

Procurement Policies & Procedures

The Purchasing Department implements and administers the purchasing policies and procedures of the City. The Purchasing Department ensures that all purchases for goods and services are made in accordance with state procurement regulations and city ordinances, and that they are open, fair, competitive, and that low cost and high quality standards are met. **Although the City must follow MGL's, it can also require more restrictive dollar thresholds for city procurements. The Office of the Inspector General (Office) created the charts reflecting the state procurement dollar breakouts and requirements of the MGL's starting on page 8.**

Procurement

The Chief Procurement Officer (CPO) is appointed by the Mayor. He/she is responsible, under Massachusetts General Law, for compliance with the policies and procedures of the Commonwealth of Massachusetts, extending to compliance with municipal rules and regulations involving procurement. The procurement office provides procurement to all City departments, including the Schools. The Mayor or the CPO may delegate specific procurement powers and duties to qualified individuals, and such delegations must be submitted in writing to the Office of the Inspector General.

Procurement Procedures

All procurement activity is regulated by Massachusetts General Laws and City Ordinances. The type of purchase and estimated value determine which law(s) apply in a particular purchase. The City of Greenfield is subject to MGL Chapter 30B for goods and services, MGL Chapter 30, 39M for public works projects, and MGL Chapter 149 for building projects. The City of Greenfield is also subject to the Massachusetts Prevailing Wage laws.

- **State Bid List Vendors:** While many vendors may be registered on the State Bid List, that does NOT mean that they are under a state contract. Purchases without following normal bid procedures can only be made directly from vendors with state contracts; however, even multiple vendors associated with a state bid contract do not necessarily have identical pricing. You are encouraged to seek 3 quotes even from vendors associated with a specific contract. When contacting listed vendors, ask for their vendor ID and the specific contract that they are associated with to confirm they are under a state contract, and document that information on your Quote document. Also when requesting quotes, or making direct purchases without soliciting a quote, be sure to reference the contract that you are making the purchase under.
- You can also access COMMBUYS to look up vendors to check or verify their associated contract number, or to find additional vendors under a specific contract.

City Thresholds for Purchases of Goods & Services are:

- Purchases under \$5,000.00 - Sound Business practices. Sound business practices means **calling several sources** for pricing before placing an order to make sure the price is competitive. The Departments should monitor the \$5,000 threshold for purchases from an individual vendor closely.
 - **Submitted purchase orders (PO) above \$2,500 must have attached documentation reflecting the vendors called, or they may be returned. (see Page 3 for documenting vendor calls)**
- Purchases \$5000.00 to \$49,999.99 – Must obtain 3 written signed quotes obtained by the Purchasing Department or with prior written approval from the Purchasing Department. Departments may obtain their own quotes. Departments should call the Purchasing Department at 772-1569 for authorization to obtain quotes and assistance in developing formal quote documents, and quote sheets to document the quotes received. A signed written contract must be executed by the Purchasing Department, and approved by the mayor.
- Purchases of \$50,000 or more - A formal advertised competition using sealed bids or proposals must be obtained through the Purchasing Department, or with prior written approval from the Purchasing Department, and a signed written contract must be executed. Formal bids are posted on the City's web site, the Central Register, COMMBUYS, The Goods and Services Bulletin, and published in the Recorder. They can be downloaded by vendors from the City's web site, or sent via email upon request.

Bid/Proposal Notification

Greenfield advertises all bids/RFP's in *The Recorder*. Advertisements in the Central Register, COMMBUYS, and Goods and Services Bulletin are placed according to statute. The Central Register and the Goods and Services Bulletin are published by the Secretary of State and are available in local public libraries or through online subscription. COMMBUYS is the only official procurement record system for the Commonwealth of Massachusetts' Executive Departments.

Surplus Goods and Real Estate

The Purchasing Department administers the disposal of all surplus goods and the sale of City owned real estate.

When the City Council and Mayor declare real estate to be surplus, it is sold through a competitive process and coordinates such sales with the Planning and Community Development Departments. The City may place certain restrictions on real estate to be sold.

