

Ensuring That Unprecedented Federal Stimulus Funding Benefits All and Helps Massachusetts Build Back Better

In response to the COVID-19 pandemic, Congress passed a series of relief, recovery, and stimulus bills that delivered unprecedented financial resources to Massachusetts state government, local government, residents, and businesses. In total, the federal government is expected to provide approximately \$113 billion in aid to Massachusetts in response to the COVID-19 pandemic. The vast majority of this funding was provided in the form of direct aid to businesses, individuals, and public entities, including in the form of stimulus checks. But other funding mechanisms give state and local governments more authority to direct stimulus spending.



As Auditor, Chris Will:

- 1. Monitor and Track Use of ARPA Funds in Real-Time**
- 2. Ensure Funds are Used to Build Back Better, Including on Key Metrics for Racial Equity**
- 3. Work With Partners at the State and Local Level to Ensure Comprehensive Oversight**

Learn more at:
www.dempseyforauditor.com/ARPA

Notably, the last of the three COVID response bills, the American Rescue Plan Act, or ARPA, provided \$5.3 billion for state government and \$3.4 billion to municipalities and counties. These funding sources still must meet basic federal rules, but the Commonwealth has more flexibility in deciding how and where money should be spent. These dollars present an opportunity to address critical and long-standing needs, especially in low-income communities and communities of color that were disproportionately impacted by the pandemic.

It is up to the Legislature, not the State Auditor, to direct spending of the \$5.3 billion in State Fiscal Recovery Funds available directly to Massachusetts state government. But the State Auditor can and must ensure each recovery and stimulus dollar is spent well and effectively across state government. Each year the Auditor conducts reviews of state programs that assess impact, identify areas for improvement, and make concrete recommendations for changes. It is critical that this oversight and accountability role be extended to this once-in-a-lifetime use of federal recovery funds. Tracking the expenditure of ARPA funding and assessing its impact will be an important priority for the State Auditor’s Office under Chris Dempsey’s leadership.

MA Funding by Legislation

Inventory Funding Type ● Direct ● Flexible ● Targeted

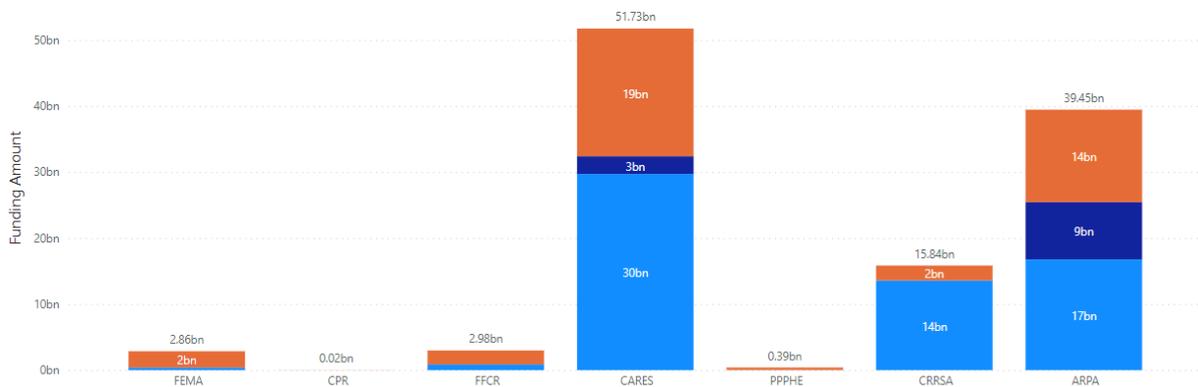


Chart from: [Commonwealth of Massachusetts’ Executive Office for Administration and Finance Federal Funds Office](#)

Chris Will Be an Independent and Data-Driven Auditor Overseeing and Tracking the Commonwealth’s Stimulus Funds

That more than \$5 billion will be allocated and spent by state government -- and additional billions by other public entities -- between now and 2026 presents a monumental opportunity, but it also comes with significant risks. Without oversight, this unique chance to invest in the people of Massachusetts and strengthen our economy could be squandered on inefficient programs, slow bureaucratic processes, and fraud and abuse. But if these discretionary and state/local agency dollars are spent well, they can transform our communities, reduce inequities in health and education, improve our environment, and leave a lasting legacy for future generations. Our Commonwealth and its residents need clear and accessible information about how the money is being spent. This includes ensuring that state and federal rules have been followed and that government entities and residents alike understand how well these funds have met our goals. The Governor’s Federal Funds Office has begun the first step by providing initial [transparency](#) into how funds have been spent so far, but there is far more oversight needed.

The State Auditor is directly elected by the voters and is *independent* from both the legislature and the governor. It is the right office within state government to take responsibility for making certain the funds are spent clearly and appropriately.



