained by the Secretary of the Commonwealth does not show articles of dissolution for Yee Consulting.

[46] The OIG understands that Yee Consulting maintained contracts with BPS beginning as early as 2013.

The contract was amended for a second time in 2021 to include additional air quality testing services for BPS.

A. Purchase of Miscellaneous Items

On several occasions, BPS staff members within the Facilities Management Department asked Yee Consulting to purchase items from online retailers or to pay software subscriptions not related to the services procured. For example, on March 17, 2020, Carvalho emailed Yee Consulting, copying Lane, and stated, “Below is the list of (8) items for you to purchase for the Environmental Division from the amazon. [sic] since I couldn't find what we need at the Best Buyer [sic]. Please call me if you have any questions. Thanks for your help.” Carvalho included a link to an Amazon webpage that included computer items in the email. See Figure 15.

On March 18, 2020, Yee Consulting billed BPS $3,356.51, comprised of reimbursement to Yee Consulting for the Amazon purchase ($3,051.37) plus a 10% markup ($305.14).

Figure 15. March 2020 email correspondence between BPS and Yee Consulting.

From: "Carvalho, Maria" [redacted]@bostonpublicschools.org>
To: "[redacted] Yee" [redacted].yee[redacted], "[redacted]
Cc: "Jeffrey Lane" [redacted]@bostonpublicschools.org>
Subject: List of items to be purchased
Date: Tue, 17 Mar 2020 12:51:22 -0400
Importance: Normal

Hi [redacted]
Below is the list of (8) items for you to purchase for the Environmental Division from the amazon. since I couldn't find what we need at the Best Buyer. Please call me if you have any questions.
Thanks for your help,
Maria

https://www.amazon.com/gp/cart/view.html?ref_=nav_cart

Maria F. Carvalho
Sr. Environmental Supervisor

Boston Public Schools
Facilities Management|Department of Planning & Engineering
1216 Dorchester Avenue | Dorchester | MA 02124 | USA
[redacted]

In another example, on February 11, 2021, a project manager with BPS emailed a BPS senior environmental technician and asked if they could get a subscription to Adobe Acrobat. On February 24, 2021, the senior environmental technician emailed the project manager and stated, in part, “when you are free and are ready to put payment information into your Adobe account, please call [Yee Consulting]. He will help process payment for the annual subscription. Please let me know if you have any questions.” See Figure 16.

Between August 2019 and September 2021, Yee Consulting billed BPS $1,051.15 for Adobe Acrobat subscriptions for BPS employees. The amounts billed included reimbursement to Yee Consulting ($955.60) plus a 10% markup ($95.55).

Figure 16. February 2021 email correspondence between BPS and Yee Consulting.

From: [redacted]@bostonpublicschools.org>
To: '[redacted]@bostonpublicschools.org>, '[redacted]" [redacted]
Subject: Re: Adobe Subscription
Date: Wed, 24 Feb 2021 13:38:07 -0500
Importance: Normal

Hi [redacted] and [redacted]

[redacted] when you are free and are ready to put payment information into your Adobe account, please call [redacted] Yee at [redacted]. He will help process payment for the annual subscription. Please let me know if you have any questions.

Thanks,
[redacted]

B. BPS Consultant Invoices

The BPS Facilities Management Department employed a senior environmental engineer from 1995 until 2010. The engineer relocated to Connecticut in 2010 and had to stop working for BPS due to the city of Boston's residency requirement for its employees.[47] In 2013, the engineer wanted to return to work for BPS but did not want to leave Connecticut. In interviews with the OIG, the engineer said that former BPS Facilities Management Department environmental specialist Jeffrey Lane (now retired) arranged for the engineer to work on BPS projects as a 1099 contractor for Yee Consulting.[48] The engineer worked for BPS through Yee Consulting's contract for eight years until the firm's contract ended in 2021.

The engineer was neither a legitimate Yee employee nor an independent contractor of BPS. Email correspondence between the engineer and Lane indicates that the engineer's employment was under the control and direction of BPS. For example, on June 21, 2019, Lane sent an email to the engineer with a list of tasks for the engineer to complete, including drafting letters to contractors working in BPS schools to comply with federal environmental laws.

Furthermore, Lane regularly reviewed and approved the engineer's timesheets before sending them to Yee Consulting for payment. For example, on March 12, 2021, the engineer emailed her

[47] City of Boston workers must be a resident by their first day of work, absent a waiver. *See* City of Boston Code of Ordinances, Employee Residency Requirement, c. 5, § 5-5.3. Some unions have agreements with the city of Boston which exempt union members from the residency requirement after a specified number of years. *See Residency Requirements for City Workers*, City of Boston, available at https://www.boston.gov/departments/human-resources/residency-requirements-city-workers (last visited August 24, 2026).

[48] The OIG notes that State Ethics Law prohibits public employees from using their position to secure "unwarranted privileges" for others that are "of substantial value and which are not properly available to similarly situated individuals." M.G.L. c. 268A, § 23(b)(2).

timesheets for February 16, 2021, through March 12, 2021, to Lane, Carvalho, and Yee Consulting. As shown in Figure 17, on March 15, 2021, Lane responded and stated, "[T]ime sheets are okay for payment."

The OIG found evidence that Lane approved the engineer's timesheets regularly between January 2019 and June 2021. During that time period, Yee Consulting billed BPS $109,510.35 for reimbursement related to the engineer. This amount included Yee Consulting's payments to the engineer ($99,550.00), plus a 10% markup ($9,960.35).

Figure 17. March 2021 email between Lane, Carvalho, Yee Consulting, and the senior environmental engineer.

From: "Lane, Jeffrey" [redacted]@bostonpublicschools.org>
To: "[redacted]" [redacted]>
Cc: "Maria F. Carvalho" [redacted]@bostonpublicschools.org>, [redacted] Yee" [redacted].yee@[redacted]
Subject: Re: Time Sheets: 2/14/21 - 2/27/21 and 2/28/21 - 3/13/21
Date: Mon, 15 Mar 2021 08:27:20 -0400
Importance: Normal

Hi [redacted]

Things are going well up here. [redacted]

[redacted] time sheets are okay for payment.

Take Care,

Jeff

On Fri, Mar 12, 2021 at 8:27 PM [redacted] wrote:

Hi Guys -

Hope you are all doing well! Things are good down in CT. [redacted]

Attached are two timesheets: 2/14/21 - 2/27/21 and 2/28/21 - 3/13/21.

Have a great weekend!

[redacted]

As the contract between BPS and Yee Consulting was ending, the future for the engineer was unclear. As shown in Figure 18 an employee at Yee Consulting worked to ensure final payment to the engineer for services rendered.

Figure 18. June 2021 email between Yee Consulting and the environmental engineer.

On Mon, Jun 28, 2021 at 9:26 AM [redacted].yee@[redacted]> wrote:

Hi [redacted]

Fiscal Year 2021 for BPS is this coming Wednesday, I will be in Stoughton this coming Wednesday to do final invoicing through our contract.
Therefore, please email me your timesheet for hours through June 30th. I don't know what will happen after June 30th for you but I don't believe you can collect unemployment benefits (LOL).

III. Mechanical and Environmental Services Contract

On June 30, 2021, the contract between BPS and Yee Consulting expired. Instead of ending the relationship with the engineer, BPS found a new "passthrough" company to pay the engineer: Petroleum Management Services, Inc. (Petroleum Management), a company that contracts with BPS to provide mechanical and environmental engineering services.[49]

As shown in Figure 19, on October 19, 2022, the engineer emailed Carvalho an invoice addressed to BPS for $31,790 and asked, "How is this?" Carvalho responded the same day and stated, "Maybe just summarize the scope of work and add the date, then I will send it to petroleum and go from there." The engineer responded to Carvalho with a revised invoice.

Figure 19. October 2022 email exchange between Carvalho and the senior environmental engineer.

From: "[redacted]
To: "Carvalho, Maria F." [redacted]@bostonpublicschools.org>
Subject: Re: BPS Invoice
Date: Wed, 19 Oct 2022 14:47:18 -0400
Importance: Normal
Attachments: BPS_Invoice.pdf

Here is the revised invoice. Thanks!

On Wed, Oct 19, 2022 at 2:39 PM Carvalho, Maria F. [redacted]@bostonpublicschools.org> wrote:
The dates should be for FY-22: You will be paid under the 2021-2022 contract which runs from July 30, 2021 through June 30, 2022.

Maria F. Carvalho
Chief Environmental Technician

Boston Public Schools
Facilities Management|Department of Planning & Engineering
1216 Dorchester Avenue | Dorchester | MA 02124 | USA
[redacted]@bostonpublicschools.org

On Wed, Oct 19, 2022 at 2:17 PM [redacted] wrote:
What dates should I put? Just this year?

On Wed, Oct 19, 2022 at 1:39 PM Carvalho, Maria F. [redacted]@bostonpublicschools.org> wrote:
Hi [redacted]

This looks good, but then i found this email that [redacted] had sent to me about your invoice:

Data entry services to BPS AHERA Program from _____, 2021 through ______, 2021

Maybe just summarize the scope of work and add the date, then I will send it to petroleum and go from there.
Thanks,
Maria

Maria F. Carvalho
Chief Environmental Technician

Boston Public Schools
Facilities Management|Department of Planning & Engineering
1216 Dorchester Avenue | Dorchester | MA 02124 | USA
[redacted]@bostonpublicschools.org

On Wed, Oct 19, 2022 at 12:22 PM [redacted]> wrote:
Hi Maria -

How is this?

[49] Petroleum Management currently holds a 12-month, $592,000 contract with BPS that expires on June 30, 2027.

On October 21, 2022, the engineer forwarded the revised invoice to Petroleum Management, copying Carvalho. See Figure 20. The invoice for "services to the BPS AHERA Program from 8/1/21 through 4/1/22" was addressed to BPS and totaled $31,790.

Figure 20. October 2022 email correspondence between senior environmental engineer and Petroleum Management.

From: [redacted]
To: [redacted]@petroman.com, [redacted]@petroman.com
Cc: "Maria F. Carvalho" [redacted]@bostonpublicschools.org>
Subject: BPS Invoice - [redacted]
Date: Fri, 21 Oct 2022 11:08:04 -0400
Importance: Normal
Attachments: BPS_Invoice.pdf

Hi [redacted] and [redacted] -

Attached is the invoice for consulting work I have done for the Boston Public Schools. Please reach out if you have any questions.

Thanks so much!

[redacted]

On an invoice dated October 1, 2022, Petroleum Management billed BPS $34,969 for "Services to the BPS Ahera Program from 8/1/2021." The total included the engineer's invoice ($31,790) plus a 10% markup ($3,179).

The engineer acknowledged to OIG investigators that her work was not related to Petroleum Management and stated that this arrangement was made solely to facilitate payment for her completed work for BPS.[50]

IV. HVAC Controls Contract

On July 1, 2020, BPS entered a three-year $14.8 million contract with ENE Systems, Inc. (ENE), a Massachusetts-based heating, ventilation, and air conditioning (HVAC) controls company. The contract was for ENE to provide "preventative maintenance and installation of mechanical equipment at various Boston Public Schools." Concurrently, ENE held a second contract with BPS, a three-year $5.9 million contract for "preventative maintenance for automatic temperature controls and management systems in various Boston Public Schools."[51]

[50] The OIG understands that the engineer is currently employed by a BPS vendor and that BPS personnel arranged her employment with that vendor. The OIG further understands that the vendor does not bill BPS directly for her services, nor does it markup any invoices for her services.

[51] ENE currently holds two contracts with BPS. They are valued at $18.5 million in total and expire on June 30, 2027.

A. Plumbing Services Invoices[52]

In October 2021, Boston Mechanical Inc. (Boston Mechanical), a Massachusetts-based plumbing and HVAC company, contacted the Boston Finance Commission and complained that it had not received full payment for services performed for BPS dating back to 2018.[53] Boston Mechanical claimed that BPS owed $164,488.84. Upon receipt of the complaint, the Boston Finance Commission contacted BPS officials, who indicated they would review the invoices and issue payment. Over the next year, Boston Mechanical contacted BPS and the Boston Finance Commission multiple times, claiming that it still had not been paid in full.

On January 24, 2023, an ENE employee sent an email to BPS Assistant Director of Planning and Engineering Anthony Pomella. The email contained the subject line "Boston Mechanical" and stated:

> In follow up to our phone conversation, our acct. system requires that we allocate all costs to individual bldgs. This was put in place by BPS request a few years ago. Hence, we need to allocate Boston Mechanical invoice ($164,xxx.oo) [sic] to some bldgs. Our default is typically The Campbell Resource Center. So without the individual bldgs., I have authorized the admin. staff to allocate it 100% to The Campbell Resource Center.[54]

On February 3, 2023, ENE paid Boston Mechanical $164,488.84, the same amount that BPS owed Boston Mechanical. On May 8, 2023, the ENE employee sent an email to Pomella and stated:

". . . our acct. system requires that we allocate all costs to individual bldgs . . . Our default is typically The Campbell Resource Center."

> Pls. see the attached subcontract issued to Boston Mechanical by ENE Systems, inc. on 1-12-2023. Also incl. is their quote to us and my handwritten request to our office to issue their subcontract

---

[52] This matter was discussed in a May 2023 report issued by the Boston Finance Commission, reproduced herein in **Appendix A**. *See also* Naomi Martin, *Boston Public Schools' improper billing practice wasted $25,000, opened avenues for potential corruption, city finds*, BOSTON GLOBE (May 15, 2023), available at https://www.bostonglobe.com/2023/05/15/metro/boston-public-schools-improper-billing-practice-wasted-25000-opened-avenues-potential-corruption-city-finds/ (last visited August 24, 2026).

[53] The Boston Finance Commission is a five-member commission established pursuant to Section 17 of Chapter 486 of the Acts of 1909. The commission's mission is to "investigate any and all matters relating to appropriations, loans, expenditures, accounts, and methods of administration affecting the city of Boston" and to report its findings to the mayor, city council, Governor, or the Legislature. 1909 Mass. Acts c. 486, § 18.

[54] As discussed further in Finding 20, this interaction illustrates an example of a process that is designed to be a control but in practice does not control against improper conduct.

Figure 21. May 2023 email correspondence between BPS and ENE.

From: Pomella, Anthony [redacted]@bostonpublicschools.org>
Sent: Monday, May 08, 2023 4:31 PM EDT
To: [redacted]@enesystems.com>
CC: [redacted]
Subject: Re: subcontract to [redacted], Inc. 1-12-2023

This is good, but I also need your invoice to BPS. The $164,488.84 + 15% MU.

On Mon, May 8, 2023 at 4:25 PM [redacted]@enesystems.com> wrote:

> Hi Tony:
>
> Pls. see the attached subcontract issued to [redacted] by ENE Systems, inc. on 1-12-2023.
>
> Also incl. is their quote to us and my handwritten request to our office to issue their subcontract
>
> Let me know if you need anything else ?
>
> [redacted]

--
Anthony T. Pomella
Assistant Director-Mechanical Engineer
Office of Planning & Engineering - Boston Public Schools
1216 Dorchester Avenue, Dorchester, MA 02125
[redacted]

The email included a January 11, 2023 invoice from Boston Mechanical to ENE in the amount of $164,488.84 and a document titled "Subcontract Agreement" between ENE and Boston Mechanical dated January 12, 2023. The subcontract agreement falsely stated that the contract was to "[p]rovide miscellaneous plumbing services for various city of Boston Public Schools, for Fiscal Year 2022, in accordance with your estimate dated 1/11/2023, copy attached." The subcontract agreement was deceptive because Boston Mechanical was not a subcontractor of ENE, but rather Boston Mechanical had performed work under a contract with BPS that ran out of funds. Furthermore, the subcontract agreement states that the work was in Fiscal Year 2022, when in fact, the work was completed prior to Fiscal Year 2022.

Pomella responded to the email the same day and stated, "[t]his is good, but I also need your invoice to BPS. The $164,488.84 + 15% MU." "MU" stands for "markup."

ENE billed BPS $189,162.17 for reimbursement of the Boston Mechanical invoice through its preventative maintenance and installation of mechanical equipment contract. This amount was comprised of the funds BPS owed to Boston Mechanical ($164,488.84) plus a 15% markup ($24,673.33).

