



OIG BULLETIN

Official Newsletter of the Office of the Inspector General



Good day:

Nine months into my term, I am pleased with the results thus far. We've continued to hire new staff to help our agency fulfill its mission to prevent and detect waste, fraud and abuse of public resources. Later this month, I will welcome our first Director of Veterans' Services Oversight to ensure that funding allocated for veterans is delivered as intended. With large appropriations of federal and state funds for pandemic relief, infrastructure development and green energy, greater vigilance is needed. We will continue to seek ways to build partnerships up front to mitigate potential waste, fraud and abuse of these necessary funds.

I had the distinct pleasure to address the Massachusetts Public Purchasing Officials (MAPPO) and the Small Town Administrators of Massachusetts (STAM) in June. As I've said before, I am meeting with as many stakeholders as I can as part of my IG Listening Tour that has had me in six regions of the state and having met with over 75 stakeholders. I learned early in my career that the best decisions are not made in isolation within One Ashburton Place in Boston.

Based on some of the feedback I have heard so far, I understand that the cost of the Office of the Inspector General's (OIG) training classes may have made it difficult for some municipalities to have a member of their organization earn the Massachusetts Certified Public Purchasing Official (MCPPO) designation. In an effort to eliminate that barrier, I am pleased to announce a new pilot program for FY 24, "One Free Designee," which will offer core public procurement training to one public employee per municipality at no cost to that community or individual. (See page [six](#) for more details.) We want to ensure that every one of the 351 cities and towns within the Commonwealth has at least one public employee with a current MCPPO designation. The OIG will absorb the cost of the three courses during this pilot program, despite the fact that our education and training staff are primarily funded from course tuition dollars. Additionally, as a FY 24 pilot, the OIG is waiving the \$100 fee associated with all designation applications and renewals.

I believe that increasing the number of new MCPPO designees is core to the mission of the OIG to prevent fraud, waste and abuse of public resources. The MCPPO designation provides public employees with a better understanding of the complexities of Massachusetts procurement law and best practices, and therefore decreases the probability of fraud, waste or abuse of public resources. I am doing everything I can to remove barriers to training and to position the Office of the Inspector General as a resource and a partner in good government.

As always, I am honored to serve as your Inspector General, and I welcome your thoughts and ideas. Thank you for reading the *OIG Bulletin*.

Sincerely,

A handwritten signature in blue ink that reads "Jeffrey S. Shapiro". The signature is written in a cursive style with a large, stylized "J" and "S".

Jeffrey S. Shapiro

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Protect Your Community

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IGO-FightFraud@mass.gov

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OIG News and Announcements

Former Housing Counselor to Pay Back Fraudulently Obtained Pandemic-Era Rental Assistance



A former residential housing counselor at a non-profit regional housing agency has agreed to pay back twice what she fraudulently obtained in Emergency Rental Assistance Program (ERAP) funds.

Jennifer Munoz agreed to pay \$109,100 over the course of three years to resolve allegations that from April 2020 to January 2022, she filed false claims to obtain \$54,550 from the ERAP program for her personal benefit.

Based on an investigation conducted by the Office of the Inspector General (OIG), it is alleged that Munoz violated the Massachusetts False Claims Act when she submitted three rental assistance applications for individuals who were not actually tenants in her two-family home in Haverhill. At the same time, she was employed at Community Teamwork, Inc. (CTI), a regional administering agency for the Commonwealth's rental assistance programs. Munoz used her position at CTI to facilitate the approval of her fraudulent applications. CTI terminated her employment after learning of these actions.

The Massachusetts Attorney General's Office brought a civil action against Munoz in Suffolk Superior Court. In a judgment filed on May 23, 2023, Munoz agreed to pay the Commonwealth double the amount of the ERAP funds she fraudulently received. Munoz has also agreed that she will never apply for state housing assistance again in the future.

"There is a harmful ripple effect when resources are diverted from their intended purpose," said Inspector General Jeffrey S. Shapiro. "This office will continue to vigorously pursue allegations of such fraud and to seek accountability for those who put their own interests ahead of those who need and rely on this support."