Contract Compliance and Quality Assurance

Contract compliance ensures that the City and Schools award contracts in compliance with State and local regulations. The City of Greenfield complies with regulations regarding the use of minority owned and women owned businesses under the SOMWBA program. Certified payrolls for qualifying projects are collected and compiled in accordance with the Massachusetts Prevailing Wage laws.

Purchase Order (PO) Requests

Purchase order requests may be submitted for any dollar amount involved. Although purchases under \$5,000 require the use of sound business practices, PO's submitted for purchases of \$2,500 or more must have attached documentation reflecting the vendors called, or they may be returned. (see Page 3 for documenting vendor calls). If the review finds that the City's Policy and Procedures were not followed, and required documentation is not attached to the request, such requests may be returned.

**REQUEST FOR QUOTES
CITY OF GREENFIELD**

| | |
|---------------|-------|
| REQUESTED BY: | DEPT: |
| PHONE: | FAX: |

| |
|----------|
| PROJECT: |
|----------|

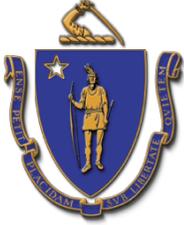
| |
|----------|
| DETAILS: |
|----------|

| VENDORS CONTACTED | UNIT PRICE | TOTAL PRICE | NOTES |
|---|------------|-------------|-------|
| Company: _____ Contact: _____ Address: _____ _____ Phone: _____ Fax: _____ | | | |
| Company: _____ Contact: _____ Address: _____ _____ Phone: _____ Fax: _____ | | | |
| Company: _____ Contact: _____ Address: _____ _____ Phone: _____ Fax: _____ | | | |

| | |
|-------------------|-----------------|
| Awarded to: _____ | |
| Date: _____ | Signature _____ |

Attach a copy of this form to Purchase Order.

Notes:



GLENN A. CUNHA
INSPECTOR GENERAL

The Commonwealth of Massachusetts

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Dear Local Official:

The Office of the Inspector General (Office) created the following charts for local officials to use as a quick guide on public procurement procedures that must be followed pursuant to the Massachusetts General Laws. Your local rules may establish stricter or additional requirements that you must follow. Contact your chief procurement officer or legal counsel for advice on your local rules and procurement procedures.

The Office updated the charts with changes that are effective June 15, 2018, pursuant to the passage of [Chapter 113 of the Acts of 2018](#), *An Act Providing for Capital Facility Repairs and Improvements for the Commonwealth*. The charts highlight particular compliance requirements depending on the cost or the nature of your procurement. For example, the charts highlight, where applicable, the requirement for a ten-hour course in construction safety and health approved by the United States Occupational Safety and Health Administration (OSHA). The charts are meant to provide a general overview of the principal public procurement statutes, and are not a substitute for reviewing the statute or obtaining the advice of legal counsel.

The charts include:

- M.G.L. c. 149 – BUILDING CONSTRUCTION CONTRACTS
- M.G.L. c. 30, § 39M, or M.G.L. c. 30B – PUBLIC WORKS (NON-BUILDING) CONSTRUCTION CONTRACTS (WITH LABOR)
- M.G.L. c. 30, § 39M, or M.G.L. c. 30B – CONSTRUCTION MATERIALS PROCUREMENTS (WITHOUT LABOR)
- M.G.L. c. 7C, §§ 44-58 – DESIGN SERVICES FOR PUBLIC BUILDING PROJECTS: Cities, Towns, Regional School Districts and Horace Mann Charter Schools
- M.G.L. c. 30B – PROCUREMENT OF SUPPLIES AND SERVICES

Any suggestions for the charts or questions concerning Chapter 30B (M.G.L. c. 30B) may be directed to this Office by calling (617) 722-8838. Questions concerning M.G.L. c. 149, M.G.L. c. 30, § 39M, and M.G.L. c. 7C may be directed to the Office of the Attorney General by calling (617) 963-2371 or your legal counsel.