Chris is a proven watchdog for the public interest. As the Co-Founder of No Boston Olympics, Chris exposed the fine print of the Boston 2024 Olympic bid, which would have required taxpayers to cover billions of dollars of Olympic cost overruns. That work helped the Commonwealth avoid a mistake of Big-Dig proportions, even when many of the state's elected leaders were reluctant to oppose the powerful boosters behind the proposal. Chris will bring that data-driven, detail-oriented perspective to the Office of State Auditor and stand up for taxpayers as an independent voice on Beacon Hill.

Chris Will Monitor Use of These Funds to Ensure Compliance with Federal and State Requirements

Federal and Commonwealth recovery funds come with specific reporting requirements to ensure these resources are used for appropriate purposes and documented properly. These rules aren't merely a matter of completing paperwork. Funds misused (or misdocumented) are [subject to repayment to the Federal government](#) -- meaning that failure to adhere to these requirements presents a real risk to our state and local budgets. Returning these dollars to the federal government would be a monumental breach of the public trust and a failure of responsible stewardship of public resources. The State Auditor's Office can prevent that from happening.

The Governor's Federal Funds Office has laid the groundwork to provide compliance information to state agencies, as well as to local governments receiving unprecedented quantities of Federal aid. As Auditor, Chris will review the practices and performance of the Federal Funds Office to ensure compliance with federal and state rules and prevent Massachusetts from needing to return a single dollar to Washington, D.C.

Chris Will Ensure the Commonwealth Uses These Funds to Build Back Better

While it is important for the Auditor to certify adherence to federal reporting requirements, *compliance isn't enough*. As Auditor, Chris will work with state agencies and others receiving stimulus funds to ensure these resources are used to advance equity and help the Commonwealth build back better.

Monitoring the Impact of Funds on Racial Equity

In the fall of 2021, a coalition of advocacy groups including the NAACP New England Conference, the Black Economic Council of Massachusetts, and the Massachusetts Public Health Association endorsed the [Racial Equity Scorecard](#) for American Rescue Plan Act spending in Massachusetts. This scorecard provides a framework for how funds can be spent to advance racial justice, and will be a guide for the Auditor's Office under Chris Dempsey's leadership. Specifically, the scorecard has suggestions for how to hold state government accountable, and recommends a strong, real-time, public-facing database that tracks the percentage of ARPA dollars spent in the hardest-hit communities and a breakdown of contracts awarded to Minority-Owned Businesses. If



the Governor's Office does not create this real-time, public facing database, then, under Chris Dempsey's leadership, the Auditor's Office will.

Measuring Equitable Impacts

We have a unique opportunity to utilize federal stimulus funds to set a higher standard for fairness and equity so that every community benefits from federal spending and the communities hardest hit by the pandemic receive the help they need. Under Chris's leadership, audits of federal dollars spent by the state will incorporate clear equity goals and measures to accompany them, including tracking how funds flow to historically marginalized communities, Gateway Cities, and areas that have suffered from compounding harms like public disinvestment, air pollution, and lack of access to healthcare. By establishing these metrics early in the process, agency staff will have the opportunity to center equity impacts in their programs.

Maximizing Benefits

Funds can be spent according to the law and still not accomplish the goals set by Congress and our State Legislature. As Auditor, Chris will work with agencies and municipalities to identify the goals of our stimulus spending, establish metrics, and track our progress toward those metrics. This information not only lets Massachusetts residents understand the benefits of these programs but helps government deliver better results. Setting goals, measuring progress, and communicating the results allows us to replicate successes and to shift to other activities when goals are not being met.

Chris Will Work With the Attorney General, the Inspector General, and the Comptroller to Ensure Comprehensive Oversight

Auditor Suzanne Bump and Inspector General Glenn Cunha recently testified before the State Legislature in support of the creation of a reserve fund to be used by the State Auditor's Office, the Office of the Inspector General, the Attorney General, and the State Comptroller for pandemic relief oversight. A similar fund was available in response to the stimulus spending process during the Great Recession, and Massachusetts received national recognition for its oversight of those funds. The Legislature should create a similar fund for this larger, more significant round of stimulus funding.

These federal funds are a once-in-a-generation opportunity to make our Commonwealth stronger than it was before the pandemic; but that will only happen if we ensure these dollars are spent well. That includes addressing systemic problems in our society that COVID-19 brought into stark relief. As State Auditor, Chris will track and monitor this spending, make sure it reaches every community in the Commonwealth, and ensure that it leaves our Commonwealth stronger and more resilient.



For more information about federal stimulus funding, visit the Commonwealth's webpage dedicated to this topic set up by the Office of Administration & Finance:

<https://www.mass.gov/info-details/about-covid-19-federal-funds>