B. McCormack Middle School Invoices

On October 14, 2022, Pomella sent an email to an ENE employee that included invoices associated with renovation work that Paul J. Rogan Co., Inc. (Rogan), a Massachusetts-based construction company, performed at the John W. McCormack Middle School. In the email, Pomella instructed the ENE employee to "facilitate payment" to Rogan under ENE's contract. On December 19, 2022, Rogan forwarded eight additional invoices for other work completed at the John W. McCormack Middle School to ENE. The invoices, totaling $46,883.40, were for work including, but not limited to, ceiling removal, tile installation, and the construction of window panels. Each invoice was addressed to BPS and Pomella.

In December 2022, ENE facilitated payment to Rogan under ENE's preventative maintenance and installation of mechanical equipment contract. ENE billed BPS $53,915.51. This included ENE's payment to Rogan ($46,883.40) plus a 15% markup ($7,032.51).

C. Painting Invoices

Homer Contracting (Homer) is a Massachusetts-based construction company that was hired by BPS to perform various contracting work at East Boston High School, including floor and room painting. On October 10, 2022, Homer sent an invoice for $54,481.00 to Pomella for work completed at East Boston High School. On October 12, 2022, Pomella forwarded the invoice to ENE. In February 2023, ENE billed BPS a total of $65,068.15 through its preventative maintenance and installation of mechanical equipment contract. This amount included ENE's payment to Homer ($54,481.00) plus an approximately 19.5% markup ($10,587.15).

V. Multicultural Book World Contracts[55]

Between July 2018 and June 2025, Inner City Business Ventures Inc. d/b/a Multicultural Book World (Multicultural Book World) sold books to BPS under three separate contracts.[56] The first contract ran from July 2018 through June 2021, the second contract ran from July 2022 through June 2024, and the third contract ran from January 2025 through June 2025.[57]

Figure 22. Summary of BPS contracts with Multicultural Book World.

Contract #	Duration	Amount
1	July 2018–June 2021	$1,000,000
2	July 2022–June 2024	$2,500,000
3	January 2025–June 2025	$250,000

The first two contracts were agreements "to provide dual-language, all-inclusive, multicultural, and other books and texts" to BPS. These contracts were awarded pursuant to Section 7 of Chapter 30B of the Massachusetts General Laws, which governs sole source procurements. As sole source procurements, BPS did not competitively solicit bids for these contracts. Cover letters from BPS for both sole source procurements stated, "Because these books and educational materials are unique to a particular publisher, I have determined that only one practicable source exists." The cover letter for the first contract was signed by the former Interim Superintendent on July 25, 2018, and approved by former

[55] The Boston Finance Commission shared their research into this specific matter with BPS in a November 2024 letter. **Appendix B** of this report contains a copy of the letter.

[56] The legal entity of Inner City Business Ventures Inc. did business as "Multicultural Book World" with BPS and operates the Frugal Bookstore in Boston.

[57] The third contract was executed after the OIG submitted its document request to BPS. It was not reviewed as part of the OIG's investigation.

Mayor Walsh on August 10, 2018. The cover letter for the second contract was signed by the now former BPS Business Director on September 7, 2021, and approved by acting Mayor Janey on September 16, 2021. The OIG requested all documentation related to the procurement, and BPS did not provide documentation supporting a sole source procurement determination.

A. First Contract (July 2018-June 2021)

The first contract between BPS and Multicultural Book World commenced July 1, 2018, and was not to exceed $1 million. Multicultural Book World provided textbooks and educational materials to BPS for more than three years. The contract documents included a Shipping Charges/Prompt Pay Discount form stating, "Shipping charges of 5% will be calculated based on the value of the order placed unless other arrangements or price quotes clearly indicate a waiver of shipping costs." Over the duration of the contract, BPS was charged for shipping 26 times out of 645 orders, for a total of $7,033 in shipping costs. Except for three instances, the shipping charges fell within the parameters of the agreement.

As shown in Figure 23, over the course of the first contract, Multicultural Book World fulfilled 645 orders for BPS and received approximately $936,000. BPS ordered over 100,000 books across approximately 1,800 different book titles. Many of these titles included multilingual and multicultural books which are typically in less demand and more difficult to source. Some books that Multicultural Book World provided, however, were mass market, widely available titles such as *The Giver* (672 copies) and *The Color Purple* (30 copies), and therefore not consistent with a sole source procurement.

Figure 23. Multicultural Book Work first contract summary.

First Contract (2018-2021)	
Total Spent	$935,982.42
Number of Books	106,403
Different Titles	1,800
Cost of Books	$928,949.27
Number of Orders	645
Orders with Shipping	26 (4%)
Total Spent on Shipping	**$7,033.15 (1%)**

B. Second Contract (July 2021-June 2024)

The second contract between BPS and Multicultural Book World commenced July 1, 2021, and initially was not to exceed $2 million. The parties amended the contract twice, increasing the amount in July 2023 to $2.2 million and increasing the amount in November 2023 to $2.5 million.[58] Significantly, unlike the first contract, the second contract did not include language restricting shipping costs. BPS told the OIG that there is no standard practice for including shipping restrictions in contracts, but that shipping

[58] Under Section 13 of Chapter 30B of the Massachusetts General Laws, governmental bodies may increase the value of a supplies or services contract so long as, among other requirements, "the increase in the total contract price does not exceed 25 per cent. ..." Accordingly, the increase of contract value from $2 million to $2.5 million was allowed under Chapter 30B.

costs should be included in bid prices and vendors typically charge less than 10% of the total cost of goods for shipping.

Over the course of the second contract, Multicultural Book World fulfilled 943 orders for BPS and billed approximately $2,430,000. BPS ordered over 160,000 books across approximately 130 titles. Again, many of these titles included multilingual and multicultural books, but others were mass market, widely available titles, such as *Macbeth* (134 copies) and *To Kill A Mockingbird* (100 copies).

Out of 943 orders on the second contract, 576, or over 60% of the orders, included shipping charges. Of these shipping charges, some were extremely high – including a $211 shipping charge on a book order that cost $95 (221% of the order value). When shipping was charged the average shipping charge on this contract was 10% of the value of the order. Over the course of the second contract, Multicultural Book World received approximately $171,000 (7%) in shipping charges. The largest single shipping charge was over $52,000, on a roughly $66,000 book order.

The lack of a shipping agreement in the second contract is a troubling outcome from contract negotiations. Interviews with BPS and a review of procurement files did not provide an explanation for the removal of the shipping agreement. A review of invoices from the second contract, detailed in Figure 24, shows that BPS spent significantly more on shipping while receiving no added value to the services provided.

The largest single shipping charge over the course of the second contract was over $52,000, on a roughly $66,000 book order.

Figure 24. Multicultural Book World second contract summary.

Second Contract (2022-2024)	
Total Spent	$2,430,651.36
Number of Books	164,235
Different Titles	130
Cost of Books	$2,259,616.76
Number of Orders	943
Orders with Shipping	576 (61%)
Total Spent on Shipping	**$171,034.60 (7%)**

1. Invoice Review

For books delivered under the second contract, the OIG identified 49 orders with shipping charges over 10% of the goods ordered.[59] Those shipping charges ranged from 11% to 221% of the order value and totaled $105,000.

[59] Unlike the first contract, which limited shipping costs to 5% of the cost of goods, the second contract did not contain a shipping cost agreement. The OIG reviewed invoices with shipping costs of greater than 10% of the cost of goods. In an interview with the OIG, BPS officials stated that they considered shipping costs of 10% of the cost of the goods to be reasonable.

Some of the identified invoices included backordered books which had not shipped at the time of invoicing. On those invoices, shipping was charged based on the total price of all the books ordered, including backordered books. The OIG observed that BPS made it a practice to pay the shipping upfront for backordered titles without considering the cost of the delayed goods. In some instances, factoring in the additional cost of the backordered titles caused the inflated shipping costs to fall to under 10% of the total order when the cost of the backordered titles is included. For example, one purchase order shows an additional $2,226.15 in backordered goods associated with an invoice, lowering the shipping cost percentage from 106% to 8%, as shown in Figures 25 and 26.

Figure 25. Invoice including backordered titles with $192.60 in shipping costs on goods costing $181.39 (106%).[60]

Multi-Cultural BOOK WORLD

BILL TO
Boston Public Schools
BPS-Auditing

SHIP TO
BPS - ADMINISTRATIVE OFFICES - MAIN BOLLING

INVOICE 11533

DATE 12/20/2022 TERMS Net 30 DAYS

DUE DATE 01/19/2023

P.O. NUMBER
9000153493

DATE	DESCRIPTION	QTY	AMOUNT
	YOUNG ACHIEVERS	6	98.94
	ENGLISH HIGH	5	82.45
	SHIPPING	1	192.60
	BACKORDERED ITEMS		
	DEARBORN; AMERICAN PLAGUE (85 COPIES)		
	HIGGINSON/LEWIS K-8; AMERICAN PLAGUE (50 COPIES)		

Thank you for business! We accept ACH Payments and credit cards. Checks can be mailed to the address on the invoice. We appreciate your business and look forward to helping you again soon!

TOTAL DUE $373.99

Shipping costs

Backordered items

[60] Shipping charge falls to 8% with additional $2,226.15 in backordered goods.

Figure 26. Purchase order showing value of backordered goods.

City of Boston
Purchase Order

Boston Public Schools

BPS - Purchasing
Bolling Municipal Building

Dispatched		
Purchase Order	Date 2022-08-11	Revision
Payment Terms 00	Freight Terms Destination, Freight Prepaid	
Buyer		

Inner City Business/Multicultural Book

Bill To: BPS - Auditing
Bolling Municipal Building

Ship To: BPS - Administrative Offices - Main

Tax Exempt? State Tax Exempt Contract ID:

Line-Sch	Item/Description	Quantity	UOM	PO Price	Extended Amt	Due Date
1 - 1	Dearborn; ISBN: 9780395776087; AMERICAN PLAGUE: THE TRUE AND TERRIFYING STORY OF THE YELLOW FEVER EPIDEMIC OF 1793, MURPHY, J.	85.00	EA	16.49	1401.65	08/16/2022
	53909-200-101801-2590-0000-2022-BPS22656	85.00				
2 - 1	Higginson/Lewis K-8	50.00	EA	16.49	824.50	08/16/2022
	53909-200-101801-2590-0000-2022-BPS22656	50.00				
3 - 1	Young Achievers	6.00	EA	16.49	98.94	08/16/2022
	53909-200-101801-2590-0000-2022-BPS22656	6.00				
4 - 1	English High	5.00	EA	16.49	82.45	08/16/2022
	53909-200-101801-2590-0000-2022-BPS22656	5.00				
5 - 1	Shipping & Handling	1.00	EA	192.60	192.60	08/16/2022
	53909-200-101801-2590-0000-2022-BPS22656	1.00				

Total PO Amount 2600.14

In other instances of invoices with backordered titles, the inflated shipping costs fell to a rate higher than 10%, even factoring in the cost of the backordered titles. For example, a $482.31 shipping charge on $1,826.24 worth of goods (26%) falls to 15% when an additional $1,389.15 is included, as shown in Figures 27 and 28.

Figure 27. Invoice including backordered titles with $482.31 in shipping costs on goods costing $1,826.24 (26%).[61]

Multi-Cultural BOOK WORLD

BILL TO
Boston Public Schools

SHIP TO
BPS - ADMINISTRATIVE OFFICES - MAIN BOLLING

INVOICE 11507

DATE 12/20/2022 TERMS Net 30 DAYS

DUE DATE 01/19/2023

P.O. NUMBER
9000153806

DATE	DESCRIPTION	QTY	AMOUNT
	THE GREAT KAPOK TREE	16	107.84
	RAINFOREST FOOD CHAINS	11	69.96
	AMAZON ADVENTURE	15	123.60
	SILVER PEOPLE	13	87.62
	MARGARITO'S FOREST	13	154.44
	LIFE IN THE AMAZON RAINFOREST	26	103.74
	MY HOME IN THE RAINFOREST	16	76.16
	JAGUAR	16	95.84
	MEZ'S MAGIC	16	83.84
	BREAKFAST IN THE RAINFOREST	16	102.24
	NO MONKEYS, NO CHOCOLATE	16	102.24
	THE FOREVER FOREST	16	107.36
	JOURNEY TO THE RIVER SEA	16	115.04
	THE EXPLORER	16	107.84
	RAINFORESTS	16	172.64
	TROPICAL RAINFORESTS	16	215.84
	SHIPPING	1	482.31
	BACKORDERED TITLES		
	SEEDS OF CHANGE		
	THE AMAZON (DK)		
	ONE DAY IN THE TROPICAL RAIN FOREST		
	RAIN FOREST RELAY		
	ANIMAL POEMS OF THE IGUAZU		

Thank you for business! We accept ACH Payments and credit cards. Checks can be mailed to the address on the invoice. We appreciate your business and look forward to helping you again soon!

TOTAL DUE $2,308.55

[61] Shipping charge falls to 15% with an additional $1,389.15 in backordered goods.

Figure 28. Portions of purchase order showing value of backordered goods.

City of Boston
Purchase Order

Boston Public Schools

BPS - Purchasing
Bolling Municipal Building

Dispatched		
Purchase Order BPS01-9000153806	**Date** 2022-08-18	**Revision**
Payment Terms 00	**Freight Terms** Destination, Freight Prepaid	
Buyer		

Inner City Business/Multicultural Book

Bill To: BPS - Auditing
Bolling Municipal Building

Ship To: BPS - Administrative Offices - Main
Bolling Municipal Building

Tax Exempt? **State Tax Exempt ID:** **Contract ID:**

Line-Sch	Item/Description	Quantity	UOM	PO Price	Extended Amt	Due Date
2 - 1	9781600603679 Seeds of Change "Johnson, Jen Cullerton"	19.00	EA	16.96	322.24	08/23/2022
6 - 1	9781465435668 The Amazon (DK Eyewitness Books Series) DK Publishing	13.00	EA	7.99	103.87	08/23/2022
9 - 1	9780064420167 One Day in the Tropical Rain Forest George, Jean Craighead	96.00	EA	4.49	431.04	08/23/2022
10 - 1	9780545773539 Rain Forest Relay Earhart, Kristin	96.00	EA	3.99	383.04	08/23/2022
19 - 1	9780892392995 Animal Poems of the IguazÃº: Animalario del IguazÃº AlarcÃ³n, Francisco X.	16.00	EA	9.31	148.96	08/23/2022

Multicultural Book World informed the OIG that backordered titles were delivered directly to the school with no secondary delivery fee for BPS. While BPS was not ultimately double-charged for shipping on backordered books, BPS should not have been billed for shipping on books which were not actually shipped. An invoice containing backordered books should not have included the cost of those backordered books in shipping charges.

BPS should have been aware of and questioned excessive shipping charges. For example, on one invoice (shown in Figure 29), the line item for shipping and handling mistakenly showed a quantity of six, as opposed to the standard shipping quantity of one. This apparent data entry error resulted in an additional $450 that should not have been charged and brought the cost of shipping up to 101% of the total order. Additionally, the base shipping rate for this order, $90, was 17% of the total. A review of this invoice should have caught the data entry error as well as the excessive shipping charge.

Figure 29. Invoice showing data entry error on shipping and handling (S&H) charge.

Multi-Cultural BOOK WORLD

BILL TO
Boston Public Schools

SHIP TO
King Middle School

INVOICE 11062

DATE 07/20/2022 **TERMS** Net 30 DAYS

DUE DATE 08/19/2022

P.O. NUMBER
9000150006

DATE	DESCRIPTION	QTY	AMOUNT
	THE YEAR WE LEARNED TO FLY	6	91.14
	HAPPY IN OUR SKIN	6	38.34
	THE QUEEN OF KINDERGARTEN	1	14.39
	SAY HELLO	1	14.39
	BRICK BY BRICK	6	86.34
	THE ANIMALS WOULD NOT SLEEP	6	33.54
	JABARI TRIES	6	81.54
	MI CASA IS MY HOME	6	81.54
	BUILDING ZAHA	6	91.14
	S&H	6	540.00

Thank you your for business! We accept ACH Payments and credit cards. Checks can be mail to the address on the invoice.

TOTAL DUE **$1,072.36**

Additionally, many invoices simply had exorbitantly high shipping amounts that could not be explained by backordering or data entry errors.[62] For example, one invoice (shown in Figure 30) for four books, costing $96, carried a $211 shipping charge (221%). These four books were shipped from Multicultural Book World to the BPS administrative offices, both in Roxbury, and three blocks apart.

[62] In an interview the OIG requested backup documents supporting these shipping charges, but Multicultural Book World was unable to provide any documentation.

Figure 30. Invoice with 221% shipping charge.

