

# **Schools Should Not be Paying Through the Roof**

By Robert Dziuban

In the past decade, there has been a massive, secretive theft of hundreds of millions of dollars in taxpayer money in Pennsylvania and across the nation.

U.S. school districts are paying twice as much as they should for roofing projects. And in Pennsylvania, the problem is most severe. It's time to stop this widespread larceny, and the path is straightforward—enact legislation that restores open, competitive bidding on all roofing projects.

A survey of state roofing projects by Ducker Worldwide found that Pennsylvania schools that purchased roofs through the Association of Educational Purchasing Agencies spent \$100 million more on the projects from 2005 to 2010 than they would have through public competitive bidding. Here is the [survey](#), as well as studies in other states.

With \$100 million, Pennsylvania could have purchased 33 million school lunches for low-income students, or nearly 100,000 computers for its schools. You would think numbers like these would spur action in Harrisburg, but a study of contracts awarded from 2011 to 2015 shows the process of overcharging the continues.

In virtually every state in which investigations into public school roofing projects have been conducted, anti-competitive, wasteful practices have been uncovered.

A 2015 audit found that Baltimore Public County Schools, using the Pa. cooperative purchasing program, estimated that since 2006, they had overpaid \$11 million for roofing projects. New Jersey uncovered widespread circumvention of competitive bidding on roofing projects.

California found millions of taxpayer dollars being wasted and revised procurement laws, and Texas estimated taxpayers were being overbilled an estimated \$1.3 million per year. Similar investigations have uncovered fraud and abuse in Indiana, Massachusetts, Virginia and other states.

Pennsylvania is one of 23 states that come under the cooperative roofing umbrella of AEPA, which funnels roofing projects through Tremco, a national roofing contractor. Tremco's parent company, RPM International Inc., recently settled a [lawsuit](#) for \$65 million. The suit charged that RPM defrauded the General Services Administration and other government entities by overcharging on roofing contracts as far back as 2002.

Slippery Rock School District brought a defective materials suit against Weather Technologies, a Tremco company that sold material to the district through AEPA co-operative purchasing company. Dozens of school districts in the state have bought roofs through Tremco.

The Commonwealth's procurement code allows for cooperative group purchasing. Like codes in other states, this is great for the purchase of pencils or computers. But construction projects are not commodities. Cooperative purchasing permits for roofing have been exposed around the U.S. as end-runs around the competitive bidding process that hand business directly to favored vendors.

There is no logic in a process in which the manufacturer acts as the designer, general contractor, and installer. Cooperative purchasing of roofing services circumvents accountability for quality workmanship and snubs its nose at best practices. In many states, the process also violates the requirement of having third-party design professionals review projects.

We need a system of checks and balances for school roof projects in Pennsylvania. Fortunately, a bill will be submitted to fix this expensive overspending problem soon.

I call on taxpayers, school administrators and elected officials in the Commonwealth to support this bill, so we can put an end to a gross and unnecessary waste of taxpayer money.

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