Additional information is available from the following sources:

- Prevailing wage rate sheets may be requested online at <http://www.mass.gov/lwd/labor-standards/prevailing-wage-program/> or by calling the Department of Labor Standards at (617) 626-6953.
- *Central Register* advertisements may be submitted to the Secretary of the State's Office online at <http://www.sec.state.ma.us/spr/sprcentral/infosubmit.htm>. The submission deadline is 4:00 p.m. on Thursday for publication the following Wednesday.
- *Goods and Services Bulletin* advertisements may be submitted the Secretary of the State's Office online at <http://www.sec.state.ma.us/sprpublicforms/GSSubmissionform.aspx>. The submission deadline is 4:00 p.m. on Wednesday for publication the following Monday.
- COMMBUYS postings may be completed at www.commbuys.com.

My Office is committed to helping procurement officials comply with the state's procurement laws and make responsible purchasing decisions. Please do not hesitate to contact our Chapter 30B hotline if we can be of further assistance. Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Glenn A. Cunha".

Glenn A. Cunha
Inspector General

M.G.L. c. 149 – BUILDING CONSTRUCTION CONTRACTS

| Estimated Contract Amount | Under \$10,000 | \$10,000 to \$50,000 | Over \$50,000 to \$150,000 | Over \$150,000 | Over \$10,000,000 |
|--|---|--|--|--|---|
| Procurement Procedure | Sound business practices (as defined in M.G.L. c. 30B, § 2). ¹ | Use a written scope-of-work statement to solicit written responses from no fewer than 3 persons who customarily perform such work. | Sealed bids (using M.G.L. c. 30, § 39M). | Sealed bids (using M.G.L. c. 149, §§ 44A – 44J). | Solicit statements of qualifications prior to soliciting sealed bids (using M.G.L. c. 149, §§ 44A – 44J). |
| Notice/Advertising Requirements | None. | Post a notice at least two weeks before responses are due on 1) your jurisdiction’s website; 2) COMMBUYS; 3) in the <i>Central Register</i> ; and 4) in a conspicuous place near your office. ² | Post a notice 1) in your jurisdiction’s office for at least one week before bids are due; and, at least two weeks before bids are due, publish 2) in the <i>Central Register</i> ; 3) in a newspaper; and 4) on COMMBUYS. ³ | Post a notice 1) in your jurisdiction’s office for at least one week before bids are due; and, at least two weeks before bids are due, publish 2) in the <i>Central Register</i> ; 3) in a newspaper; and 4) on COMMBUYS. ⁴ | Advertise the request for qualifications at least two weeks before responses are due (1) in a newspaper; (2) in the <i>Central Register</i> ; and (3) on COMMBUYS. ⁵ |
| DCAMM Certification | No. | No. | No. | Yes. General bidders if more than \$150,000 and filed sub-bidders if more than \$25,000. | Yes. General bidders if more than \$150,000 and filed sub-bidders if more than \$25,000. |
| OSHA Training | No. | Yes. | Yes. | Yes. | Yes. |
| Prequalification | No. | No. | No. | Optional. ⁶ | Yes. |
| Filed Sub-bids | No. | No. | No. | Yes, if more than \$25,000. | Yes, if more than \$25,000. |
| Bid Deposit | No. | No. | 5% of the value of the total bid. | 5% of the value of the total bid or sub-bid. | 5% of the value of the total bid or sub-bid. |
| Payment Bond | No. | 50% payment bond if contract is >\$25,000. ⁷ | 50% payment bond. | 100% payment bond. | 100% payment bond. |
| Performance Bond | No. | No. | No. | 100% performance bond. | 100% performance bond. |
| Prevailing Wage | Yes. | Yes. | Yes. | Yes. | Yes. |
| Contractor Evaluation | No. | No. | No. | Yes. | Yes. |
| OSD or Blanket Contract Option | Yes. | Yes. | No. | No. | No. |

¹ M.G.L. c. 149, § 44A(2)(A), as amended by Chapter 218 of the Acts of 2016. M.G.L. c. 30B, § 2, defines sound business practices as “ensuring the receipt of favorable prices by periodically soliciting price lists or quotes.”