Multi-Cultural BOOK WORLD

BILL TO
Boston Public Schools

SHIP TO
BPS - ADMINISTRATIVE OFFICES - MAIN BOLLING

INVOICE 11902

DATE 02/17/2023 TERMS Net 30 DAYS

DUE DATE 03/19/2023

P.O. NUMBER
9000157985

DATE	DESCRIPTION	QTY	AMOUNT
	ORGANIZE, FIGHT, WIN	4	95.84
	SHIPPING PER VENDOR	1	211.49

Thank you for business! We accept ACH Payments and credit cards. Checks can be mailed to the address on the invoice. We appreciate your business and look forward to helping you again soon!

TOTAL DUE $307.33

Another invoice from Multicultural Book World (shown in Figure 31) includes $125 of shipping charges for textbooks costing $131, roughly 94% of the price of the books.

Figure 31. Invoice with 94% shipping charge.

BILL TO
Boston Public Schools

SHIP TO
William M. Trotter School

INVOICE #	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSED
10960	07/07/2022	$257.73	08/06/2022	Net 30 DAYS	

P.O. NUMBER
9000149984

DATE	ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
	Services	I AM PERFECTLY DESIGNED	1	14.24	14.24
	Services	LEILA IN SAFFRON	1	13.49	13.49
	Services	LUNA'S YUM YUM DIM SUM	1	5.59	5.59
	Services	MAGIC LIKE THAT	1	15.16	15.16
	Services	MY HAIR IS MAGIC!	1	14.39	14.39
	Services	COOL CUTS	1	13.59	13.59
	Services	HAIR LOVE	1	14.39	14.39
	Services	THE ALL-TOGETHER QUILT	1	14.39	14.39
	Services	DREAM STREET	1	14.39	14.39
	Services	EVERYBODY IN THE RED BRICK BUILDING	1	13.49	13.49
	Services	SHIPPING AND HANDLING	1	124.61	124.61

Thank you your for business! We accept ACH Payments and credit cards. Checks can be mail to the address on the invoice.

BALANCE DUE $257.73

2. Purchase Order Review

At least one questionable invoice the OIG reviewed was identified as part of a larger purchase order. While the invoice showed a $52,000 shipping charge on $67,000 worth of goods, the larger purchase order contained 6 invoices with a total of $475,000 in goods. In an interview with the OIG, BPS identified the $52,000 shipping charge as the approved shipping charge for the entire cost of the purchase order. BPS stated that due to the large size of the order, a higher-than-standard rate of shipping (11%) was allowed. Unfortunately, Multicultural Book World then included shipping charges on other invoices included within the larger purchase order. A review of the other invoices (as shown in Figure 32) attached to the overarching purchase order included an additional $40,000 in shipping charged across four invoices. This resulted in total shipping charges of $93,000, or 20% of the total purchase order.

Figure 32. Duplicate shipping charge applied to invoices on same purchase order.

Invoice	Total	Goods	Shipping	Cost of Shipping as % of Goods
10996	$119,069.61	$66,764.85	$52,304.76	78%
11103	$207,144.29	$186,616.48	$20,527.81	11%
11080	$36,832.55	$33,182.48	$3,650.07	11%
11143	$147,590.77	$132,964.66	$14,626.11	11%
11908	$19,746.21	$17,789.38	$1,956.83	11%
10788	$38,180.00	$38,180.00	$0.00	0%
Total	**$568,563.43**	**$475,497.85**	**$93,065.58**	**20%**

I. “Passthrough” Invoices

The OIG uncovered the instances described below in its investigations of a small number of BPS contracts. The OIG’s investigations indicated that these were not isolated incidents, that other vendors may have participated in similar “passthrough” arrangements, and that the amount of money wasted on markups is most likely higher. Further investigation by BPS is warranted.

Finding 1. BPS staff improperly instructed vendors to submit over $619,000 in unpaid invoices to “passthrough” vendors in order to receive payment.

The OIG found a troubling pattern of BPS instructing vendors to submit their invoices to “passthrough” vendors in order to receive payment for services rendered. As reflected in Figure 33, between January 2019 and August 2024, the OIG found $619,795 worth of invoices from 19 separate vendors that were paid via “passthrough” invoices. All of these identified invoices were paid by five vendors who had contracts with BPS for purposes unrelated to the invoices. **Appendix C** to this report contains a list of these “passthrough” invoices.[63]

Figure 33. Total “passthrough” invoices paid between 2019 and 2024.

“Passthrough” Vendor	Total “Passthrough” Invoice Amount
ENE	$265,803
Envirotrac	$158,540
Yee Consulting	$132,398
Petroleum Management Services	$31,790
Tighe and Bond	$31,264
Total	**$619,795**

The OIG found this practice typically occurred for one of two reasons. First, in some instances BPS had already paid the invoicing vendor the maximum amount permitted under their contract but requested additional work from the vendor and failed to execute a change order or amend the contract to allow for the additional work. Second, in some instances BPS did not have a contract with the invoicing vendors it improperly did business with.

For example, BPS owed $164,488.84 in overdue invoices to Boston Mechanical, $54,481 in overdue invoices to Homer Contracting, and $31,790 in overdue invoices to a senior environmental engineer. Rather than issuing a change order or amending the respective contracts, BPS personnel inappropriately resolved these issues by instructing the unpaid vendors to submit their overdue invoices to other BPS vendors who still had capacity for such payments on their contracts. The BPS vendor with

[63] The OIG notes that it found some vendors declined BPS’s requests to pay “passthrough” invoices and others declined to send their invoices to a “passthrough” vendor.

capacity would then submit the "passthrough" invoice to BPS as their own. BPS personnel directed vendors to request these "passthrough" payments despite such contracts being for other purposes and the absence of any legitimate contractual relationship between the invoicing vendor and the paying vendor. These requests violated city of Boston standard contract conditions, which require changes or alterations to the scope of a contract to be completed in writing and submitted to the City Auditor.

In some of these "passthrough" schemes, BPS indirectly made payment on prior year bills with current fiscal year money, resulting in inaccurate financial reporting, likely in violation of municipal finance law.[64]

Contractors told the OIG that they could not wait months to receive payment and believed that submitting their invoices to other vendors as directed by BPS was their best chance to get paid. Moreover, former BPS employees described difficulty in receiving approval internally for contract amendments and change orders. Faced with this dilemma, BPS employees told the OIG they felt they had little choice but to use "passthrough" invoices with vendors who still had money left on their contract. While the above may provide a rationale for the conduct by vendors and BPS employees, the resulting conduct was, at minimum, an improper use of public contracts and in some instances was likely a violation of municipal finance law.

Finding 2. Between 2019 and 2024, BPS improperly paid and wasted at least $77,697 in markup costs to vendors because of "passthrough" invoices.

The OIG's review of a limited number of invoices revealed that between 2019 and 2024, the BPS Facilities Management Department incurred at least $77,697 in additional markup costs to the vendors who submitted the "passthrough" invoices. See Figures 34 and 35.

The OIG identified five vendors that, at the behest of BPS, submitted invoices to BPS on behalf of other vendors who were owed money by BPS. As stated in Finding 1, the city of Boston standard contract, which each of the five vendors signed, requires that all additions or alterations to the terms and conditions of the contract must be in writing and submitted to the City Auditor. None of these invoices were for supplies or services within the scope of the contracts under which the five vendors submitted "passthrough" invoices. Nor did any of the five vendors have a legitimate subcontractor relationship with the vendors for whom they submitted "passthrough" invoices. The OIG found that these five "passthrough" vendors improperly received markups from BPS ranging from 10% to 19%, resulting in wasted BPS funds.

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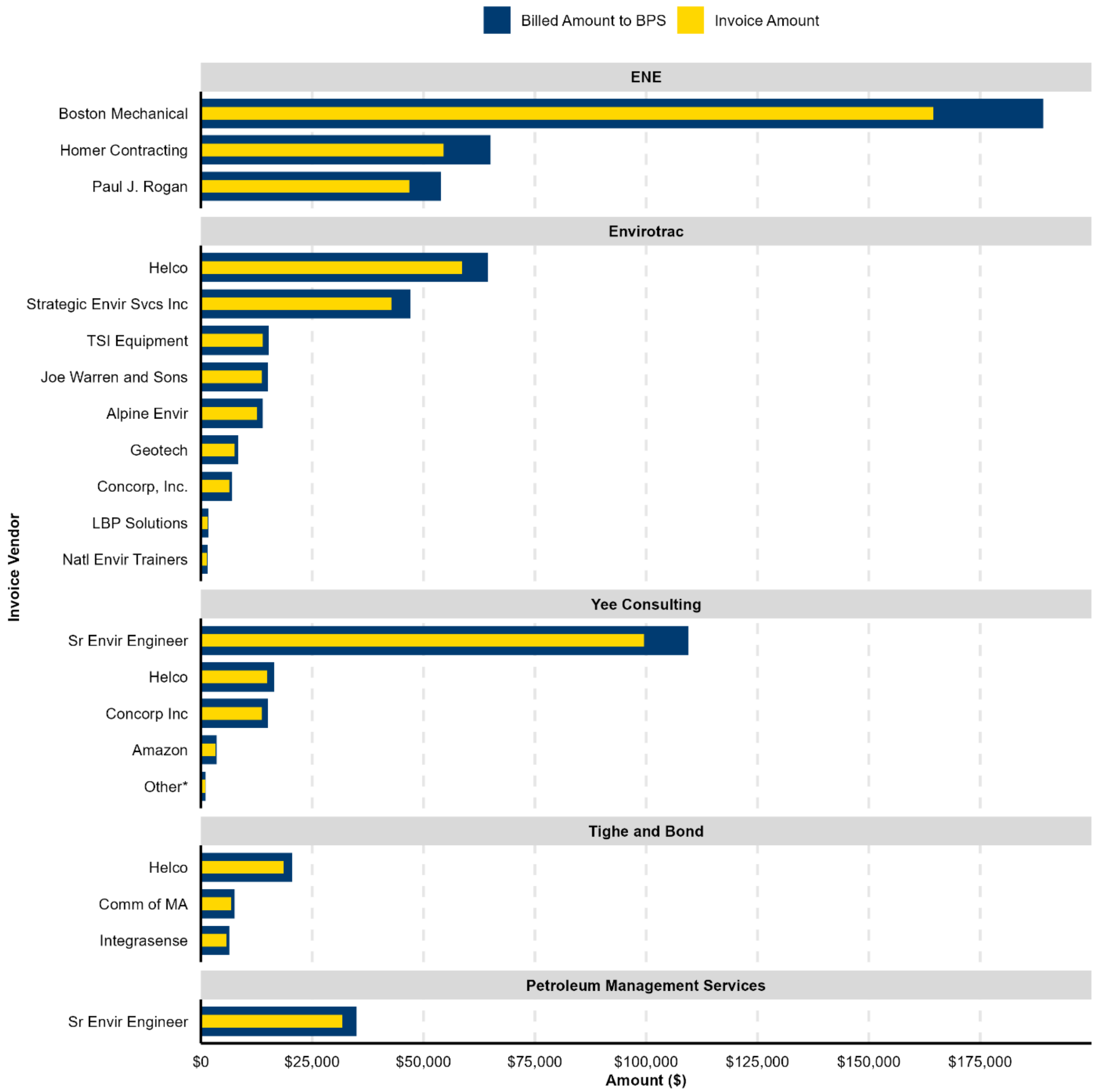
[64] *See, e.g.,* M.G.L. c. 44, § 64 (Cities, towns, and districts "having unpaid bills of previous fiscal years which may be legally unenforceable due to the insufficiency of an appropriation in the fiscal year in which such bills were incurred" shall not be approved for payment unless and until certificates are filed with the appropriate government official "stating under the penalties of perjury that the goods, materials or services for which bills have been submitted were ordered by an official or employee of the town or city [or district] and that such goods and materials were delivered and actually received by the town or city [or district] or that such services were rendered. . . .").

Figure 34. Invoice amounts and amounts billed to BPS by "passthrough" vendors – Table.

"Passthrough" Vendor	Invoice Vendor	Invoice Amount	Billed to BPS Amount	Billed to BPS Markup (%)
ENE	Boston Mechanical	$164,488.84	$189,162.17	$24,673.33 (15%)
ENE	Homer Contracting	$54,481.00	$65,068.15	$10,587.15 (19%)
ENE	Paul J. Rogan	$46,833.40	$53,865.91	$7,032.51 (15%)
Envirotrac	Alpine Environmental	$12,608.00	$13,868.80	$1,260.80 (10%)
Envirotrac	Concorp, Inc.	$6,395.00	$7,034.50	$639.50 (10%)
Envirotrac	Geotech	$7,617.27	$8,379.00	$761.73 (10%)
Envirotrac	Helco Safety Equipment Corp.	$58,655.58	$64,521.25	$5,865.67 (10%)
Envirotrac	Joe Warren and Sons	$13,694.76	$15,064.24	$1,369.48 (10%)
Envirotrac	LBP Solutions	$1,553.70	$1,709.07	$155.37 (10%)
Envirotrac	National Environmental Trainers	$1,375.00	$1,512.50	$137.50 (10%)
Envirotrac	Strategic Environmental Services Inc	$42,780.00	$47,058.00	$4,278.00 (10%)
Envirotrac	TSI Equipment	$13,860.94	$15,247.03	$1,386.09 (10%)
Petroleum Management Services	Senior Environmental Engineer	$31,790.00	$34,969.00	$3,179.00 (10%)
Tighe and Bond	Commonwealth of Massachusetts	$6,870.00	$7,557.00	$687.00 (10%)
Tighe and Bond	Helco Safety Equipment Corp.	$18,614.21	$20,475.65	$1,861.44 (10%)
Tighe and Bond	Integrasense	$5,780.00	$6,358.00	$578.00 (10%)
Yee Consulting	Adobe	$191.12	$210.23	$19.11 (10%)
Yee Consulting	Amazon	$3,241.43	$3,565.61	$324.18 (10%)
Yee Consulting	Capital One Bank	$382.24	$420.46	$38.22 (10%)
Yee Consulting	Concorp Inc	$13,718.00	$15,089.80	$1,371.80 (10%)
Yee Consulting	Harvey Yee	$382.24	$420.46	$38.22 (10%)
Yee Consulting	Helco Safety Equipment Corp	$14,933.15	$16,426.49	$1,493.34 (10%)
Yee Consulting	Senior Environmental Engineer	$99,550.00	$109,510.35	$9,960.35 (10%)
Total		**$619,795.88**	**$697,493.67**	**$77,697.79 (13%)**

Figure 35. Invoice amounts and amounts billed to BPS by "passthrough" vendors – Bar chart.



The markup percent between the invoice amount and amount billed to BPS was 10% except for ENE passthrough payments (15% to 19%).

**Subcontractors ('Harvey Yee', 'Capital One Bank', 'Adobe') with invoices and vendor-billed BPS amounts less than $1,000 were combined together.*

Finding 3. BPS improperly asked a vendor to pay annual licensing fees to the Massachusetts Department of Environmental Protection, resulting in the payment of a wasteful markup to the vendor.

Of additional concern is that the "passthrough" invoices identified in Finding 2 included at least $7,000 in payments to the Massachusetts Department of Environmental Protection (DEP) for annual license fees. According to the OIG's analysis, between July 2023 and November 2023, BPS asked Tighe and Bond to pay $6,870 in DEP licensing fees. These fees include annual compliance fees that were invoiced directly to BPS for waste cleanup sites pursuant to the Massachusetts Contingency Plan. These annual fees represented direct fees that BPS was required to pay to the Commonwealth due to environmental conditions of certain schools. The fees were not related to services provided by vendors. Tighe and Bond subsequently billed $7,557 to BPS related to these DEP payments. This included the DEP licensing fees ($6,870) plus a 10% markup ($687). There is absolutely no reason BPS cannot directly pay invoices it receives from DEP without resorting to an improper passthrough scheme and being subject to a wasteful markup.

Finding 4. BPS issued a sham procurement in order to pay prior outstanding invoices in violation of municipal procurement law.

The OIG found that BPS issued a sham request for quotes (RFQ) for water quality testing at BPS schools for the purpose of making payment on unpaid bills, rather than for competitively procuring new work.

One of the vendors that BPS requested to pay "passthrough" invoices, Envirotrac, exhausted the money in its contract when it was still owed money by BPS. To cover some of these costs, which included $11,490.63 in outstanding invoices for school safety kits delivered by a separate vendor, Helco, BPS employees created an RFQ for water quality testing and steered it to Envirotrac.

