

## Committee on Government Operations Gabriela Coletta Zapata Chair

One City Hall Square 5th Floor, Boston, MA 02201 ♦ Phone: (617) 635-3040 ♦ city.council@boston.gov

### REPORT OF COMMITTEE CHAIR

October 29, 2025

Dear Councilors,

The Committee on Government Operations was referred the following docket for consideration:

Docket #0145, Petition for a Special Law Re: To establish the Commission of Inspectors General on Financial Oversight.

This matter was sponsored by Councilors Julia Mejia and Brian Worrell and was referred to the Committee on January 8, 2025.

Summary of Legislation

Docket #0145, is a home rule petition that seeks to amend the special acts that establish and enable the Boston Finance Commission in order to modernize and strengthen its structure, powers, and oversight capacity. The petition creates a new position of Inspector General, appointed by and accountable to the Commission, to lead investigations into fraud, waste, abuse, and mismanagement across all City departments and related agencies. Together, these changes are designed to transform the Boston Finance Commission into a more robust, well-supported, and empowered oversight body capable of providing sustained, independent accountability in municipal operations. As filed, the proposed petition does so in the ways described below.

Under Section 1, the petition renames the Boston Finance Commission to the "Boston Finance and Oversight Commission" and fixes its size at five (5) people who must be inhabitants of and qualified voters in the City of Boston for at least three (3) years prior to appointment. Under the petition, members are appointed by the Governor with staggered initial terms and five (5) year terms thereafter, and will serve without compensation. Under the petition, the Governor has the authority to remove members of the Commission for cause, and in the case of vacancies, is responsible for appointing members to fill unexpired terms.

Under Section 2, the Commission is empowered to appoint an Inspector General (IG) in the City of Boston for a five (5) year term, following a majority vote of the Commission. The petition specifies that the IG shall have experience in areas such as "accounting, auditing, financial analysis, independent government oversight, law, management analysis, public administration, investigation, criminal justice administration, and must hold or obtain a nationally recognized certification as a Certified Inspector General. Additional duties of the Commission under this section include: reviewing IG reports upon request, monitoring the implementation of recommendations, providing the IG with feedback, initiating a nationally recognized Quality Assurance Review every three (3) years, appearing before the Council "upon request, and reviewing the annual budget proposed by the Inspector General.

Under Section 3, the IG is authorized to conduct investigations on all matters related to the finances of the City, based on complaints from employees, residents, or business owners, or even at its own discretion to



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address inefficiencies, waste, misconduct, abuse, or mismanagement. This section charges the IG with fostering efficient contract monitoring procedures to improve the delivery of City services, as well as engaging with constituents and building public awareness around the IG's procedures for receiving complaints. Finally, the section requires the IG to prepare and publish an annual report to be made publicly available by March 1st each year and states that the IG shall also appear in front of the City Council annually and upon request.

Under Section 4, upon the IG's request, the Commission is tasked with employing a number of Deputy Investigators with the requisite knowledge, skills, and experience necessary to support the IG in its work. This section specifies that such Deputy Investigators shall receive stipends as determined by the Mayor commensurate with duties/expenses.

Under Section 5, the Commission, by and through the Inspector General, is hereby empowered to inspect all City records, inquire into City business management, and "summon witnesses pursuant to M.G.L c.233 s. 8. Further, this section prevents the Mayor, City Council, and/or any other governmental/quasi governmental entity from obstructing such investigations and requires investigation cooperation on the behalf of all covered entities. This section also contains provisions to ensure confidentiality in investigations and prevent retaliation against anyone who files a complaint. Finally, to prevent undue influence, this section restricts the IG from engaging in other profit occupations (except approved teaching opportunities), requires the IG recuse themselves from investigations when necessary and specifies that the IG may not hold any elected City office until two (2) years after leaving the position nor may the IG have worked for the City or held any elected City office within two (2) years of appointment.

#### Information Received at Hearing

The Committee held a working session on June 5, 2025, to discuss Docket #0145. This working session was held in addition to multiple discussions held on a similar Docket assigned to the Committee in 2024 (Docket #0645, an ordinance establishing the office of Inspector General within the City of Boston). At the working session, Councilors reviewed the language of the petition, which reflects input from the State Inspector General, the National Association of Inspectors General, and the current Executive Director of the Boston Finance Commission. Discussion centered on naming conventions for the new body, with suggestions ranging from "Commission of Inspectors General" to "Finance and Oversight Commission," aiming to capture a mandate that extended beyond financial audits to encompass broader city operations. Councilors also discussed explicitly defining the commission's jurisdiction to include city departments, quasi-public agencies, and affiliated entities such as the Boston Water and Sewer Commission, the Economic Development and Industrial Corporation, and the Boston Public Health Commission.