² M.G.L. c. 149, § 44A(2)(B), as amended by Chapter 218 of the Acts of 2016.

³ M.G.L. c. 149, § 44J, as amended by Chapter 218 of the Acts of 2016.

⁴ M.G.L. c. 149, § 44J, as amended by Chapter 218 of the Acts of 2016.

⁵ The advertising procedures listed pertain only to the request for qualifications. Within 14 days of the completion of the prequalification process, you are required to post a notice in your jurisdiction and on COMMBUYS listing those general contractors and subcontractors that have been prequalified. A copy of the notice must be sent via first class mail, postage pre-paid, to all prequalified general and subcontractors along with an invitation to bid. The invitation to bid must have a deadline of at least two weeks. Although you may only consider bids from those general and subcontractors who have been prequalified, the advertising requirements for building construction contracts over \$150,000 apply.

⁶ If you decide to use the optional prequalification process for projects over \$100,000, follow the procedures listed in the “Over \$10,000,000” column. (Note: The prequalification threshold was not raised in 2016.)

⁷ M.G.L. c. 149, § 29.

**M.G.L. c. 30, § 39M, or M.G.L. c. 30B, § 5 – PUBLIC WORKS (NON-BUILDING) CONSTRUCTION CONTRACTS
(WITH LABOR)**

| Estimated Contract Amount | Under \$10,000 | \$10,000 to \$50,000 | \$50,000 or less | Over \$50,000 |
|--|---|--|--|--|
| | M.G.L. c. 30, § 39M | M.G.L. c. 30, § 39M | M.G.L. c. 30B, § 5 Option ¹ | M.G.L. c. 30, § 39M |
| Procurement Procedure | Sound business practices (as defined in M.G.L. c. 30B, § 2). ² | Use a written scope-of-work statement to solicit written responses from no fewer than 3 persons who customarily perform such work. ³ | Sealed bids. | Sealed bids. |
| Notice/Advertising Requirements | None. | Post a notice at least two weeks before responses are due on 1) your jurisdiction’s website; 2) COMMBUYS; 3) in the <i>Central Register</i> ; and 4) in a conspicuous place near your office. ⁴ | Post a notice at least two weeks before bids are due 1) in your jurisdiction’s office, and publish 2) in a newspaper; 3) on COMMBUYS; and 4) in the <i>Central Register</i> . ⁵ | Post a notice 1) in your jurisdiction’s office for at least one week before bids are due; and, at least two weeks before bids are due, publish 2) in the <i>Central Register</i> ; 3) in a newspaper; and 4) on COMMBUYS. ⁶ |
| OSHA Training | No. | Yes. | Yes. | Yes. |
| Prequalification | No. | No. | No. | Maybe. ⁷ |
| Bid Deposit | No. | No. | No. | 5% of the value of the total bid. |
| Payment Bond | No. | 50% payment bond if contract is more than \$25,000. ⁸ | 50% payment bond if contract is more than \$25,000. ⁹ | 50% payment bond. |
| Performance Bond | No. | No. | No. | No. |
| Prevailing Wage | Yes. | Yes. | Yes. | Yes. |
| OSD or Blanket Contract Option | Yes. | Yes. | No. | No. |

¹ Authorized by M.G.L. c. 30, § 39M(d).

² M.G.L. c. 30, § 39M, as amended by Chapter 218 of the Acts of 2016. M.G.L. c. 30B, § 2, defines sound business practices as “ensuring the receipt of favorable prices by periodically soliciting price lists or quotes.”

³ M.G.L. c. 30, § 39M, as amended by Chapter 218 of the Acts of 2016.

⁴ M.G.L. c. 30, § 39M, as amended by Chapter 218 of the Acts of 2016.

⁵ M.G.L. c. 30B, § 5, and M.G.L. c. 9, § 20A.

⁶ M.G.L. c. 149, § 44J.

⁷ Although M.G.L. c. 30, § 39M, does not mandate a contractor prequalification process, prequalification of bidders by the Massachusetts Department of Transportation is required for contracts of \$50,000 or more (1) if the awarding authority receives State Aid funds under M.G.L. c. 90, § 34; or (2) the work is on a state road, regardless of whether the awarding authority receives State Aid funds under M.G.L. c. 90, § 34.