In January 2023, Envirotrac said in an email to BPS, "as suggested yesterday, I had [an Envirotrac employee] generate a draft invoice for the Written Quote Contract."[65] According to the email, the draft invoice totaled $30,790.08 and included Helco invoices in the amount of $11,490.63. On or about the next day, BPS issued a new RFQ titled "Written Quote Contract Water Quality Testing" apparently seeking a vendor to "provide water quality testing services for specified parameters including Lead, Copper, and Coliform at multiple pieces of equipment across various Boston Public Schools buildings." Nowhere in the RFQ did it mention that the contract was for school safety kits that Helco had already delivered.

Section 4 of Chapter 30B of the Massachusetts General Laws requires that RFQs include a purchase description and that the procurement officer award the contract to the responsible person offering the needed quality of supply or service at the lowest quotation. Issuing a new RFQ to pay for old work not related to the work described in the RFQ violates the plain language of Section 4. In addition, creating a sham RFQ to be awarded to a particular vendor cannot be considered a competitive procurement.

[65] The written quote contract refers to an RFQ, or price quotations pursuant to M.G.L. c. 30B, § 4(a).

Finding 5. BPS issued payment on an invalid contract and Envirotrac filed a false certification.

As discussed in Finding 4, BPS violated Chapter 30B by colluding with Envirotrac to draft and award a sham procurement for water quality testing services that was actually intended to allow BPS to pay outstanding invoices. In an interview with the OIG, an Envirotrac manager confirmed that BPS asked him to prepare an invoice that included outstanding Helco invoices in order to assist BPS with drafting the RFQ.

Any contract made in violation of Chapter 30B is not valid, and cities, towns, or school districts are prohibited from making payment under such a contract.[66] Envirotrac submitted a bid of $38,000 and BPS awarded the contract to Envirotrac and paid Envirotrac under the contract. Accordingly, this contract was invalid and BPS should not have issued payment. This procurement in its entirety, from its conception to its execution and payment, shows an astounding lack of effective controls and oversight in addition to a culture of shortcuts and workarounds.

The OIG also notes that an Envirotrac manager certified under the pains and penalties of perjury that their quote was "submitted in good faith and without collusion or fraud with any other person."[67] Because Envirotrac submitted outstanding invoices to BPS to help BPS create the new RFQ, Envirotrac's certification was false.

Finding 6. BPS reimbursed ENE for work based on a fake subcontract issued by ENE to Boston Mechanical.

After Boston Mechanical repeatedly contacted BPS and the Boston Finance Commission concerning the more than $164,000 of past due payments for work in prior years, BPS turned to other contracts to make the outstanding payments. BPS enlisted ENE to facilitate payment to Boston Mechanical. The OIG found that ENE created a fake subcontract agreement with Boston Mechanical and submitted the fake subcontract agreement to BPS for payment under ENE's contract. Boston Mechanical was not a subcontractor of ENE but rather was a contractor for BPS and should not have been reimbursed through ENE's contract.

Finding 7. BPS violated municipal procurement law by failing to solicit quotes or bids for supplies or services valued at $10,000 or more.

The OIG found several instances where BPS failed to solicit price quotes or bids for supplies or services valued at $10,000 or more, in violation of Chapter 30B. For instance, on or about March 2020, BPS hired Joe Warren and Sons to replace and install water filters in drinking fountains.[68] Joe Warren and

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[66] M.G.L. c. 30B, § 17(b).

[67] Chapter 30B requires procurement bidders to certify their bid. *See* M.G.L. c. 30B, § 10.

[68] Replacing and installing water filters in a public building is a service, not public construction. For more guidance on work that

Sons submitted three invoices totaling $13,694.76 to BPS for payment.[69] Despite the total of the three invoices being over $10,000, BPS did not solicit price quotations from three vendors as required by Chapter 30B.

Figure 36. Joe Warren and Sons March 2020 invoices.

Invoice Date	Invoice Amount	Description
03/31/2020	$4,294.92	Installation of water filters and water fountains
03/31/2020	$4,481.49	Installation of water filters and water fountains
03/31/2020	$4,918.35	Installation of water filters and water fountains
Total	**$13,694.76**	

In another instance, BPS hired Helco Safety Equipment to provide first aid kits in the schools' science laboratories. In several years, Helco submitted invoices for more than $10,000, including $14,933.15 in 2019; $20,817.95 in 2021; $34,169.63 in 2022; and $20,741.61 in 2023. BPS did not solicit quotes from three vendors for these first aid kits as required by Chapter 30B.[70]

Figure 37. Helco Safety Equipment invoices from 2019 through 2023.

Year	Amount
2019	$14,933
2020	$1,541
2021	$20,818
2022	$34,170
2023	$20,742
Total	**$92,204**

Finding 8. BPS violated municipal procurement law by failing to enter into written contracts for supplies or services valued at $10,000 or more.

In addition to their failure to solicit quotes or bids for supplies or services, as discussed in Finding 7, BPS also violated Chapter 30B by failing to enter written contracts with vendors for supplies or services valued at $10,000 or more. Despite paying Helco more than $10,000 each year in 2019, 2021, 2022, and 2023 for school safety kits, as shown in Figure 37, BPS and Helco never executed a written contract. Helco's sales manager confirmed during an interview with the OIG that Helco did not have a written contract with BPS until August 2025. Furthermore, BPS has never had a written contract with Joe Warren

qualifies as "public construction," *see Public Construction Bidding in Massachusetts Frequently Asked Questions*, MASS. ATTORNEY GENERAL'S OFFICE, available at https://www.mass.gov/doc/read-the-faqs/download (last visited August 24, 2026).

[69] The OIG finds no legitimate reason to split these services into three separate invoices, other than to evade Chapter 30B procurement thresholds. This practice, known as "bid-splitting," is specifically prohibited by Chapter 30B. *See* M.G.L. c. 30B, § 11.

[70] Due to the scope of the OIG's investigation, the OIG did not obtain records concerning Helco's services with BPS after 2023. The OIG understands that Helco continued doing business with BPS since 2023 and, as noted in the finding below, BPS did not maintain contracts with Helco until August 2025. Therefore, it is highly likely that BPS also violated Chapter 30B by failing to solicit quotes or bids related to Helco's services in 2024 and part of 2025.

and Sons, despite Joe Warren and Sons completing $13,694.76 in water filter installation services for BPS in 2020. As of the date of this report, Helco and Joe Warren and Sons currently have contracts with BPS.

BPS's failure to enter written contracts creates serious internal control weaknesses and puts BPS at risk of fraud, waste, and abuse of public funds as detailed in this report.

Finding 9. BPS subverted the city of Boston's residency requirement by arranging for Yee Consulting to hire a former employee of the Facilities Management Department as a 1099 contractor.

Generally, city of Boston employees are required to be residents of the city during their employment.[71] During its investigation, the OIG found that BPS circumvented the residency requirement by arranging for a senior environmental engineer in its Facilities Management Department who moved out of state to work as a 1099 subcontractor for Yee Consulting.

Massachusetts law states that a person performing a service shall be considered an employee unless (1) the person is "free from control and direction" of the employer; (2) the "service is performed outside the usual course of the business of the employer"; and (3) the individual is engaged in an "established trade, occupation, profession or business of the same nature as that involved in the service performed."[72]

The OIG found that (1) the senior environmental engineer received assignments directly from BPS; (2) BPS personnel approved the engineer's timesheets; (3) the engineer's activities were consistent with their prior duties as a BPS employee and therefore not outside the normal course of business of BPS; and (4) the engineer was not engaged in an independently established trade. The OIG believes that the engineer was misclassified as a 1099 contractor and was effectively an employee of BPS.

As a result of this arrangement, between January 2019 and October 2022, BPS employed a non-resident of Boston in violation of local law and wasted an additional $13,139.35 that the vendor added as a 10% markup to the employee's invoices.

Finding 10. BPS may have violated employment law and tax law by improperly classifying its employee as a 1099 contractor.

Misclassifying the senior environmental engineer as a 1099 contractor so the engineer could live out of state and continue working for BPS, as discussed in Finding 9, has potential employment law and tax law implications.

[71] Boston Mun. Code § 5-5.3.

[72] M.G.L. c. 149, § 148B.

Massachusetts labor laws provide certain rights to employees that are not necessarily available to independent contractors, including timely payment of wages,[73] earned sick time,[74] meal breaks,[75] and workers' compensation protection.[76] Furthermore, Massachusetts employers are required to deduct and withhold income tax.[77] By misclassifying the senior environmental engineer as a 1099 contractor, BPS may have violated Commonwealth of Massachusetts labor laws and tax laws by not providing these rights to the employee and not withholding the requisite taxes. Similarly, the vendor involved in the scheme, Yee Consulting, may have violated labor and tax laws by identifying the senior environmental engineer as one of their contractors.

Finding 11. BPS personnel conspired with the senior environmental engineer to create and submit a fake invoice to Petroleum Management to pay the senior environmental engineer back wages.

As detailed in Finding 9, BPS arranged for Yee Consulting to hire a former BPS employee to work as a 1099 contractor, despite the former employee doing the same work for BPS under the same BPS manager. The senior environmental engineer had relocated from Boston to Connecticut and was thus ineligible to be hired as a BPS employee due to the city's residency requirement. On June 30, 2021, Yee Consulting's contract with BPS ended. Between July 2021 and October 2022, the engineer continued working for BPS, but BPS was unable to pay the engineer during this period because of the residency requirement and because BPS did not have a contract with the engineer, either directly or through another company. The engineer was instructed to continue working from Connecticut until BPS could work out a plan to pay the engineer.

To facilitate payment, the engineer and Carvalho worked together to draft a fake invoice for the engineer's work. The engineer sent the invoice to Petroleum Management, a company that contracted with BPS to provide mechanical and environmental engineering services. Petroleum Management made payment to the engineer and submitted a "passthrough" invoice to BPS. Petroleum Management billed BPS $34,969, including the $31,790 amount of the fake invoice, plus a 10% markup ($3,179). According to the engineer, the work on the invoice had nothing to do with Petroleum Management's contract or the engineer's services to BPS. Cutting corners through such schemes creates inaccurate financial reporting and is susceptible to fraud.

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[73] *Id.* at § 148.

[74] *Id.* at § 148C.

[75] *Id.* at § 100.

[76] *See* M.G.L. c. 152.

[77] M.G.L. c. 62B, § 4(a).

II. Sole Source Procurements

Finding 12. BPS violated municipal procurement law by purchasing items through a sole source contract with Multicultural Book World, despite the items being available through other vendors.

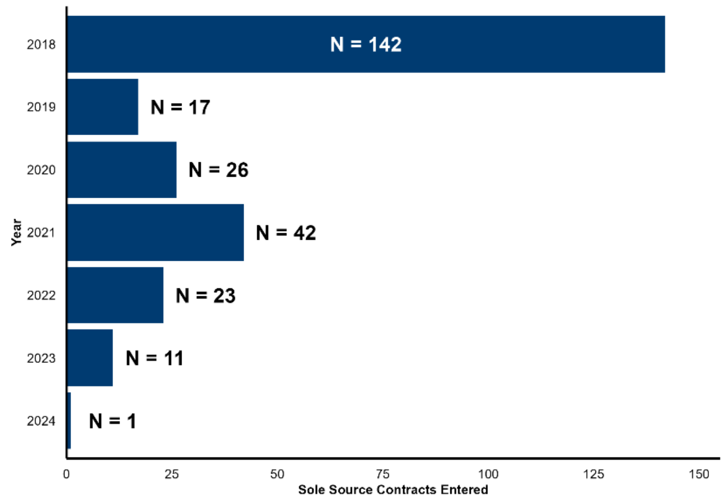
The sole source procurements exemption under Section 7 of Chapter 30B allows for contracts of any amount to be awarded for the procurement of "school textbooks" and "educational curricula" without competition when only one practical source for the supplies exists. This was not the case for numerous titles procured under BPS's sole source contract with Multicultural Book World over many years. The OIG found that most, if not all, of the books purchased through this sole source contract were available online. Some of the purchases were particularly egregious, including widely available titles such as *The Odyssey* and *Romeo and Juliet*. While BPS may have entered the first sole source contract with Multicultural Book World with the intention to stay within the sole source procurement exemption, the OIG believes that BPS cannot credibly have entered the second contract as a sole source contract.

Under Section 7(a) of Chapter 30B, the government entity may only enter a sole source procurement if, "after reasonable investigation, the procurement officer determines in writing that only one practicable source for the required supply or service exists." The OIG requested all documents relevant to this procurement and found no evidence of an investigation that Multicultural Book World was the only practicable source of the desired books.

The OIG identified a subset of 119 mass-market titles (7,488 books) purchased through Multicultural Book World that, without question, should have been competitively procured rather than purchased through a sole source contract. The total cost of this subset of books was $65,454. **Appendix D** to this report contains a list of these mass market titles. While there were books that were likely appropriate for a sole source arrangement, the full range of texts purchased through Multicultural Book World was not appropriate.

In interviews with the OIG, BPS officials stated that BPS has already taken steps to reduce its use of sole source procurements. To this point, as shown in Figure 38, a list of BPS contracts shows that in 2018, BPS signed at least 140 sole source contracts pursuant to Section 7. By comparison, in 2023, BPS reported signing 11 sole source contracts. Multicultural Book World is no longer a sole source vendor with BPS and has not received any BPS contracts in over a year.

Figure 38. Number of BPS sole source contracts signed per year between 2018 and 2023 per BPS.



*2024 relied on self-reported data from BPS

Finding 13. BPS wasted significant public dollars when it failed to closely review shipping costs on invoices and purchase orders.

The OIG found several instances where the cost of shipping and handling fees was more than the cost of goods purchased through Multicultural Book World. In one egregious example, an order for four books incurred a shipping charge of $211.49, which was 211% of the $95.84 cost of the books. This charge is even more suspicious given the fact that the business address was one-tenth of a mile away from the BPS delivery address. This was not an isolated incident. Figure 39 below shows 49 instances of shipping costs in excess of a BPS-identified "standard" of 10% of the cost of goods. These high-cost orders had a total shipping cost of $105,613 on total goods costing $492,986.61, averaging 41%. In five examples, shipping expenses exceeded the cost of goods ordered, and in eight additional examples the shipping costs were over 50% of the cost of goods. If BPS had limited the shipping costs of these high-cost orders to an average "standard" of 10% shipping cost, BPS would have saved $56,315. These shipping charges should have been flagged as part of BPS's invoice review and approval process prior to issuing payment.

Figure 39. Examples of shipping costs over 10% of the cost of goods.

Invoice #	Destination	Quantity	Goods Total	Shipping	Shipping %
11902	Roxbury	4	$95.84	$211.49	221%
11835	East Boston	20	$224.80	$372.13	166%
11815*	Roxbury	13	$77.87	$121.24	156%
11533*	Roxbury	11	$181.39	$192.60	106%
11062	Dorchester	44	$532.36	$540.00	101%
10960	Dorchester	10	$133.12	$124.61	94%
10967	Dorchester	8	$105.19	$83.62	79%
10996	Roxbury	7,815	$66,764.85	$52,304.76	78%

Invoice #	Destination	Quantity	Goods Total	Shipping	Shipping %
11804*	Roxbury	10	$63.90	$45.50	71%
10963	Dorchester	21	$241.33	$166.18	69%
10995	Dorchester	15	$193.53	$126.97	66%
10142*	East Boston	37	$386.73	$236.26	61%
11814*	Roxbury	13	$103.87	$59.45	57%
11625*	Roxbury	17	$149.43	$75.24	50%
11816*	Roxbury	60	$431.40	$207.07	48%
12550	Roxbury	604	$9,235.16	$3,854.12	42%
12508	Jamaica Plain	52	$448.00	$169.37	38%
11611*	Roxbury	50	$262.00	$88.03	34%
10670	East Boston	8	$67.98	$20.00	29%
11507*	Roxbury	254	$1,826.24	$482.31	26%
12281	Hyde Park	24	$371.28	$94.22	25%
11947	Roxbury	174	$1,107.66	$273.09	25%
12067	Roxbury	45	$467.65	$87.50	19%
11805*	Roxbury	39	$280.41	$51.19	18%
11445	Dorchester	255	$2,554.05	$455.45	18%
12513*	Hyde Park	66	$887.76	$151.00	17%
12008	East Boston	22	$218.81	$35.18	16%
12535	Hyde Park	13	$155.95	$25.00	16%
12646	Brighton	30	$300.83	$45.15	15%
12408	Roslindale	4	$64.28	$9.64	15%
11509*	Roxbury	919	$5,461.21	$788.95	14%
11883*	Hyde Park	120	$1,228.80	$174.62	14%
10705	Chinatown	24	$362.48	$48.35	13%
12512*	Hyde Park	78	$1,141.62	$150.00	13%
12387	Dorchester	15	$200.62	$25.00	12%
12384	Dorchester	55	$725.46	$90.00	12%
11061	Dorchester	54	$738.66	$90.00	12%
11514*	Roxbury	122	$1,409.74	$168.51	12%
11365	Dorchester	1300	$13,056.00	$1,496.55	11%
11781	Roxbury	166	$1,859.20	$212.60	11%
11316	Dorchester	23	$179.60	$19.76	11%
11103	Roxbury	19,232	$186,616.48	$20,527.81	11%
11143	Roxbury	15,380	$132,964.66	$14,626.11	11%
11080	Roxbury	4,027	$33,182.48	$3,650.07	11%
11908	Roxbury	3,962	$17,789.38	$1,956.83	11%
11496*	Roxbury	989	$7,492.52	$811.66	11%
10509	Chinatown	15	$204.79	$21.89	11%
11623*	Roxbury	6	$52.74	$5.63	11%
12351*	Dorchester	32	$386.50	$40.86	11%
Total (Average)		**56,257**	**$492,986.61**	**$105,613.57**	**(41%)**

*Invoice contains backordered titles

Finding 14. BPS failed to exercise appropriate contract management and accounts payable oversight controls.