OIG Establishes New Healthcare Division

The OIG is pleased to announce the establishment of its new Healthcare Division. The new division will work to safeguard public funds in the state Health Safety Net and Medicaid programs.

Greg Matthews joined the OIG as director of the new division in April. Matthews has been practicing law for more than 25 years. He most recently worked as a managing attorney at the Medicaid Fraud Division (MFD) of the Massachusetts Attorney General's Office, where he was responsible for all aspects of investigation, criminal prosecution and civil enforcement action for the MFD.

Under Matthews's leadership, the Healthcare Division will review and analyze a variety of health care issues, including service delivery, access, hospital practices, free care, medical billing, and potential or actual instances of fraud, waste or abuse. Based on its reviews, the division may issue reports or letters, propose legislative or regulatory changes, or refer findings of potential criminal misconduct to the proper prosecutorial office.

Inspector General Jeffrey S. Shapiro Testifies Before the Joint Committee on Transportation

On May 8, 2023, Inspector General Jeffrey S. Shapiro testified before the Joint Committee on Transportation regarding safety oversight of the Massachusetts Bay Transportation Authority (MBTA). Shapiro applauded the steps Governor Maura Healey has taken in her first months in office to set a course correction for the MBTA, including the appointment of a new general manager.

However, Shapiro noted that those initial steps are not enough; the Commonwealth needs a significant structural change and revisioning of its safety review for the MBTA. Shapiro testified that the Commonwealth needs an intentional redesign based on best practices

Continued on next page

OIG News and Announcements, continued

in other jurisdictions coupled with the Federal Transit Administration (FTA) requirements for rail transit oversight. Shapiro emphasized the need for an unwavering commitment to:

- Better safety systems, policies, procedures and controls at the MBTA itself; and
- Better safety oversight of the MBTA. This means safety oversight as defined by the FTA, without an overburdened mandate or a split mission.

Shapiro further noted that the state Department of Public Utilities is not the right agency to serve as the designated State Safety Oversight Agency pursuant to the requirements of the FTA. Shapiro recommended that the Legislature move this role to a new safety agency focused solely on the safety of the MBTA with two divisions:

- One for light rail (Green Line) and heavy rail (Red, Orange and Blue lines), which aligns with the FTA's oversight authority; and
- A second for commuter rail, bus – including regional transportation authorities – and commuter boats.



Inspector General Shapiro testifies before the Joint Committee on Transportation on May 8, 2023.

This new agency should be legally and financially separate from the MBTA and the Massachusetts Department of Transportation and should be under the independent oversight of the OIG.

Shapiro closed his testimony with a suggestion for the MBTA that will not require legislation – improved communication with all stakeholders, most especially the public. He noted that in the past, the public has received incomplete or inaccurate information regarding slow zones and shutdowns.

2022 OIG Annual Report

On April 26, 2023, the Office issued its 2022 Annual Report, which gives an overview of the work undertaken by its divisions in the past year to ensure good use of government funds and property.

The report highlights many of the investigations the Office made into allegations of fraud, waste and abuse, as well as training programs the Office administered to government employees and the public. These efforts span the final year of former Inspector General Glenn A. Cunha, the interim period under Acting Inspector General Natalie S. Monroe, and the first 90 days under Inspector General Jeffrey S. Shapiro.

In 2022, the Office handled 1,920 calls to its general fraud hotline, 303 calls to its transportation-related fraud hotline and 1,466 calls to its Chapter 30B technical assistance hotline from individuals seeking information about public procurement. In addition, the Office trained more than 5,200 public and private sector

employees through the Massachusetts Certified Public Purchasing Official (MCPPO) program.

Highlights from the Annual Report include:

- The Office collaborated with the Attorney General's Office, the Department of Environmental Protection and the Department of Energy Resources to investigate a retail electrical supply company for knowingly failing to make payments to the Commonwealth under state environmental programs. In a June 2022 consent judgment, the company agreed to pay \$1.65 million in restitution and penalties for avoiding its obligation to make the payments and further agreed to a five-year ban on doing business in the Commonwealth.
- The Office issued a report identifying critical shortcomings in the management of the Holyoke Soldiers' Home and outlining recommendations for

Continued on next page

2022 OIG Annual Report, continued

improvement. The Office also sent a letter to the Executive Office of Health and Human Services (EOHHS) detailing terrible living conditions at the Chelsea Soldiers' Home and concerns regarding an apparent lack of capacity and integrity in the home's leadership.