⁸ M.G.L. c. 149, § 29.

⁹ M.G.L. c. 149, § 29.

**M.G.L. c. 30, § 39M, or M.G.L. c. 30B, § 5 – CONSTRUCTION MATERIALS PROCUREMENTS
(WITHOUT LABOR)**

| Estimated Contract Amount | Under \$10,000 | \$10,000 to \$50,000 | Over \$50,000 | Any Amount |
|--|---|--|--|--|
| | M.G.L. c. 30, § 39M | M.G.L. c. 30, § 39M | M.G.L. c. 30, § 39M | M.G.L. c. 30B, § 5 Option¹ |
| Procurement Procedure | Sound business practices (as defined in M.G.L. c. 30B, § 2). ² | Use a written scope-of-work statement to solicit written responses from no fewer than 3 persons who customarily perform such work. | Sealed bids. | Sealed bids. |
| Notice/Advertising Requirements | None. | Post a notice at least two weeks before responses are due on 1) your jurisdiction’s website; 2) COMMBUYS; 3) in the <i>Central Register</i> ; and 4) in a conspicuous place near your office. ³ | Post a notice 1) in your jurisdiction’s office for at least one week before bids are due; and, at least two weeks before bids are due, publish 2) in the <i>Central Register</i> ; 3) in a newspaper; and 4) on COMMBUYS. ⁴ | Post a notice at least two weeks before bids are due 1) in your jurisdiction’s office, and publish 2) in a newspaper; 3) on COMMBUYS; and 4) in the <i>Central Register</i> . ⁵ |
| OSHA Training | No. | No. | No. | No. |
| Prequalification | No. | No. | No. | No. |
| Bid Deposit | No. | No. | 5% of the value of the total bid. | No. |
| Payment Bond | No. | 50% payment bond if contract is more than \$25,000. ⁶ | 50% payment bond. | 50% payment bond if contract is more than \$25,000. ⁷ |
| Performance Bond | No. | No. | No. | No. |
| Prevailing Wage | No. | No. | No. | No. |
| OSD Option | Yes. | Yes. | Yes. | No. |
| Blanket Contract Option | Yes. | Yes. | No. | No. |

¹ Authorized by M.G.L. c. 30, § 39M(d).

² M.G.L. c. 30, § 39M, as amended by Chapter 218 of the Acts of 2016. M.G.L. c. 30B, § 2, defines sound business practices as “ensuring the receipt of favorable prices by periodically soliciting price lists or quotes.”

³ M.G.L. c. 30, § 39M, as amended by Chapter 218 of the Acts of 2016.

⁴ M.G.L. c. 149, § 44J.

⁵ M.G.L. c. 30B, § 5, and M.G.L. c. 9, § 20A. (Note: If the procurement will exceed \$100,000, and the materials will be purchased for the purpose of stockpiled inventory and will not be used in conjunction with a specific project, at least two weeks before bids or proposals are due, publish in the *Goods and Services Bulletin*.)

⁶ M.G.L. c. 149, § 29.

⁷ M.G.L. c. 149, § 29. (Note: If the materials will be purchased for the purpose of stockpiled inventory and will not be used in conjunction with a specific project, you do not need to obtain a payment bond.)

**M.G.L. c. 7C, §§ 44-58 – DESIGN SERVICES FOR PUBLIC BUILDING PROJECTS:
Cities, Towns, Regional School Districts and Horace Mann Charter Schools¹**