BPS failed to compare invoices with purchase orders to prevent duplicate payment of shipping fees. In one instance, a purchase order of over $475,000 in goods was spread across six invoices. Approved shipping for the entire purchase order, in the amount of $52,304.76 (11% of the cost of the goods), was attached to a single invoice, rather than spread across all six invoices. This allowed the vendor to add duplicative shipping fees to four of the other invoices, resulting in BPS overpaying an additional $40,000, which was a waste of public funds. In another instance, BPS paid an invoice on which Multicultural Book World identified a quantity of six for the shipping total, which resulted in an overpayment of $450.

Further, shipping policies were not uniform across BPS's contracts with Multicultural Book World, with no identifiable rhyme or reason. The first contract limited shipping charges to 5%, while the second contract contained no provision regarding shipping prices. The lack of uniformity is illustrative of a pattern of poor contract management.

Finding 15. BPS failed to follow common business practices.

In several instances, the OIG found that BPS took actions that failed to follow common business practices. For example, in interviews with the OIG, BPS officials stated vendors typically charge less than 10% of the cost of goods for shipping. When asked why the excessive rate of shipping identified in Finding 14 (11%) was permitted, BPS officials responded that higher shipping was appropriate because the purchase order was larger than typical orders placed with Multicultural Book World. BPS's explanation that a vendor should be permitted to charge a higher rate of shipping on a larger order does not follow the common business practice that sellers should offer lower rates of shipping on bulk orders. The OIG finds BPS's explanation that it allowed higher shipping rates for bulk orders than it allowed on smaller orders to be nonsensical, contrary to common business practice, and illustrative of a lack of attention to cost-effective public spending.

In another example, Multicultural Book World's first contract with BPS contained a clause that limited shipping costs to 5% of the value of the goods, but its second contract with BPS did not contain a shipping clause. The OIG's review of the procurement files did not reveal any explanation for the elimination of the shipping clause in the second contract, nor does it appear that BPS gained any particular benefit in exchange for agreeing to eliminate a valuable clause. In interviews with the OIG, BPS officials could not explain why the second contract did not contain the shipping clause.

Finding 16. BPS personnel failed to follow purchase order guidelines.

In interviews with the OIG, BPS officials acknowledged that the application of shipping charges to a purchase order, as identified in Finding 14, was contrary to BPS procedures. The BPS officials explained that it is standard for BPS to request that shipping charges be applied to each individual invoice, not combined onto a single invoice for a whole purchase order. BPS personnel failed to follow this practice, which resulted in $40,000 of duplicative shipping charges within the same purchase order. In interviews with the OIG, BPS officials were unaware of the duplicative shipping charges identified in Finding 14. The OIG believes that BPS inadvertently allowed the duplicate shipping charges to occur because BPS lacks sufficient controls and oversight to review shipping charges applied to its orders.

Finding 17. BPS failed to oversee the use of sole source procurement contracts.

Over the course of two contracts, BPS ordered at least 7,488 mass market books from Multicultural Book World, detailed in **Appendix D**. By entering these contracts, BPS indicated that Multicultural Book World was the only practicable vendor for purchase of specific educational material, as required by Chapter 30B. The OIG found no documentation evidencing any attempt by BPS to make such a determination or to ensure proper use of the sole source contract. In interviews with the OIG, BPS officials stated the contracts with Multicultural Book World were intended to be used by the central office to purchase specific small market books. BPS officials told the OIG that schools should not have been able to choose Multicultural Book World as a vendor option for mass market book purchases. BPS failed to monitor the use of this contract and did not have the proper oversights in place to ensure proper use of contracts procured under the sole source exception.

III. BPS's Procurement Process

Finding 18. BPS's current written contracting process is burdensome to procurement employees and vendors and is susceptible to unmonitored workarounds that waste public funds.

Vendors and former BPS employees described BPS's contracting process as "difficult" and time-consuming, saying that the process made it challenging to approve contracts, process change orders, and track contracts. Despite the difficulties in the current process, the improper and illegal actions identified within the OIG's investigations are not justified. Instead, BPS should change its process to address such concerns. Management and officials in budgeting and accounts payable should have noticed the many goods and services that did not have contracts, as well as other signs that the process was not being followed.

The OIG's review of BPS's procurement policy found a complicated process that could be simplified. One former BPS Facilities Management Department employee told OIG investigators that only one person handled contracts for the department, which made it difficult to execute contract amendments and purchase orders. The former employee stated that "money was always tight" and BPS had trouble finding vendors to bid on contracts because BPS took too long to pay vendors.

A longtime contractor for BPS told OIG investigators that BPS has a "less than efficient process for contracting." The contractor went on to describe BPS's contracting process as "dysfunctional" and told investigators that it takes BPS six months to process change orders, which he identified as the main reason that BPS used "passthrough" invoices to pay vendors. The contractor stated that, in his experience, BPS has difficulty tracking on-call service contracts because multiple people at BPS request work orders and BPS has no centralized way to track the work performed. The OIG notes that this is a BPS-specific issue, as many large organizations with multiple facilities appropriately budget, encumber, track, and verify invoices and make proper vendor payments.

City of Boston officials confirmed that BPS has difficulty tracking on-call service contracts. A city official told OIG investigators that it is common for BPS service contracts to run out of money. This very troubling statement is a symptom of a larger problem with how budgeting, procurement, accounts payable, and financial reporting functions work or fail. According to a BPS employee, it is up to individual schools to order supplies and select their supplier. The employee stated there is no overarching order system or oversight on purchases and, because each school orders on its own, BPS would not know if multiple schools needed the same materials.

While BPS's procurement policies that were in effect during the time period in question appear to be unnecessarily complicated, it is troubling that those who oversee the Business Services function at BPS do not see these issues and fix them. For example, a procurement between $10,000 and $50,000 typically took two to four weeks to complete. It required approval from BPS's business and purchasing offices and had to be signed by the Superintendent and the City Auditor. Procurements of $50,000 or more typically took 4 to 12 weeks or longer, or about one-third of the school year,[78] and required approval from two legal departments (BPS and the city of Boston), the Superintendent, the City Auditor, and the Mayor. BPS's procurement policy includes the timeline in Figure 40 for procurements of over $50,000 and the general procurement timeline in Figure 41.

[78] A typical school year in Massachusetts is 36 weeks long.

Figure 40. BPS timeline for contracting over $50,000.[79]

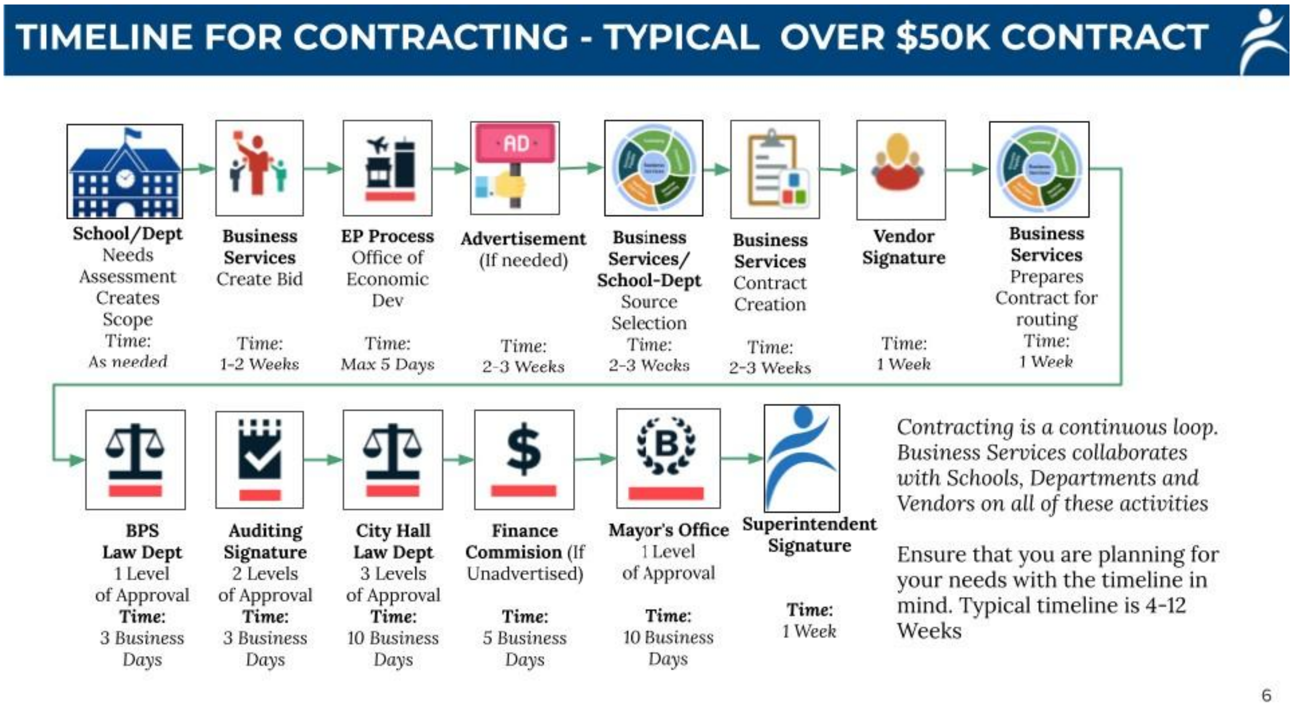
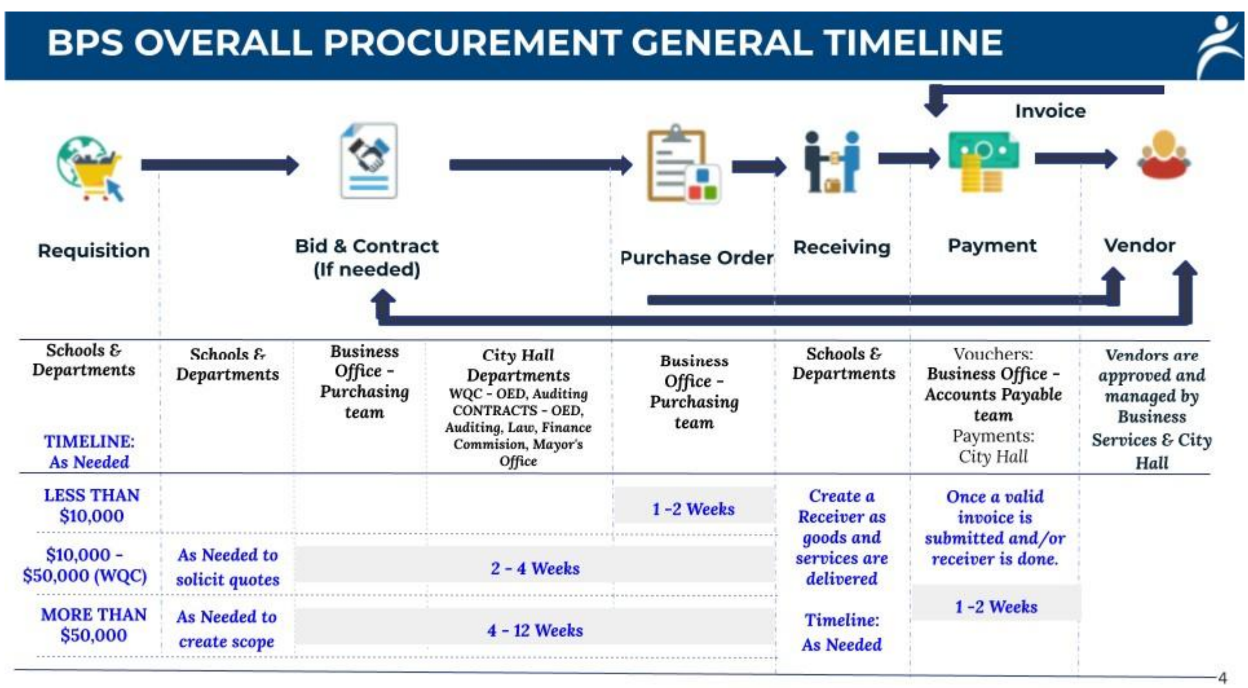


Figure 41. BPS overall procurement general timeline.[80]



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[79] *Business Services Guide,* BOSTON PUBLIC SCHOOLS (2022).
[80] *Id.*

Finding 19. BPS's contracting system provides a false sense of control.

It is concerning that the improper workarounds detailed in this report were not uncovered by the BPS administrative and finance leaders who should have noticed payments being made without procurements, accounts running out of funds without explanation, and overall vendor complaints and untimely payments. The OIG has no reason to believe that BPS leaders at the highest level were aware of the inappropriate actions occurring within the BPS Division of Operations. It is unclear how far awareness of the various workaround extended among management. Regardless, BPS leadership should have stronger oversight and reconciliation procedures. The leaders of these business units should notice when BPS employees are not following official policies and procedures. BPS leaders have a false sense of security with the fact that their written official policies and procedures have been put in place, despite the reality that many of these policies and procedures are regularly ignored or circumvented.

Based on interviews with vendors and BPS personnel and a review of BPS's procurement policy, the OIG believes that many of BPS's contracting woes were a result of BPS employees finding workarounds to pay vendors, using certain vendors without procurements, and hiring vendors without contracts. Employees took these actions to avoid what they perceived to be a difficult internal process for procurements, payments, and contract administration. These workarounds are easier for employees than spending weeks seeking approval through proper channels. Improper actions should not be excused. The ends do not justify the means. BPS employees and supervisors in these areas should have forced conversations and changes to the policies rather than work around the written policies and procedures. Additionally, supervisors and managers should have noticed indicators that the process was not being followed, such as infrequently receiving requests for change orders or contract amendments and the lack of contracts for certain necessary goods and services.

While there is certainly a disconnect between BPS leadership and staff, aspects of the official policies and procedures also should be improved. The process maps in Figures 40 and 41 show several layers of approval that appear redundant or unlikely to efficiently contribute to substantive oversight:

- The Business Services Department requires substantial time to select the source, draft the contract (which is typically a form contract), and prepare the contract for routing.
- Contracts are reviewed by two legal departments: BPS and the city of Boston.
- Legal review at the city of Boston requires three levels of approval.
- The mayor's office needs to approve all contracts over $50,000.
- Change orders on existing contracts follow the same process as new contracts.

If BPS maintains the current layers of approval in its contracting process, it must (1) implement a reasonable timeline for the review and develop a clear understanding of what the review is designed to protect against; and (2) inquire into how the process allowed so many goods and services to be acquired without procurements or contracts. For example, BPS leadership should be concerned that health and safety-related equipment and services such as water filtration or classroom safety equipment were provided without a legitimate procurement or contract and that the improper workaround used to engage these services was not discovered.

The current policies create a false sense of security. The process requires that multiple department heads, including the Superintendent and the Mayor, review and sign off on contracts, but there is no mechanism to identify the types of contracts that never go before them.

Finding 20. BPS lacks appropriate accounts payable controls.

