

OFFICE OF THE INSPECTOR GENERAL

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NEWS RELEASE

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OIG Finds Wasteful Spending Tied to Electric School Bus Contract

Rockville, Maryland – Montgomery County Maryland Inspector General Megan Davey Limarzi announced today the release of a new Office of the Inspector General (OIG) Memorandum of Investigation, <u>Investigation of MCPS' Management of the Electric Bus Contract</u>, OIG Publication # OIG-25-01, detailing the results of an OIG Investigation into the Montgomery County Public Schools' (MCPS) management of a contract valued at over \$160 million to procure 326 electric school buses. The investigation was predicated on complaints received through the OIG's <u>hotline</u>.

The OIG substantiated that the selected contractor failed to comply with contract terms related to the delivery of electric school buses and that MCPS failed to exercise contract provisions to force the contractor into compliance or terminate the contract. As a result, MCPS accepted late delivery of most of the school buses and absorbed delays related to mechanical failures which rendered some buses inoperable for extended periods. The OIG estimated that in addition to other possible actions, MCPS should have assessed the contractor approximately \$372,000 for failing to provide serviceable buses between FYs 2022 and 2024. MCPS is spending over \$14 million to acquire additional diesel buses to compensate for not receiving electric school buses in time to meet transportation demands.

The full report can be found at:<u>https://montgomerycountymd.gov/OIG/Resources/Files/PDF/IGActivity/FY2025/MOI-FY25%20MCPS%20Electric%20Bus%20Fleet.pdf</u>

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