The working session also focused heavily on funding and staffing provisions to ensure sustainability without violating the City Charter with respect to budgetary earmarks. Councilors proposed language modeled on other city commissions that would require an annual appropriation sufficient to fulfill the body's duties while granting the Inspector General authority comparable to that of a department head to hire staff and contract short-term experts. Additional discussion addressed whistleblower protections, transparency requirements, and balancing public access to records with the confidentiality of ongoing investigations. Councilors agreed that the goal was to create a modernized oversight structure capable of identifying inefficiencies, preventing misconduct, and promoting fiscal integrity across all areas of municipal government. The Committee concluded the session with plans to refine remaining language



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issues in order to advance a final version that delivers strong, independent, and credible oversight, consistent with the public's expectations for accountability and ethical governance.

#### Summary of Amendments

The petition, as amended, strikes and replaces language under the ORDERED clause to allow the legislature to make reasonable amendments to the language of the petition, where necessary, within the scope of the petition's general objective. As amended, the ORDERED clause reads as:

"That a petition to the General Court, accompanied by a bill for a special law relating to the City of Boston to be filed with an attested copy of this Order be, and hereby is, approved under Clause One (1) of Section Eight (8) of Article Two (2), as amended, of the Amendments to the Constitution of the Commonwealth of Massachusetts, to the end that legislation be adopted precisely as follows, provided that the Legislature may reasonably vary the form and substance of the requested legislation within the scope of the general public objective in this petition."

The petition, as amended, strikes and replaces the title of the petition: "The Commission of Inspectors General on Financial Oversight." As amended, the title reads as:

" PETITION FOR A SPECIAL LAW RE: AN ACT TO AMENDING THE OPERATIONS OF THE CITY OF BOSTON FINANCE COMMISSION TO ESTABLISH THE BOSTON INSPECTOR GENERAL OVERSIGHT COMMISSION"

The petition, as amended, strikes and replaces language under Section 1, striking from the title of 'Section 17' "finance and" and replacing it with "Inspector General." As amended, the title of 'Section 17' under Section 1 reads as:

"Section 17. Appointment of the Boston Inspector General Oversight Commission"

The petition, as amended, inserts the following language at the end of Section 1 to clarify the meaning of "for cause" within the context of the petition.

"Such cause may include substantial neglect of duty, gross misconduct or conviction of a crime. The reasons for removal of a commission member shall be stated in writing and shall include the basis for such removal. Such writing shall be sent to the clerk of the City of Boston, the Boston City Council, and the Mayor at the time of the removal and shall be deemed to be a public document."

The petition, as amended, inserts language under Section 2 regarding the removal of the IG and the requirement that the IG obtain a nationally recognized certification within 1 year of appointment. Language is also inserted to this section to prohibit members of the Commission from participating in political campaigns or holding elected office while appointed and for three (3) years after appointment to the Commission. The petition, as amended, also strikes and inserts language under Section 2 rewording the provisions regarding the IG's appointment and selection criteria as well as those concerning additional duties of the commission, striking the requirement to initiate a quality assurance review that is "nationally recognized." As amended, Section 2 reads as:



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"SECTION 2. Section 18 of Chapter 486 of the Acts of 1909 is hereby amended by striking the paragraph in its entirety and inserting the following section:

SECTION 18. Duties of the Commission. The Commission shall appoint an Inspector General following a majority vote of its members. The appointed Inspector General shall serve for a term of five years. The person so appointed shall be selected without regard to political affiliation and solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, investigation or criminal justice administration.

In case of a vacancy in the position of Inspector General, their successor shall be appointed in the same manner for the unexpired term. No person shall be appointed for more than two five-year terms.

The person so appointed may be removed from office, for cause, by a majority vote of the Commission. Such cause may include substantial neglect of duty, gross misconduct or conviction of a crime. The reasons for removal of the inspector general shall be stated in writing and shall include the basis for such removal. Such writing shall be sent to the clerk of the City of Boston, the Boston City Council, and the Mayor at the time of the removal and shall be deemed to be a public document. The Commission shall annually set the salary of the Inspector General. The Inspector General must hold or obtain a nationally recognized certification as a Certified Inspector General within one (1) year of their hiring date.

Additional duties of the Commission may include supporting the Inspector General in conducting investigations, including but not limited to collecting data, conducting interviews, writing and reviewing reports; monitoring the implementation of recommendations and providing feedback to the Inspector General; conduct a performance review of the Inspector General every 2 years; coming before the City Council upon request; review, amend, and approve the annual budget proposed by the Inspector General.

No member of the Commission shall hold, or be a candidate for, any elected public office while an officer or employee, or for three years thereafter, nor shall they hold office in any political party or political committee, or participate in any political campaign of any candidate for public office while an officer or employee."