The findings in this report demonstrate a lack of appropriate accounts payable controls within BPS. As noted in Finding 13, Multicultural Book World repeatedly billed BPS exorbitant shipping charges, in one instance more than double the cost of the underlying order. Not only did BPS Finance officials fail to notice the high shipping charges, but they also failed to notice when BPS was billed twice for shipping the same items. Furthermore, BPS's payment of nearly $700,000 through the use of "passthrough" invoices highlights BPS's inept accounts payable controls. Some existing controls are too weak to be effective. For example, when vendors were required to allocate a building associated with the work on an invoice, BPS officials instructed vendors to use the Campbell Resource Center as the "default" building, even if work occurred elsewhere. In this way, BPS officials easily circumvented the facility location control.

Finding 21. BPS lacks appropriate contract management controls.

Former BPS employees and vendors described a chaotic and unorganized contract management system. For example, a contractor who held an on-call service contract with BPS stated that it is difficult for BPS to track the amounts they spend on on-call service contracts. The contractor attributed the problem to different people at different schools requesting work orders and the lack of a central repository to track these requests. BPS unknowingly exhausted funds on service contracts and asked other vendors to pay invoices. Any assertion that this information cannot be tracked because BPS operates so many locations is not an acceptable answer. Many successful entities run operations on multiple sites and properly track these kinds of service contracts. Loose controls helped create a culture in which these improper actions could go on for years without detection.

Finding 22. Workarounds created inaccurate BPS budgets for certain categories of goods and services.

Budgeting and accounting tools are only effective when they are accurate. The various workarounds discussed in this report affected multiple categories of spending and will invariably lead to inaccuracies in the overall budget, budget reports, year-over-year reporting, expense types, and vendor costs. For example, due to the extensive "passthrough" invoices improperly paid through the HVAC contract, an internal report on HVAC needs for the school system and payments allocated to HVAC services would not be accurate. Again, BPS Finance executives were not aware of these workarounds, which resulted in inaccuracies in the reports used to manage current year spending and future year needs.

In other examples, by failing to enter into a contract with Joe Warren and Sons for water filtration services and by not issuing a purchase order (further discussed in Findings 7 and 8), BPS is unable to accurately forecast and budget for these services. Any financial reports that BPS generates concerning payments to ENE and Boston Mechanical (further discussed in Finding 1) will lead to inaccurate contract totals, including payments related to prior fiscal year expenses.

A forensic review is necessary to determine the accuracy of BPS's accounting records and to establish an accurate baseline to work toward for Fiscal Year 2028 and beyond.

Finding 23. BPS does not effectively oversee large service contracts.

Most of the "passthrough" invoices were submitted through large service contracts that often ran for multiple years and were reissued to the same vendor. When BPS needed to pay an overdue bill but did not have available funds under the appropriate contract, BPS simply asked one of its large service contract vendors to pay the bill. These large service contract vendors often develop regular working relationships with BPS officials. Despite being asked to make these improper payments, vendors should have declined to do so. To make the conduct worse, those vendors also charged an improper and wasteful markup for each "passthrough" invoice it submitted. It is unacceptable that this practice continued without notice from upper management at BPS and illustrates the lack of effective controls over large service contracts.

In general, the OIG believes that the use of long-term vendors or contractors presents risks that make municipalities and school districts vulnerable to fraud, waste, and abuse of public funds. Contract administrators who become too close with long-term vendors may be ill-equipped to spot fraud related to those vendors. Likewise, contractors may be more easily pressured into "doing a favor" for a long-time client, as documented in this report. This may explain the behavior but does not excuse it. Another disadvantage of long-term contracts is that BPS cannot be certain of the market rate for many goods and services it requires due to these exceedingly long contracts and their built-in extensions.

Finding 24. BPS's procurement process allowed at least $857,261 in public funds to be spent improperly or illegally over a few years in the Division of Operations.

The OIG's investigations of a handful of contracts within the BPS Division of Operations uncovered an array of procurement schemes, including improper "passthrough" payments and markups (Findings 1 and 2), unchecked excessive spending on shipping costs (Finding 13), and violations of Chapter 30B, including using a sole source contract to buy mass market textbooks (Finding 12) and payment on a sham procurement (Finding 5).[81] The OIG found that BPS's procurement, contracting, and financial procedures failed to identify or prevent these schemes. As shown in Figure 42 below, the OIG found that $857,261 in

[81] The OIG notes that many of the other findings identified in this report involve payments that fall within the findings identified here.

public funds were spent either improperly or in violation of municipal procurement law within the brief time period of the contracts examined by the OIG.

Figure 42. Total spent improperly or in violation of Chapter 30B uncovered in OIG investigations.

Scheme	Identified Funds
Improper "passthrough" invoices	$619,795
Improper markups on "passthrough" invoices	$77,697
Improper excessive spending on shipping costs	$56,315
Violation of Chapter 30B: Use of sole source contract to purchase mass market textbooks	$65,454
Violation of Chapter 30B: Sham procurement	$38,000
Total	**$857,261**

IV. BPS's Dismissal of Past Oversight

Finding 25. BPS failed to uncover other "passthrough" invoices or other schemes after receiving the Boston Finance Commission's 2023 report.

In 2023, the Boston Finance Commission issued a report that identified the thread of one of the "passthrough" invoices discussed in this report: the $164,488 invoice submitted by ENE in order for BPS to repay another vendor, Boston Mechanical. The report exposed a $24,673 markup that BPS paid to ENE in exchange for submitting the "passthrough" invoice. In an interview with the OIG, BPS officials, including the BPS Chief of Finance, stated that they conducted an internal investigation after receiving the 2023 report and found that the identified "passthrough" invoice was a standalone occurrence. The OIG repeatedly asked BPS to provide all documents related to this internal investigation on several occasions. Despite assurances that the documents were forthcoming, as of the date of this report BPS has yet to produce any such documents to the OIG.

As addressed in Finding 2, the OIG found many instances of BPS paying "passthrough" invoices over the several contracts the OIG investigated. Indeed, the OIG found three instances of BPS paying "passthrough" invoices related to its three-year HVAC Controls Contract with ENE: with Boston Mechanical (identified in the Boston Finance Commission's 2023 report), Homer Contracting, and Paul J. Rogan. Considering the OIG's interviews with BPS officials in which these officials suggested that the Boston Mechanical payment was a "standalone" occurrence, it is clear that BPS failed to identify the other instances of "passthrough" invoices used in the very same contract that was flagged by the Boston Finance Commission. BPS also failed to uncover other ongoing contracting and procurement schemes, such as the improper purchases through Yee Consulting or the improper subcontractor payments for the BPS employee subverting residency requirements.

It is clear that BPS either failed to conduct an internal investigation upon receiving the 2023 report or else conducted an internal investigation that was fundamentally limited and flawed. The Boston Finance Commission's report should have triggered a thorough and comprehensive review of BPS's contracting and procurement system, which would have uncovered the numerous improprieties detailed in this report. Instead, the improper conduct continued, as the OIG found examples of "passthrough" invoices submitted to BPS by Tighe and Bond in 2024, a year after the 2023 report issued. The OIG finds that BPS did not take the Boston Finance Commission's report seriously and instead dismissed the commission's role in overseeing municipal finance in the city of Boston.

Figure 43 illustrates the range and variety of schemes orchestrated by Facilities Management employees the OIG uncovered, while Figure 44 illustrates how in many cases those schemes were interconnected.

Figure 43. Network diagram showing individual BPS Facilities Management schemes.

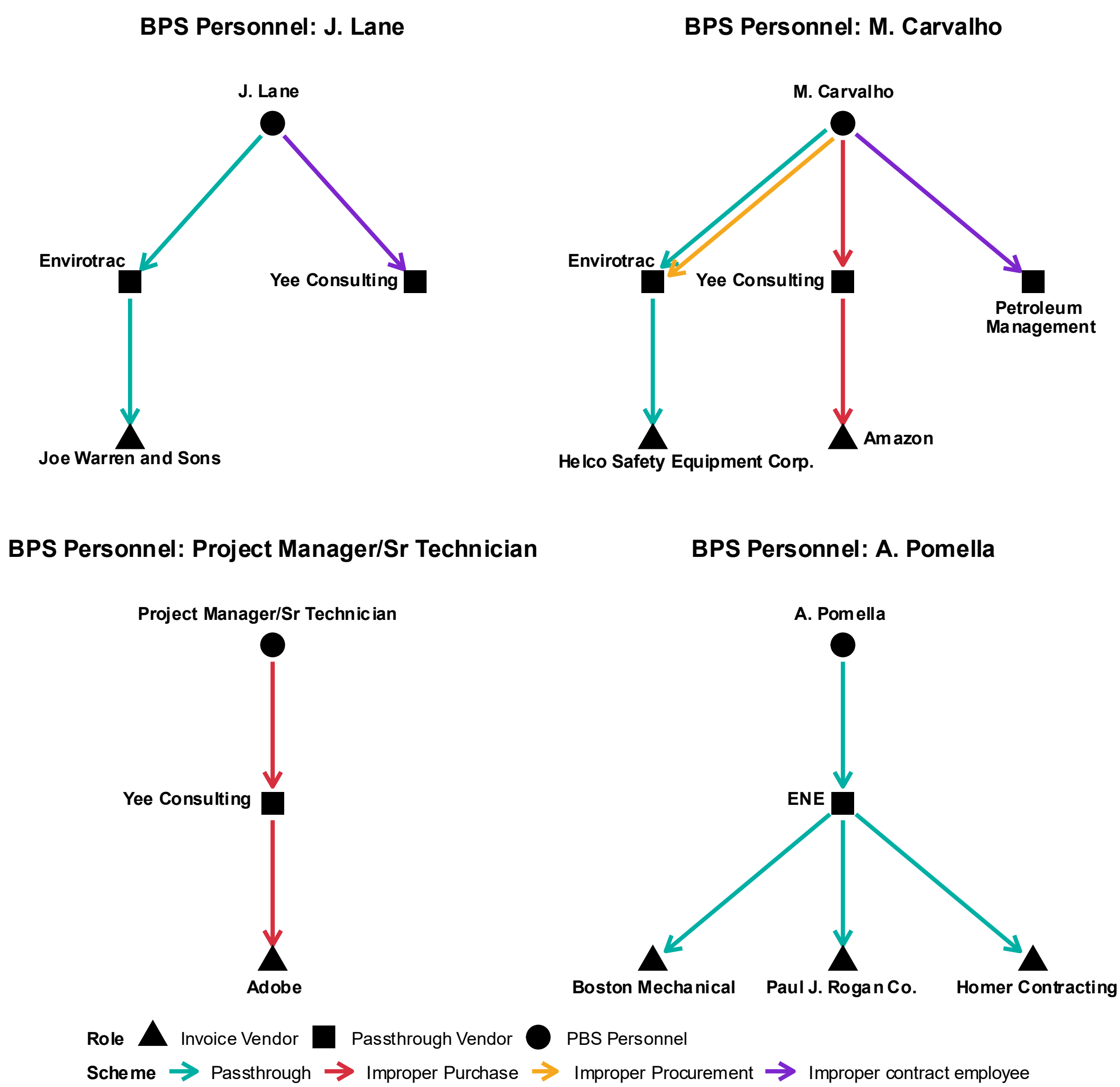
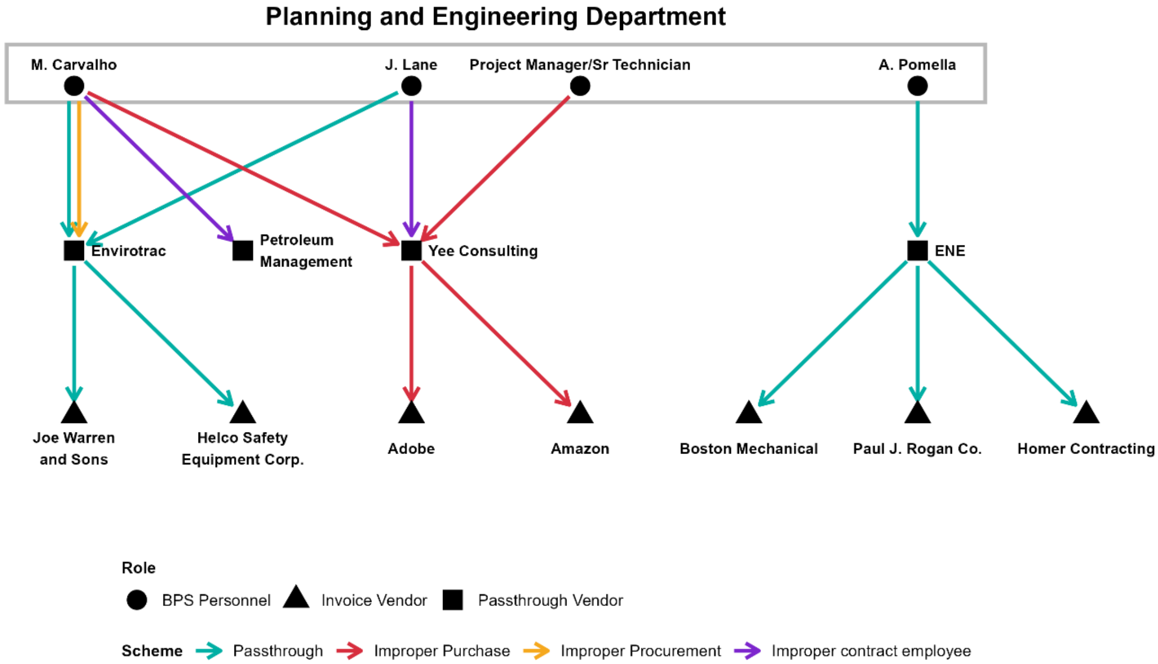


Figure 44. Network diagram showing interconnected BPS Facilities Management schemes.



Finding 26. BPS failed to thoroughly review vendor shipping charges after receiving research documents from the Boston Finance Commission in 2024.

In 2024, the Boston Finance Commission shared research documents with BPS identifying specific issues with the execution of the second contract with Multicultural Book World. The research identified three areas of concern: book prices, item descriptions on the invoices, and shipping charges. The research identified multiple instances in which books purchased through a sole source procurement were available elsewhere at lower prices as well as inconsistent or hard-to-follow item descriptions on the invoices. The research also identified examples of shipping charges exceeding standard acceptable rates.

As addressed in Findings 13 and 14, the OIG found many instances of excessive shipping charges throughout the duration of the second contract with Multicultural Book World. During interviews with the OIG, BPS officials could not answer why shipping charges over 10% were approved.

As discussed in Finding 15, when asked about one particularly high shipping charge on a purchase order, BPS provided an explanation that fell apart under OIG review. Furthermore, BPS officials the OIG interviewed were not aware that BPS paid duplicate shipping charges for that purchase order. Had BPS conducted a thorough investigation of the Multicultural Book World contract after receiving the Boston Finance Commission's research documents, BPS would have identified over $40,000 in wasted public funds. Indeed, in interviews with the OIG, BPS officials were not familiar with the 2024 research from the Boston Finance Commission. It is clear that BPS either failed to conduct an internal investigation upon receiving the 2024 research documents or else conducted an internal investigation that was fundamentally limited and flawed.

CONCLUSIONS AND RECOMMENDATIONS

The OIG's investigations revealed problems within the BPS Division of Operations, some of which demand immediate attention. As documented in this report, the BPS finance and operations teams, which are the business centers responsible for procurements, contracting, contract administration, accounts payable, and related oversight functions, function without regard for proper practice and procedure. The OIG found that the current system often operates outside of prescribed BPS procedures and violates municipal procurement law, in many cases resulting in a significant waste of public dollars.

The current BPS procurement, contract administration, invoicing, and payment approval processes are winding and convoluted, causing significant delays and prompting many in the departments to find workarounds. For instance, the approval process for vendor invoices created extended delays in payment or sometimes a complete failure to pay vendors at all, leading BPS staff to repeatedly and brazenly cut corners in order to pay vendors or avoid conducting procurements. These workarounds resulted in increased risks of improper payments, inappropriate administrative markups from passthrough vendors on necessary goods and services, and legal action. It is troubling that BPS staff repeated these improper actions for so long without an internal control or reconciliation identifying the issues.

BPS paid tens of thousands of dollars in unnecessary markups, money that could have been better allocated to support BPS students. BPS also failed to enter into written contracts and did not elicit quotes on certain procurements, in violation of Chapter 30B. These actions made BPS and the city of Boston vulnerable to added risk. In total, the OIG's investigations found BPS spent at least $857,261 of public funds either improperly or in violation of Chapter 30B within the BPS Division of Operations.

The findings in this report likely do not represent the total amount of improper conduct and waste of public funds orchestrated by BPS employees using these schemes. The OIG did not perform an exhaustive review across BPS, but its limited look at the handful of BPS contracts identified through complaints suggests this conduct may be more widespread. The OIG likely only scratched the surface of the tens of millions of dollars that the BPS departments examined in these investigations spend on supplies and services contracts every year.