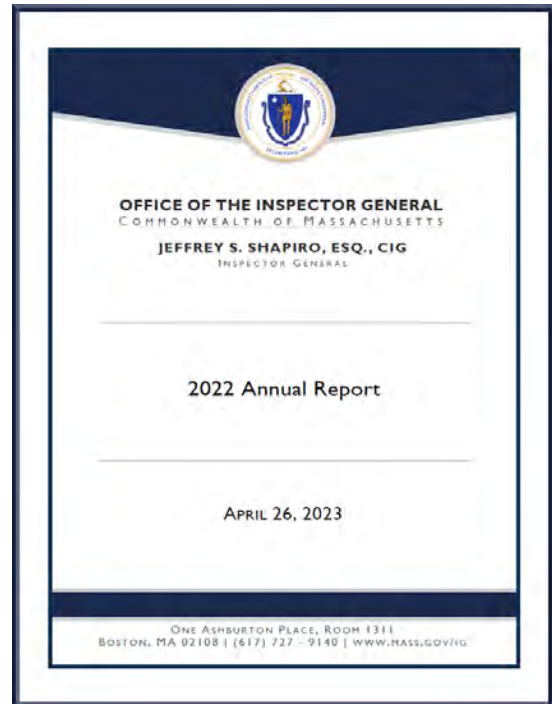


*Holyoke Veterans' Home
(formerly known as Holyoke Soldiers' Home)*

- The Office created the Pandemic Funding Oversight Unit (PFO) to oversee the billions of dollars in federal pandemic funding the Commonwealth received. The PFO conducts reviews of various government-funded programs related to COVID-19 relief, administers training programs for government entities that receive this funding and reviews internal controls for state agencies related to pandemic funds oversight.
- The Office conducted numerous investigations into alleged instances of fraud in city and town governments, housing authorities, nonprofit organizations and public pensions of former government employees. One investigation, undertaken jointly with the Middlesex District Attorney's Office, resulted in the arraignment of a former town treasurer on charges of forgery and embezzlement, after she allegedly stole over \$133,500 from the town.
- The MCPPO program expanded its educational offerings by developing six new webinars on design and construction law considerations, alternative construction methods, contract administration, public building project procurement and oversight, vendor responsibilities and eligibility determinations, and whistleblower rights.
- The Office created the Data Analytics Division to support the Office's mission to promote good government by using exploratory data analysis, statistical analysis, machine learning and visual analytics to uncover potential misuses of government funds and to assist other Office divisions in investigations, audits and reviews.
- The Office issued reports on the Massachusetts Bay Authority's (MBTA) privatization of absence management and police dispatch services.
- The Office reviewed the Massachusetts State Police's (MSP) leave time requirements for overtime assignments that overlap with regular patrols and recommended that the MSP create a written policy to formalize these requirements.

Many other investigations are ongoing and were not mentioned in the report. The Office looks forward to continuing to fulfill its mandate to prevent and detect fraud, waste and abuse in 2023 by ensuring that public funds and resources are used properly and effectively.

The [Annual Report](#) is available on the OIG's website.



OIG Expands Access to MCPPO Designations

For over 25 years, the Office of the Inspector General (OIG) has offered training on public procurement laws to state and local employees through its Massachusetts Certified Public Purchasing Official (MCPPO) program. The MCPPO designation is a widely recognized credential indicating knowledge of Massachusetts procurement laws and best practices.

The OIG is pleased to announce significant changes to our MCPPO designation application and renewal process, effective immediately. These changes are part of the OIG's effort to expand educational offerings and participation in MCPPO classes by reducing financial barriers facing individuals and communities.