The petition, as amended, strikes and inserts language under the first three paragraphs of Section 3. The petition inserts language to clarify that the IG has the authority to issue subpoenas and investigate any and all City business, based on complaints from the Mayor, City Council, City vendors, grant recipients, employees of the City or agencies thereof, contracted personnel, in addition to residents, and business owners, and that the City may withhold payments when a claim has been filed with the Commission, until a report is made thereon. The petition also inserts language requiring the IG recuse themselves when necessary. The petition strikes language requiring the IG adhere to standards "such as those established by the AIG." As amended, the amended paragraphs of Section 3 read as:

"SECTION 19. Duties of the Inspector General. The Inspector General shall have the authority to investigate any and all business of the City of Boston, including but not limited to: conduct investigations on all matters related to the finances of the City or the county of Suffolk, including appropriations, debt, loans, taxation, expenditures, bookkeeping, and Administration, particularly concerning fraud, waste, abuse, mismanagement that require examination to ensure transparency, efficiency, accountability,



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responsibility, integrity, and compliance with applicable laws; as well as to review the policies, practices, and procedures related to these matters to identify areas for improvement. Whenever any pay roll, bill, or other claim against the city is presented to the mayor, city auditor, or the city treasurer, they shall, if the same seems to them to be of doubtful validity, excessive in amount, or otherwise contrary to the city's interest, refer it to the Commission, which shall immediately investigate the facts and report thereon; and pending said report payment shall be withheld.

The Inspector General shall foster investigative, educational, auditing, evaluative, preventative, and contract monitoring procedures to improve the delivery of City services, strengthen accountability, and enhance operational effectiveness, all while adhering to professional standards for Offices of Inspector General. To facilitate its work, the Inspector General shall engage directly with constituents as necessary to gather information for investigations, reviews, or recommendations and shall take appropriate steps to build public awareness of its purpose, processes, and procedures for receiving complaints.

The Inspector General shall have the authority to initiate investigations based on complaints from the Mayor, City Council, City vendors, grant recipients, employees of the City or agencies thereof, contracted personnel, residents, and business owners or, at its discretion, to address inefficiencies, waste, misconduct, abuse, or mismanagement in City operations, services, and programs. The Inspector General shall have the power to issue subpoenas. When the Inspector General has reason to believe they must recuse themselves from a matter, the Inspector General shall refer such matter to the appropriate investigatory or law enforcement agency."

The petition, as amended, strikes Section 4 in its entirety and replaces it with an amended version of Section 5, described below. Section 5 of the petition is renumbered to be Section 4. The new Section 4, is amended by inserting language into the sixth paragraph related to the prohibition of the IG holding any employment positions with the city. As amended, the sixth paragraph of the new Section 4 reads as:

"The Inspector General may not hold any elected City office until two (2) years after leaving the position and may not have worked as a City of Boston employee, with an exception made for the existing Executive Director of the Finance Commission, or for a Boston elected official within two (2) years of appointment. During their term, the Inspector General may not engage in an occupation for profit, except for teaching, subject to the approval of the Commission, or hold any other government office outside the duties of the Inspector General. The Inspector General shall not solicit votes or raise monetary or in-kind contributions for any candidate for an elective office. All employees of the commission are subject to M.G.L. 268A."

The petition, as amended, inserts a new Section, Section 5, regarding appropriations for the support of the Commission. As amended, Section 5 reads as:

"SECTION 22. Appropriation for the Support of the Commission. The City shall annually appropriate an amount of money sufficient for the support the operation and administration of the Commission; provided, however, that said city shall not be required to provide more money for the support of the Commission than is appropriated. The Inspector General shall present their recommended budget to the Commission and place it on record with the City Clerk by 1st Wednesday in February prior to the beginning of such fiscal year to be presented by the Mayor with the annual operating budget. In acting on



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appropriations for Commission costs, the Mayor and city council shall approve the total amount of the appropriations requested by the Commission, and may increase the total requested amount but neither the mayor nor the city council shall allocate appropriations among accounts or place any restriction on such appropriations. Each fiscal year appropriation shall be no less than previous year unless recommended by either the Inspector General or the Commission votes to accept lower funding.

The appropriation of said city shall establish the total appropriation for the support of the Commission, but may not limit the authority of the Commission to determine expenditures within the total appropriation; provided, however, that if the city auditor determines that Commission expenditures in any fiscal year are projected to be in excess of total budgeted expenditures for that fiscal year, as supported by appropriation and other available funding, then the Commission shall not reallocate or transfer funds from any item in the budget for that fiscal year to fund any such projected additional expenditures.

The Inspector General shall not approve the appointment of any person except to a budgeted position. The Inspector General, with the advice and consent of the Commission may apply for and receive state and federal funds in order to fulfill the duties and responsibilities of the office."

Finally, the petition as amended strikes and replaces language under Section 7, to effectuate the petition 120 following its passage, as opposed to upon its passage.

#### Committee Chair Recommended Action

As Chair of the Committee on Government Operations, I recommend moving the listed docket from the Committee to the full Council for discussion and formal action. At this time, my recommendation to the full Council will be that this matter **OUGHT TO PASS IN A NEW DRAFT.** 

Gabriela Coletta Zapata, Chair

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