The OIG's investigations also revealed BPS's troubling lack of action to investigate and address concerns raised by the Boston Finance Commission, an outside oversight entity. In a 2023 report, the Commission identified a six-figure passthrough invoice to BPS. In interviews with the OIG, BPS officials, including the BPS Chief of Finance, stated that they believed this invoice was a standalone incident. However, as this OIG report makes clear, the practice was widespread. The Commission also shared with BPS its research on the lack of oversight for excessive shipping charges in 2024. While BPS stated that it has appropriately reduced its use of sole source procurements, it did not identify any action it took in direct response to the Commission's information. The Commission serves a vital role as an independent watchdog agency dedicated to the city of Boston, and BPS should recognize its reports and recommendations.

BPS and the city of Boston should be receptive to oversight and recognize the value it provides. While oversight is part of the obligation that comes with handling public funds, BPS and the city of Boston should embrace the opportunity to learn from the information provided by an oversight body. It is important for BPS and the city of Boston to set a "tone at the top" by giving their full cooperation to oversight agencies and by taking the resulting findings seriously, whether those findings come from the Boston Finance Commission, an outside auditor, an internal audit, the OIG, or another oversight entity.[82] This change in attitude is particularly important because the many failings outlined in this OIG report will require BPS to recognize the problems it faces, examine their root causes, and take action; these responses are more productive than protesting or fighting oversight.

As stated above, the OIG's investigations were not exhaustive. The OIG is therefore not able to determine at this time if the various workarounds and improper conduct outlined in this report persist. BPS must eliminate improper payments and conduct while remaining fully operational. BPS provides educational programs for over 48,000 students, employs over 11,000 professional staff, and has an overall budget of approximately $1.6 billion. Separately, the OIG highlights that resolving the problems within the BPS Division of Operations will require significant effort from leaders within the division. As noted in this report, several of these leaders responded to the OIG's interviews in ways that raise questions about their credibility. The OIG makes no recommendation about the employment status of the individuals identified by name or position in this report, leaving any further investigation and determination to the appropriate BPS leaders. The OIG recommends that the Mayor and BPS Superintendent each appoint one of their senior-level direct reports to immediately take control of and assess the current actions within the BPS Division of Operations.

A complicated policy is not necessarily an effective one. As demonstrated in this investigation, layers of unwieldy controls can create a false sense of security, leading to increased risk of fraud, waste, and abuse of public funds. BPS should take the opportunity to closely review this report and examine its policies and procedures, as well as its approach to oversight, in order to ensure that it spends public funds lawfully. Every dollar saved can be thoughtfully used in other areas critical to BPS. Accordingly, the OIG offers the following recommendations for BPS and the city of Boston to undertake in the immediate term, short term, medium term, and long term.

I. Immediate Recommendations – Next 60 Days

1. As a first step in regaining control and establishing a course correction to the improper workarounds and conduct identified in this report, the OIG recommends that the Mayor appoint the city of Boston's Corporation Counsel, or other senior-level direct report, to work together with the BPS Superintendent, or a senior-level direct report, to enact the immediate recommendations detailed below.

[82] The Boston City Council has submitted a home rule petition to the Legislature which would eliminate the Boston Finance Commission and create a Boston Inspector General Commission. This commission would be tasked with appointing an Inspector General for the city of Boston. *See* H.5585, available at https://malegislature.gov/Bills/194/H5585 (last visited August 24, 2026).

2. Pause payments on vendor contracts for non-essential goods and services handled through the Business Services Department, the Facilities Management Department, and the Planning and Engineering Department, for 10 business days to conduct an internal review of all said contracts and accounts payable.

3. Before resuming payments, conduct an internal review of all held payments to verify that:
   a. Payment is going to the correct vendor;
   b. Payment is supported by the appropriate documentation (*e.g.*, invoice, purchase order, quotations);
   c. Payment does not include inappropriate administrative fees or shipping charges;
   d. BPS received the goods or services; and
   e. A valid contract is in place between the vendor and BPS where necessary.

4. If, after conducting the aforementioned review, BPS finds (1) payment requests are inappropriate or include excessive fees charges; (2) BPS did not receive the goods or services ordered; (3) a valid contract was not in place where necessary; or (4) any questionable invoices or contracts, BPS should take immediate steps to stop such payments, take remedial action, and provide the information to the OIG and BPS's independent auditor.

5. Immediately implement a written BPS policy prohibiting the practice of paying vendors through passthrough invoices, and amend BPS and city of Boston internal policies accordingly.

6. BPS and the city of Boston should explore their options regarding the future use of contracts with vendors that have agreed to serve as passthrough vendors and received markups on passthrough invoices submitted to BPS. Most pressingly, BPS should consider how to address the conduct of companies named in this report.

7. The Superintendent should name an interim leader for the BPS Division of Operations and any teams or departments within that division named in this report.

8. On business day 11, resume processing contract payments with stronger controls to mitigate the conduct identified in this report.

9. Report to the OIG on initial action steps taken.

10. Recover $77,697 in wasteful markup costs charged by the vendors identified in this report.

II. Short Term Recommendations – Next 6 Months

1. The BPS Finance team should perform a central role in overseeing procurements and accounts payable currently conducted by all other BPS departments, including the Facilities Management Department. BPS should have an executive team member who is responsible for all financial operations of the school system.

2. Determine whether BPS employees identified in this report violated any BPS employment or HR policies and take appropriate action, including any necessary employee investigations.

3. Identify staff and managers who can take proper control of these functions.

4. Rebuild BPS's Facilities Management Department from its leadership down and determine the responsibilities of all of those in the department, including leadership detailed in this report. Establish clear objectives, set an appropriate tone from the top, and put a system in place that actually uses effective controls.

5. Restore all authority and control extended to the Mayor's Corporation Counsel, or other senior-level report, back to the BPS Superintendent.

III. Medium Term Recommendations – Fiscal Year 2027

1. Procure and engage an independent forensic audit of all BPS vendor payments for the last three years to ensure that:
    a. A valid contract between BPS and the vendor was in place;
    b. Payments were for goods or services pursuant to a valid contract;
    c. Identified subcontractors are in fact subcontractors of the vendor;
    d. All shipping, transportation, and administrative fees are appropriate, not excessive, and pursuant to the terms of the contract between BPS and the vendor; and
    e. Material purchased through an identified sole source vendor is a legitimate sole source procurement.

2. Procure and engage an independent qualified consultant to review BPS procurement and contract processes to identify the root causes that led to:
    a. Passthrough vendor payments;
    b. Procurement of widely available materials through a sole source vendor; and
    c. Other violations of Chapter 30B, including the lack of competitive bidding and contracts for supplies or services valued at $10,000 or more.

3. Conduct an independent audit of BPS employees' residency status, and any changes from employee to contractor status, to ensure:
    a. All employees meet city of Boston residency requirements; and
    b. All employees and independent contractors are properly classified.

4. With the aforementioned audits, provide the OIG with the entities contacted, the scope of the audits, and timeline of deliverables. Provide the OIG with a copy of the completed reports and authorize the OIG to have access to final reports and recommendations prepared by the auditors or consultants.

5. Recover any illegal or wasteful payments among the $857,261 of public funds identified in Finding 24 of this report or otherwise identified in the aforementioned audits.

IV. Long Term Recommendations – Fiscal Year 2028

1. Procure and engage an external expert to study and advise on best practices in procurement, contracting, and budget management.

2. Review and update BPS procurement policies. Consider creating a streamlined approach for contract and change order approval, while implementing robust internal controls. Adjust the required layers of approval based on the value of the contract or the change order. Ensure a top-down, bottom-up understanding of procedures and expectations.

3. Establish controls to allow for appropriate contract oversight. Such controls should include, but are not limited to:
   a. Establishing a centralized system for tracking contract expenses;
   b. Ensuring that an appropriate purchase order or change order is in place before requesting any additional goods or services from a vendor; and
   c. Creating a clear review process for all invoices, confirming that (1) there is an active contract for the goods or services; (2) the goods or services were delivered to BPS's satisfaction prior to payment; (3) the correct amount was invoiced for the goods or services; and (4) any shipping or other fees are made in accordance with the underlying contract.

4. Create procedures to track service contracts at local school facilities so that the contract can be appropriately budgeted and monitored.

5. Provide training for all relevant BPS employees to reinforce purchasing procedures and controls, including bid solicitation and contract management.

THE CITY OF BOSTON FINANCE COMMISSION
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May 11, 2023

INTRODUCTION

In October 28, 2021, the Finance Commission received a request for assistance from a Boston Public Schools vendor who was awarded a multi-year, contract through a bidding process, claiming that, since 2018, he was not being fully paid for services he had performed. The Commission immediately sent an email to the Chief Operating Officer and the Assistant Director of Finance and Operations of Boston Public Schools to discuss the issue, which resulted in a group phone call on November 4, 2022, and ended in BPS stating they would review the vendor's invoices and pay the vendor. Over the next year, the vendor contacted BPS via email several times and included the Finance Commission, stating concerns that BPS was not paying all of the invoices he submitted. The Commission contacted the Assistant Director of Finances and Operations on multiple occasions asking for updates and was told they were working with the vendor to review the total that was owed. In February of 2023, the vendor phoned the Finance Commission to relay that he had been paid in full for the work performed, however, it was found that Boston Public Schools had not paid the vendor, instead BPS had arranged for another of their contracted vendors, ENE Systems, Inc., to pay the bill, at an additional cost of $24,673.33 to the taxpayers of the City of Boston. This unusual payment led to further investigation.

RELEVANT FACTS

- ENE System, Inc. and the vendor have two different Boston Public Schools contracts that were publicly bid and each contract provided for different services. Payments sent to each vendor should have been from funds encumbered for the services each provided under their individual contracts. The ENE contract with Boston Public Schools did not secure the services of ENE to solve BPS billing issues.
- Boston Public Schools verified that all work performed and invoiced by the vendor was legitimate and that the vendor had not been fully compensated by BPS dating back to 2018.
- The City of Boston Finance Commission uncovered that ENE Systems, Inc., a national company with multiple City of Boston contracts totaling about $20 million paid the vendor the $164,448.84 owed by Boston Public Schools.
- The vendor confirmed that ENE contacted him and offered full payment for the amount Boston Public Schools owed but required him to complete paperwork making him a subcontractor of ENE before he received payment. The vendor has verified that he has never worked as a subcontractor for ENE Systems anywhere.
- The Finance Commission uncovered a February 8, 2023 invoice that ENE Systems, Inc. submitted for work completed at the Campbell Resource Center. A breakdown of costs included $189,162.17 listed as "subcontractors". It is common industry practice for vendors to add a percentage surcharge onto subcontractor costs and for this invoice it appears that ENE added 15% or $24,673.33 to $164,488.84 (the amount ENE paid the BPS vendor) which came to a total of $189,162.17. This was confirmed by the BPS employee interviewed by the Finance Commission. For ENE to invoice for work that was not within the scope of their contract that was falsely invoiced as subcontractor work at the Campbell Resource Center and to charge a surcharge for that cost is unethical.

	Invoice: 01234	Invoice date: 2/8/2023	PO# Number 51029
Row Labels	**Labor**	**Outside Purchased Material**	**Subcontractors**
Campbell Resource Center	$4,319.54	$14,155.88	**$189.162.17**

- The Finance Commission conducted an interview with a Boston Public Schools employee whose responsibilities include approving payment of the vendor's invoices. The employee acknowledged that the February 8, 2023 ENE invoice for the Campbell Resource Center subcontractor services was used to reimburse ENE for paying the vendor and that this amount included a 15% fee. The employee also stated that the idea for using ENE to pay the back-due amount to the vendor was his own and that he had informed his supervisor of his idea and he was told to go forward with the plan. It is important to note that the BPS employee was very forthcoming with the Finance Commission and stated that he was only seeking a solution to assure the vendor received the payments he was due.

CONCLUSIONS

This breach of policy, procedures, and public trust by City of Boston employees unnecessarily wasted $24,673.33 of the taxpayers' money. BPS would have found a solution to this problem had they simply contacted Auditing which would have walked them through the necessary steps to complete the payment. There remains a concern that since the vendor was paid by ENE Systems and not BPS, the past due amounts are still unreconciled in the BPS payment system which makes it appear as if the vendor is still owed $164,488.84 by Boston Public Schools.

This transaction unnecessarily cost the taxpayers money that could have gone towards services for Boston Public School students, undermines the faith citizens have in their public officials, and will potentially cause vendors to question whether they should enter a business relationship with the City of Boston. As the awarding contract authority, Boston Public Schools should know that approaching a contractor to hide a payment problem puts pressure on vendors to "do BPS a favor" or potentially suffer some consequence. There is also a concern that actions such as this can offer opportunities for city employees to create avenues to receive unwarranted financial gain, though the Finance Commission investigation did not find indications that any BPS employees did so in this case. During the Finance Commission's investigation, we were informed that this has occurred previously but the amounts were smaller. BPS needs to take immediate corrective actions to prevent this from occurring in the future.

The Finance Commission phoned ENE Systems, Inc. for a comment but did not receive a call back

Matthew A. Cahill

Matthew A Cahill

Executive Director
City Of Boston Finance Commission

APPENDIX B: NOVEMBER 2024 BOSTON FINANCE COMMISSION LETTER

November 2024

The City of Boston Finance Commission received and reviewed a Boston Public Schools contract with Inner City Business/Multicultural Book (53544-22) to provide "dual language, all-inclusive, multicultural, and other books and texts unique to this contractor" with the requirement that "the cost of all items purchased under the contract will not exceed standard catalog prices in effect at the time of the purchase". The contract was for the term of August 1, 2021 to July 31, 2024 at a cost not to exceed $2,000,000. After receiving two amendments to the contract increasing the contract and additional $500,000 to a total of $2,500,000, the Finance Commission conducted an audit.

A review of invoices found inconsistencies in charges for shipping and handling that ranged from no shipping and handling charges at all to over 100% of the cost of the books purchased. Invoices submitted by the vendor and paid by Boston Public Schools provided inconsistent details of what was being invoiced and should have triggered Boston Public Schools to require additional, detailed information prior to payments.

The vendor invoices show purchases as few as one book per title and as many as almost 4,000. The Finance Commission used web-based portals Amazon.com and BulkBookstore.com to review book prices and shipping costs of several invoices. Amazon.com restricts the quantities of individual book titles allowed to be purchased at one time. This quantity varied by title but seemed to range between 10 to 100 copies. BulkBookstore.com, an online retailer that has had a Better Business Bureau accreditation since August of 2020, required quantities purchased to be a minimum of 50 per title. Both retailers offered free shipping.

Shipping and Handling

Vendor invoices had "Ship To" addresses that included BPS Administrative Office and various schools. One vendor invoice (12077) simply listed a "ship to" as "Boston Public Schools" with no address. Several vendor invoices dated October of 2022 show a charge of "shipping and handling 11%" (see invoices 11908 and 11143) where in July of that same year, invoice 11062 had a charge listed at "S&H" of $540.00 on a total book purchase invoice of $532.36 or 101%. Some invoices do not reference a delivery charge at all.

Descriptions

Invoices submitted earlier in the contract list book titles in the description which made it easier for BPS central office to verify deliveries. Later invoices listed various descriptions such as thirteen-digit numbers but not titles, some descriptions referenced quotes, while other had vague descriptions. Invoice 12006 listed the description as "PD Books for Librarians" with the quantity of 1 and a charge of $5,214.38. Invoice 12124 listed a description of "Assorted Classroom Titles" with a quantity of 1 and a cost of $9,000, $720 of which was for shipping and handling.

Book Costs

The Finance Commission reviewed the prices charged for books from several invoices from 2022. The process included utilizing Amazon.com and BulkBookstore.com. The books purchased under invoice 11062 which totaled $1,072.36 which included shipping costs of $540.00 were compared to Amazon.com where the book costs were $499.13 with free shipping, a $573.23 difference. Invoice 11265 Totaled $8.205.75 with $457.35 for shipping and handling was compared to the same book purchases on BulkBookstore.com which the books would have cost $6,409.08, a difference of $1,796.67. The comparisons on some invoices reviewed were negligible and it is important to note that the pricing for books can fluctuate over time.

Recommendations

Boston Public Schools should assign and inhouse purchasing agent to manage the needs of this contract utilizing online vendors. If even 10% of this contract went to shipping and handling charges that is $250,000 that could have been spent on books for children.