| Estimated Design Fee (EDF)/Estimated Construction Cost (ECC) | EDF less than \$30,000 or ECC less than \$300,000 | EDF \$30,000 or more and ECC \$300,000 or more |
|---|---|---|
| Procurement Procedure | None. Recommend soliciting qualifications and prices from at least three designers. | Qualifications-based selection process. Jurisdiction must either (1) set the design fee; or (2) set a not-to-exceed fee limit and then negotiate the fee with the top-ranked designer within the fee limit. |
| Advertising Required | No. | Advertise in the <i>Central Register</i> and your local newspaper at least two weeks before the deadline for filing applications. |
| Designer Selection Board¹ | No. | No – adopt selection procedure in writing. ^{2,3} |
| Designer Application | No. | Yes. See Designer Selection Procedures for Municipalities . Use “Standard Designer Application Form for Municipalities and Public Agencies not within DSB Jurisdiction (Updated July 2016)” |
| Designer Evaluation (Submit to DCAMM and Designer Selection Board) | No. | Yes. See Designer Evaluation Forms & Information for Municipalities and Agencies |
| Registration | Yes. | Yes. |
| Insurance | No. | At a minimum, the lesser of \$1 million or 10% of the project’s estimated cost of construction. ⁴ |
| Prevailing Wage | No. | No. |

¹ Executive Departments of the Commonwealth and Commonwealth charter schools are subject to the jurisdiction of the Designer Selection Board when the design fee is \$30,000 or more and the estimated construction cost is \$300,000 or more.

² Cities, towns, school districts and Horace Mann charter schools are required to adopt their own procedures for selecting designers for building projects. These procedures must conform to the purposes and intent of the designer selection process as outlined in M.G.L. c. 7C, §§ 44 – 58, and noted herein. See this Office’s [Model Designer Selection Procedures for Municipalities and Other Local Public Agencies](#).

³ Housing Authorities must follow the procedures established by the Department of Housing and Community Development for the design of state-funded housing. Projects requesting funding from the Massachusetts School Building Authority (MSBA) are subject to MSBA rules.

⁴ M.G.L. c. 7C, § 51.

M.G.L. c. 30B – PROCUREMENT OF SUPPLIES AND SERVICES

| Estimated Contract Amount | Under \$10,000 | \$10,000 to \$50,000 | Over \$50,000 |
|--|--|---|--|
| Procurement Procedure | Sound business practices. ¹ | Use a written purchase description to solicit written quotations from no fewer than 3 persons who customarily provide the supply or service. ² | Sealed bids or proposals (M.G.L. c. 30B, §§ 5 or 6). |
| Notice/Advertising Requirements | None. | None. | Post a notice 1) in your jurisdiction’s office, and, at least two weeks before bids or proposals are due, publish 2) in a newspaper, and 3) on COMMBUYS. If the procurement will exceed \$100,000, at least two weeks before bids or proposals are due, publish in the <i>Goods and Services Bulletin</i> . |
| Award contract to: | Responsible person offering the best price. | Responsible person offering the needed quality of supply or service at the lowest price quotation. | Under § 5, the responsible ³ and responsive ⁴ bidder offering the best price. Under § 6, the most advantageous proposal from a responsible and responsive proposer taking into consideration price and non-price proposals. |
| Written Contract Required⁵ | No. Keep written records as a best practice. | Yes. | Yes. |
| Maximum Contract Term⁶ | Three years, unless majority vote authorizes longer. | | |
| OSD Option | Yes. | | |

¹ M.G.L. c. 30B, § 2, defines sound business practices as “ensuring the receipt of favorable prices by periodically soliciting price lists or quotes.”

² M.G.L. c. 30B, § 4, as amended by Chapter 218 of the Acts of 2016.

³ M.G.L. c. 30B, § 2, defines a responsible bidder or offeror as “a person who has the capability to perform fully the contract requirements, and the integrity and reliability which assures good faith performance.”

⁴ M.G.L. c. 30B, § 2, defines a responsive bidder or offeror as “a person who has submitted a bid or proposal which conforms in all respects to the invitation for bids or request for proposals.”

⁵ M.G.L. c. 30B, § 17(a), states “All contracts in the amount of \$10,000 or more shall be in writing, and the governmental body shall make no payment for a supply or service rendered prior to the execution of such contract.”

⁶ M.G.L. c. 30B, § 12(b), states “Unless authorized by majority vote, a procurement officer shall not award a contract for a term exceeding three years, including any renewal, extension, or option.”