"One Free Designee" Pilot Program

To promote good government and best practices in public procurement, the Inspector General seeks to ensure that every community in the Commonwealth has at least one public employee with a current MCPPO designation.

Through this pilot program for fiscal year 2024 (July 1, 2023 – June 30, 2024), the OIG is offering each municipality free tuition for the three classes required for *one* employee to receive the MCPPO designation. The three classes have a total value of \$1,880.

To enroll an employee in the free training, the chief municipal officer (mayor, town manager or administrator, or select board chair) must complete an online form indicating the employee to receive the training and acknowledging that the cost of the training is a factor in obtaining the designation. Upon completion of the three core classes, an employee can apply for the MCPPO designation.

Specific information, including online forms and class registration schedules, to follow.

Waiver of Designation Application and Renewal Fees

The OIG is also pleased to announce it is waiving the \$100 fee associated with designation applications and renewals. This waiver applies to all students.

The OIG appreciates Governor Healey, Senate President Spilka, House Speaker Mariano and members of the Legislature for their support of our efforts to expand access to public procurement training.

If you have any questions about these changes, please contact the MCPPO team at MA-IGO-TRAINING@mass.gov.

Please Note: All Applicants Must Now Use the OIG Online Portal

To safeguard personal information and streamline the designation application and renewal process, all MCPPO designation and renewal applicants must submit all required information through the OIG's online portal. The OIG can no longer accept designation applications or renewals by mail, email or fax. If you send an application or renewal form using one of these methods, we will return it and remind you to submit the information through the online portal. Similarly, students can no longer drop off designation applications, renewals or related paperwork in person at the OIG. The online portal is the most efficient way to protect your personal information while processing your application quickly.

Selection and Monitoring Guidance for Subrecipients of Federal Awards

In 2021, the American Rescue Plan Act (ARPA) allocated billions of dollars in funding to local and tribal governments through the Coronavirus Local Fiscal Recovery Fund (FRF). Pursuant to FRF rules, recipients of ARPA funds, such as cities and towns, can disburse funds to three types of transferees: beneficiaries, contractors and subrecipients. See *Coronavirus State and Local Fiscal Recovery Funds: Final Rule*, [87 Fed. Reg. 4338, 4393-4394](#) (Jan. 27, 2022) (to be codified at [31 C.F.R. pt. 35](#)). This article discusses best practices in selecting and monitoring subrecipients of ARPA funds and federal funds generally.

A subrecipient is an individual or entity that plays a role in carrying out a public program; it is not the beneficiary of the funds the recipient transfers to it. See *id.* (describing the role of FRF subrecipients). Federal rules do not require the selection process for a subrecipient to be a competitive procurement. However, the subrecipient must follow federal procurement regulations. [2 C.F.R. § 200.317](#).

While there is no required competitive process for selecting subrecipients, FRF recipients should use their best judgment and due diligence in selecting a subrecipient to effectively and efficiently carry out the purpose of the federal award. FRF recipients must ensure that all subawards are clearly defined as subawards to the subrecipient they select. See *id.* at [§ 200.332\(a\)](#). FRF recipients must also evaluate a subrecipient's risk of noncompliance with federal statutes, regulations and the terms and conditions of the subaward. See *id.* at [§ 200.332\(b\)](#). This evaluation should measure the following:

- The subrecipient's prior experience with the same or similar subawards;
- The results of previous audits of the subrecipient;
- Whether the subrecipient has new personnel or substantially changed systems; and
- The extent and results of federal awarding agency monitoring if the subrecipient receives federal funds. *Id.*

If appropriate, the FRF recipient may impose specific conditions on the subrecipient based on these findings and other conditions described in [2 C.F.R. § 200.208](#). *Id.* at [§ 200.332\(c\)](#).

Federal guidance also lists monitoring procedures for subrecipients that FRF recipients must follow. These monitoring procedures are necessary to ensure that the subaward is used for its authorized purpose and that the subrecipient achieves its performance goals. See *id.* at [§ 200.332\(d\)](#). These monitoring procedures include:

- Reviewing required financial and performance reports from the subrecipient.
- Ensuring that the subrecipient makes corrections if the FRF recipient detects deficiencies through audits or on-site reviews. The subrecipient should provide documentation of the action steps or plans it will implement to address any deficiencies.