A full, independent audit of this contract should be conducted which should include a review of the vendor's invoices from the distributors with special attention paid to charges made to the vendor from the distributors for shipping and handling as well as book costs.

Boston Public Schools should arrange for an outside contract to randomly review contractor invoices for product costs, shipping charges and additional fees.

Conclusions

Vendors are in business to make a profit, and Boston Public Schools has an obligation to protect the taxpayers who provide to create contracts that specifically spell out how vendors can earn money from a contract and the limitations. Boston Public Schools should also be conducting random audits of pricing for both products and delivery charges to assure that the funds provided by the taxpayers are being spent well and, in this case, maximizing the number of books Boston's students are receiving. Should the funding for any of these purchases have be provided by the federal government, Schools has an obligation to report any irregularities to the proper authorities. At a time when the City of Boston is seeking to increase commercial property taxes to raise needed revenues, it is the obligation of the city to ensure that contracts are being monitored to assure the taxpayers and citizens are being treated fairly.

APPENDIX C: PASSTHROUGH VENDORS AND INVOICES

Table 1. Vendors Submitting Invoices for Payment.

Invoicing Vendor	Description	Services
Adobe	Software company	Software license
Alpine Environmental	Environmental consultant	Labor materials and disposal
Amazon.com	Online retailer	Computer and office supply purchases
Boston Mechanical	Plumbing and HVAC	Miscellaneous plumbing services
Capital One Bank	Banking	Adobe licenses
Commonwealth of Massachusetts	State agency	Dept. of Environmental Protection fee
Concorp Inc.	Environmental pollution control	pH neutralization and monitoring systems
Geotech		Unknown
Harvey Yee		Adobe licenses
Helco Safety Equipment Corp.	Industrial safety products	First aid supplies
Homer Contracting	General contractor	High school painting contract
Integrasense Inc.	Technology solutions	Technology solutions
Joe Warren and Sons	Commercial food equipment services	Installations of water filters and water fountains
LBP Solutions	Environmental testing services	Asbestos inspection
National Environmental Trainers	Environmental training	HAZWOPER online training courses
Paul J. Rogan Co., Inc.	Construction	Ceiling removal, tile work, soffits, etc.
Senior environmental engineer	Contract employee	Contract employee
Strategic Environmental Services Inc.	Environmental remediation	Asbestos abatement
TSI Equipment		Air quality testing equipment

Table 2. Passthrough Vendors and Invoices Billed to BPS.

Passthrough Vendor/ Invoicing Vendor[a]	Description	Invoice Amount	Billed to BPS	
			Amount	Markup[b]
ENE (2022-2023)[c]				
Boston Mechanical	Miscellaneous plumbing services for various Boston Public Schools	$164,488.84	$189,162.17	$24,673.33 (15.0%)
Homer Contracting	East Boston High School	$54,481.00	$65,068.15	$10,587.15 (19.4%)
Paul J. Rogan Co., Inc.	Ceiling removal, overtime at school opening, window panels, undercounter fridge, tile work at backsplash, added soffits,	$46,833.40	$53,865.91	$7,032.51 (15.0%)

Passthrough Vendor/ Invoicing Vendor[a]	Description	Invoice Amount	Billed to BPS Amount	Markup[b]
	temporary doors, conduit cut by coring			
Envirotrac (2019-2023)[d]				
Alpine Environmental	Scrape loose and flaking paint from radiators and apply 1 full coat of DTM	$6,560.00	$7,216.00	$656.00
Alpine Environmental	Labor, materials, mobilization, field supplies, disposal	$6,048.00	$6,652.80	$604.80
Concorp, Inc.	Ph neutralization and monitoring systems maintenance and service agreement. Quarterly service completed for 9 schools. 4 bags of shock. 1 Charter recorder pen.	$1,657.00	$1,822.70	$165.70
Concorp, Inc.	Ph neutralization and monitoring systems maintenance and service agreement. Quarterly service completed for 9 schools.	$1,614.00	$1,775.40	$161.40
Concorp, Inc.	Ph neutralization and monitoring systems. Quarterly service completed for 9 schools.	$1,614.00	$1,775.40	$161.40
Concorp, Inc.	Ph neutralization and monitoring systems quarterly service and maintenance agreement. Hyde Park Education Complex chip tank. New pH electrode. Another course to college new pH electrodes	$1,510.00	$1,661.00	$151.00
Geotech	Unknown item	$7,617.27	$8,379.00	$761.73
Helco Safety Equipment Corp.*	Inspection of first aid kits, first aid kit supplies	$39,937.60	$43,931.41	$3,993.81
Helco Safety Equipment Corp.*	Protective equipment, sharps container, eye wash station, cabinet, gloves.	$2,197.28	$2,417.01	$219.73
Helco Safety Equipment Corp.*	Wipes	$125.00	$137.50	$12.50
Helco Safety Equipment Corp.*	First aid kit supplies	$11,183.35	$12,301.74	$1,118.39
Helco Safety Equipment Corp.*	6 cabinets and 3 spill kits	$1,854.00	$2,039.40	$185.40
Helco Safety Equipment Corp.*	Missing	$1,752.35	$1,927.59	$175.24
Helco Safety Equipment Corp.*	Filters and gloves	$1,606.00	$1,766.60	$160.60
Joe Warren and Sons*	Installation of water filters and water fountains	$13,694.76	$15,064.24	$1,369.48
LBP Solutions	Asbestos inspection	$1,553.70	$1,709.07	$155.37
National Environmental Trainers	Hazwoper annual refresher	$190.00	$209.00	$19.00

Passthrough Vendor/ Invoicing Vendor[a]	Description	Invoice Amount	Billed to BPS Amount	Markup[b]
National Environmental Trainers	Hazwoper online training courses	$1,185.00	$1,303.50	$118.50
Strategic Environmental Services Inc	Asbestos abatement services	$30,250.00	$33,275.00	$3,025.00
Strategic Environmental Services Inc	ACM abatement	$10,630.00	$11,693.00	$1,063.00
Strategic Environmental Services Inc	Crew and equipment to perform investigation	$1,900.00	$2,090.00	$190.00
TSI Equipment	Q-trax IAQ monitor, Dust trak DRX handheld	$13,860.94	$15,247.03	$1,386.09
Petroleum Management Services (2022)[e]				
Senior Environmental Engineer	Payroll	$31,790.00	$34,969.00	$3,179.00
Tighe and Bond (2023-2024)[f]				
Commonwealth of Massachusetts	BPS Mildred Ave Annual DEP Fee	$980.00	$1,078.00	$98.00
Commonwealth of Massachusetts	Tech Boston Annual DEP Fee	$980.00	$1,078.00	$98.00
Commonwealth of Massachusetts	Carter Annual DEP Fee	$2,455.00	$2,700.50	$245.50
Commonwealth of Massachusetts	Umana Annual DEP Fee	$2,455.00	$2,700.50	$245.50
Helco Safety Equipment Corp.*	Restock First Aid Cabinets	$2,807.46	$3,088.21	$280.75
Helco Safety Equipment Corp.*	Inspect and Restock First Aid Cabinets	$15,806.75	$17,387.44	$1,580.69
Integrasense	Update Mildred Ave Telemetry System	$2,280.00	$2,508.00	$228.00
Integrasense	BPS LPS Services Telemetry	$1,750.00	$1,925.00	$175.00
Integrasense	Lilah Frederick Monitoring	$1,750.00	$1,925.00	$175.00
Yee Consulting (2019-2021)[g]				
Adobe	Subscription for Audrey Ng	$191.12	$210.23	$19.11
Amazon	8 Power Chargers	$97.64	$107.44	$9.80
Amazon	2016 Office Professional	$80.74	$88.81	$8.07
Amazon	ProCase and 3 Mouses	$59.45	$65.40	$5.95
Amazon	Lenovo ThinkPad Ultra Docking Station	$240.11	$264.12	$24.01

Passthrough Vendor/ Invoicing Vendor[a]	Description	Invoice Amount	Billed to BPS Amount	Billed to BPS Markup[b]
Amazon	ProCase	$21.24	$23.36	$2.12
Amazon	2 Lenovo ThinkPads	$2,719.96	$2,991.96	$272.00
Amazon	Powerman USB Cable	$11.68	$12.85	$1.17
Amazon	20 Stylus Pens	$10.61	$11.67	$1.06
Capital One Bank	Adobe	$382.24	$420.46	$38.22
Concorp Inc	Hyde Park Education Complex	$894.00	$983.40	$89.40
Concorp Inc	pH Neutralization Service Agreement for Kennedy	$535.00	$588.50	$53.50
Concorp Inc	9 Schools	$4,842.00	$5,326.20	$484.20
Concorp Inc	EMK Academy	$375.00	$412.50	$37.50
Concorp Inc	South Boston HS	$375.00	$412.50	$37.50
Concorp Inc	pH Neutralization Service Agreement for Various Schools	$2,739.00	$3,012.90	$273.90
Concorp Inc	9 Schools pH Neutralization Quarterly Service	$1,467.00	$1,613.70	$146.70
Concorp Inc	pH Neutralization Service Agreement for 8 Schools	$1,272.00	$1,399.20	$127.20
Concorp Inc	Another Course to College	$1,219.00	$1,340.90	$121.90
Harvey Yee	Adobe Renewal	$191.12	$210.23	$19.11
Harvey Yee	Adobe Subscription	$191.12	$210.23	$19.11
Helco Safety Equipment Corp*	Safety Showers	$3,987.20	$4,385.93	$398.73
Helco Safety Equipment Corp*	First Aid Cabinets	$10,945.95	$12,040.56	$1,094.61
Senior Environmental Engineer	Payroll	$99,550.00	$109,510.35	$9,960.35

*Section 30B violation.

[a] Passthrough vendors are shown in bold, with the years of the first and last invoices paid to submitting vendors on behalf of BPS.

[b] The markup percentage was 10% except for invoices where the percentages (%) are displayed with the markup amount.

[c] ENE Systems, Inc. is a heating, ventilation and air conditioning (HVAC) controls company.

[d] EnviroTrac Ltd. is an environmental consultant.

[e] Petroleum Management Services, Inc. conducts fuel system inspection, installation and maintenance.

[f] Tighe and Bond is an engineering, environmental, planning, and design firm.

[g] Yee Consulting Group, Inc. is an environmental engineering firm that performs asbestos and air quality monitoring.

APPENDIX D: MASS-MARKET BOOKS PURCHASED THROUGH MULTICULTURAL BOOK WORLD'S SOLE SOURCE CONTRACTS

Book Title	Contract	No. of Copies	Total Spent
1984	First	1	$10.00
A Brave New World	Second	66	$836.00
A Christmas Carol	Second	6	$53.00
A Doll's House	Second	6	$40.00
A Tale of Two Cities	Second	100	$450.00
A Walk in the Woods	Second	81	$554.00
A Walk to Remember	Second	2	$13.00
A Wrinkle in Time	Both	276	$1,462.00
Aesop's Fables	Second	42	$337.00
Alexander And the Terrible, Horrible, No Good, Very Bad Day	Second	4	$27.00
Alice In Wonderland and Through The Looking-Glass	Second	11	$61.00
American Sniper	First	15	$112.00
Angela's Ashes	Second	6	$81.00
Animal Farm	Both	130	$1,024.00
ANNE FRANK; The Diary of a Young Girl	Both	62	$342.00
Antigone	Second	6	$51.00
Beloved	Both	61	$810.00
Beowulf	Second	12	$100.00
Blubber	Second	2	$12.00
Bluford High Series	Second	20	$74.00
Brave New World	Second	66	$836.00
Carrie	First	1	$11.00
Catcher In the Rye	Second	6	$72.00
Charles Dickens: Four Novels	First	1	$25.00
Charlie And the Chocolate Factory	Second	12	$86.00
Charlotte's Web	Both	126	$790.00
Chicken Soup for The Teenage Soul	First	1	$14.00
Cloudy With a Chance of Meatballs	First	8	$95.00
Coraline	First	1	$10.00
Death Of a Salesman	Second	6	$67.00
Diagnostic And Statistical Manual of Mental Disorders, 5th Edition	Both	2	$274.00
Divergent	Both	82	$796.00
Don't You Dare Read This, Mrs. Dunphrey	Second	5	$41.00
Dragon Ball Z	Second	52	$389.00
Ender's Game	Both	5	$32.00

Book Title	Contract	No. of Copies	Total Spent
Fahrenheit 451	Both	140	$1,707.00
Fast Food Nation	Both	7	$82.00
Great Expectations	Second	90	$792.00
Green Eggs and Ham	Second	4	$32.00
Hamlet	Both	16	$74.00
Hercules	Second	8	$64.00
Hidden Figures	Both	161	$1,146.00
I Know Why the Caged Bird Sings	Second	6	$38.00
Into The Wild	Both	21	$252.00
Into Thin Air	First	15	$180.00
Jane Eyre	Second	90	$648.00
Julius Caesar	Second	20	$95.00
Little Women	Second	6	$40.00
Llama Llama Red Pajama	Second	4	$61.00
Macbeth	Second	134	$879.00
Make Way for Ducklings	Both	62	$422.00
Murder On the Orient Express	Second	1	$13.00
My Antonia	Second	5	$44.00
My Sister's Keeper	Second	2	$27.00
Myers Psychology For AP	First	44	$6,142.00
Narrative Of the Life of Frederick Douglass	Second	260	$1,030.00
National Geographic	First	80	$2,126.00
Number The Stars	Second	50	$337.00
Of Mice and Men	Both	161	$1,510.00
Oh, The Places You'll Go!	Second	4	$61.00
Othello	Both	95	$761.00
Paul Revere's Ride	Both	28	$189.00
Peter Pan	Second	296	$1,649.00
Pinocchio	Second	80	$445.00
Poseidon	Second	17	$166.00
Pride And Prejudice	Second	90	$428.00
Pygmalion	Both	64	$269.00
Richard III	Second	6	$27.00
Roald Dahl's Book of Ghost Stories	First	3	$32.00
Romeo And Juliet	Both	310	$1,771.00
Song Of Solomon	First	162	$1,994.00
The Autobiography of Malcolm X: As Told to Alex Haley	First	4	$24.00
The Bell Jar	First	12	$153.00
The Book Thief	Second	16	$193.00

Book Title	Contract	No. of Copies	Total Spent
The Call of the Wild	Second	102	$410.00
The Cat in the Hat	Second	4	$32.00
The Color Purple	First	30	$383.00
The Curious Incident of The Dog in The Night-Time	First	99	$1,041.00
The Fault in Our Stars	Both	24	$247.00
The Giver	First	672	$4,720.00
The Giving Tree	First	2	$54.00
The Grapes of Wrath	Second	6	$86.00
The Great Gatsby	Second	6	$77.00
The Handmaid's Tale	Second	22	$281.00
The Hobbit	Second	8	$60.00
The Hound of the Baskervilles	Second	6	$24.00
The House of the Seven Gables	Second	6	$27.00
The Hunger Games	Second	30	$334.00
The Joy Luck Club	Second	10	$136.00
The Kite Runner	Both	40	$460.00
The Lightening Thief [sic]	First	258	$1,545.00
The Lightning Thief	Second	55	$329.00
The Lord of the Flies	Second	305	$2,764.00
The Lord of the Rings	Second	8	$161.00
The Maze Runner	Both	24	$182.00
The Odyssey	Second	109	$1,661.00
The Outsiders	Both	584	$4,892.00
The Perks of Being a Wallflower	Second	20	$240.00
The Red Badge of Courage	Second	6	$18.00
The Scarlet Letter	Second	90	$683.00
The Summer I Turned Pretty	Second	6	$54.00
The Summer of My German Soldier	Second	5	$36.00
The Three Little Pigs	First	92	$268.00
The Three Musketeers	Second	75	$417.00
The True Story of the Three Little Pigs	Both	63	$426.00
The Very Hungry Caterpillar	Second	268	$2,535.00
The War of the Worlds	Second	100	$880.00
The Watsons Go to Birmingham 1963	First	188	$1,259.00
The Wonderful Wizard of Oz	Both	34	$211.00
To All the Boys I've Loved Before	First	6	$46.00
To Kill A Mockingbird	Second	100	$1,199.00
Tuck Everlasting	Second	45	$303.00
Walden	Second	6	$29.00

Book Title	Contract	No. of Copies	Total Spent
We Were Liars	Second	22	$193.00
Where The Red Fern Grows	Second	51	$367.00
Winnie The Pooh	Second	38	$456.00
Wuthering Heights	Second	6	$38.00
Total		**7,488**	**$65,454.00**

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