



# The Commonwealth of Massachusetts

## AUDITOR OF THE COMMONWEALTH

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SUZANNE M. BUMP, ESQ.  
AUDITOR

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August 2, 2019

Dr. Christina Royal, President  
Holyoke Community College  
303 Homestead Avenue  
Holyoke, MA 01040

Re: Holyoke Community College Privatization Proposal

Dear Dr. Royal:

On July 10, 2019, the Office of the State Auditor (OSA) received certification from the Executive Office for Administration and Finance regarding Holyoke Community College's (HCC) proposal to privatize its bookstore operations, which initiated OSA's review of the proposal under the Privatization Law, M.G.L. c. 7, §§ 52-55. The certification states that HCC's proposed privatization contract is in the public interest in that it meets applicable quality and fiscal standards which the Privatization Law requires.

However, HCC failed to include provisions regarding minimum wage and applicable employee health insurance requirements in its competitive bid documents and its proposed privatization contract, as M.G.L. c. 7, § 54(2) expressly requires. Further, the proposed privatization contract does not contain provisions requiring the contractor to offer available employee positions to qualified regular employees, as M.G.L. c. 7, § 54(3) expressly requires. Also, the designated bidder did not demonstrate that it has no adjudicated record of substantial or willful noncompliance with any relevant federal or state regulatory statutes including, but not limited to, statutes concerning labor relations, occupational safety and health, nondiscrimination and affirmative action, environmental protection, and conflicts of interest, as M.G.L. c. 7, § 54(7)(iv) expressly requires.

Therefore, the OSA cannot approve the awarding of this contract. Pursuant to M.G.L. c. 7, § 55(a), the OSA notifies HCC of its objection.

The Privatization Law requires that an agency "shall solicit competitive sealed bids." HCC may submit a revised proposal that includes a procurement process that meets the requirements of the privatization law and is conducted in accordance with the Commonwealth's best practices to achieve an open, fair, and competitive procurement.

Please note that, in accordance with Section 55(d), this objection is final and binding on HCC until such time as a revised certificate, free of the above mentioned defects, is submitted and approved by this office. Such material will again be subject to review after HCC makes a submission in compliance with M.G.L. c. 7, §§ 52-55 and related OSA Privatization Guidelines.

As always, the OSA stands ready to discuss its findings and provide further assistance to HCC. In that regard, please feel free to contact me at (857) 242-5560.

Sincerely,



Kenneth M. Woodland  
First Deputy Auditor