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Selection and Monitoring Guidance for Subrecipients of Federal Awards, continued

- Issuing a management decision for applicable audit findings as required by [2 C.F.R. § 200.521](#). A management decision is the FRF recipient's determination of the adequacy of the subrecipient's response to audit findings and corrective action plans.
- Resolving audit findings related to the subaward (although FRF recipients need not resolve cross-cutting findings). *Id.* at [§ 200.332\(d\)](#).

The FRF recipient is responsible for managing its own records and should consider examining their consistency with the findings of the subrecipient audits, on-site reviews and other monitoring. *See id.* at [§ 200.332\(g\)](#).

If the FRF recipient determines that a subrecipient poses a high risk of noncompliance, it may use additional tools to ensure that the subaward is used for its authorized purpose and that the subrecipient achieves related performance goals. *Id.* at [§ 200.332\(e\)](#). These additional tools include providing subrecipients with training and technical assistance and performing on-site reviews of program operations. *See id.*

If a subrecipient fails to provide corrective action regarding deficiencies, the federal guidelines urge the FRF recipient to take enforcement action. *See id.* at [§ 200.339](#). These enforcement actions include:

- Temporarily withholding cash payments pending correction of the deficiency by the subrecipient.
- Disallowing all or part of the cost of the activity or action that is not compliant.
- Wholly or partly suspending or terminating the federal award.
- Initiating suspension or debarment proceedings.
- Withholding further federal awards for the project or program.
- Exploring other remedies that may be legally available. *See id.*

FRF recipients must follow the federal requirements described in this article to monitor subrecipients. Effective monitoring and performance measurement help prevent and detect fraud, waste, and misuse of these funds. By taking these steps, FRF recipients can ensure that funds are spent to maximize their intended goals and efficiently support their programs and projects.

For additional information about the disbursement and use of ARPA funds, please see the February 2022 *OIG Bulletin* article, [“Ensuring Proper Use of ARPA Funds by Grant Recipients,”](#) and the December 2022 *OIG Bulletin* article, [“Subrecipients and Contractors: Determining the Difference when Disbursing Federal Funds.”](#)



Take our **free** 90-minute training on the American Rescue Plan Act. Check our website for details.

The Attorney General's Office Issues Designer Selection Bid Protest Decision

*Submitted by Deborah Anderson,
Assistant Attorney General, Office of the Attorney
General, Fair Labor Division*

On May 1, 2023, the Attorney General's Office (AGO) issued a Bid Protest Decision interpreting [M.G.L. c. 15A, § 37](#) and its application to [M.G.L. c. 149, §§ 44A-H](#). At issue was whether a project undertaken by a community college foundation (Foundation) to renovate a vacant seafood packaging facility into a new offshore wind training facility was subject to the public bidding laws found at [M.G.L. c. 149, §§ 44A-H](#). The Protestor argued that, even though the Foundation leased the site from the landlord and obtained some of the project financings, it acted as an agent for the community college such that the project was a contract for construction by the community college and was subject to the public bidding laws. The Foundation argued that, as a [M.G.L. c. 15A, § 37](#) foundation, it is specifically exempted from the bid laws; such foundations are excluded from the definition of "state agency."

The AGO allowed the Protest and found that [M.G.L. c. 15A, § 37](#) did not exempt the project from [M.G.L. c. 149, §§ 44A-H](#). In reaching this conclusion, the AGO relied in part on [Bridgewater State University Foundation v. Board of Assessors of Bridgewater, 463 Mass. 154 \(2012\)](#) and its discussion of the Legislature's "manifest intent in [enacting] [G.L. c. 15A, § 37](#)." There the Court found that the purpose of Section 37 foundations was to "assist public colleges and universities with fundraising." [See Bridgewater, 463 Mass. at 155, n.4](#). The AGO also found that Section 37(h)'s exclusion of foundations organized under Section 37 from the

definition of "public agency" did not prevent a Section 37 foundation from acting as an agent for a public agency. A determination to the contrary would have led to the illogical result of incentivizing public institutions of higher education to initiate public construction projects through their charitable foundations to avoid the public bidding laws. Rather, the clear purpose of Section 37, as found by the SJC, was to incentivize donors to give to an institution's charitable foundation through the enticement of favorable tax consequences.

Having determined that a [M.G.L. c. 15A, § 37](#) foundation may still act as an agent for a public entity, the AGO analyzed the totality of the circumstances utilizing the non-exclusive list of factors outlined by the Supreme Judicial Court in [Brasi Development Corp. v. Attorney General, 456 Mass. 684 \(2010\)](#). Considering the *Brasi* factors led to the determination that the public bid laws should have applied to the project.

Awarding authorities are advised that the principles of agency apply even to those entities that are, by definition, non-public. Institutions of higher education are advised to comply with the public bidding laws when utilizing a [M.G.L. c. 15A, § 37](#) foundation to fund a construction project for the benefit of the institution. This decision was issued prospectively only, as construction was substantially underway at the time of the Protest.

The decision is available for review and download on the AGO's website, as is more information about the AGO's Bid Protest Unit.

Factors to consider in determining whether a project is subject to public construction laws:

1. The extent of control retained by the agency during development and construction;
2. The length of the proposed lease, including any proposed extensions;
3. Whether the source of money is public funds;
4. Whether payments made under the agreement essentially cover the costs of construction;
5. Whether the agency retains an option to purchase for a nominal sum at the end of the lease period or whether the building automatically transfers to the public agency on expiration of the lease;
6. Whether the agency initially owned the land and then sold or leased it to the private party, or whether the agency had the building constructed and then leased the newly constructed building; and
7. Whether the facility is of a specialized nature that would render it unsuitable for another commercial purpose without significant renovations. *Brasi*, 456 Mass. at 688-89.

Tradesperson Contract Thresholds to Change

This article is reprinted with permission from the Operational Services Division's Buy the Way Magazine, Issue #21.



Effective July 1, 2023, the labor or service thresholds for all [Tradesperson Services Contracts](#) (TRD) will change. As of that date, all TRD work – regardless of labor amount – will require buyers to seek three responses from statewide contract vendors despite expected labor totals being under \$10,000. This means that **any work to be performed on a statewide contract involving TRD installation, repair and maintenance services, or construction with labor estimated between \$1 and \$50,000 will require three responses, two of which must be actual dollar quotes.**

What Prompted This Change?

According to Operational Services Division (OSD) Contract Manager Kelly Thompson Clark, two recent bid protests prompted a conversation between OSD and the Office of the Attorney General (AGO) about the requirements of [M.G.L. c. 149](#) and the proper use of OSD tradesperson services contracts. Over the years, both OSD and AGO have dealt with questions about the labor thresholds, Massachusetts public bidding laws, public construction bidding and whether fair labor division is happening when jobs are being bid, quoted, or awarded. It was determined that OSD's guidance required clarification to avoid results that violate the spirit of the law.

OSD and the Attorney General believe the change will clarify how state entities may use TRD contracts and remain in compliance with the requirements of [M.G.L. c. 149](#). **Also, this labor threshold modification does not change the labor limit for the four TRD contracts. Labor remains capped at \$50,000 per engagement.**

One final clarification: the only caveat to this change is if the **combined** costs of labor and materials (including vendor markups identified on their bidder response form located in their COMMBUYS file) is less than \$10,000. Then, a buyer may go directly to a TRD vendor and award the work. Buyers always should request labor and materials be separated on all quotes. Regardless of the job, OSD always recommends buyers get three responses to all quote requests to guarantee a best value procurement.

Refer TRD statewide contract questions to Kelly Thompson Clark at kelly.thompsonclark@mass.gov.



Frequently Asked Questions

Q: Our town's public works department has made multiple purchases of less than \$10,000 from the same vendor this year using sound business practices under Chapter 30B. Each purchase was for different items. However, the separate purchases added together exceed \$10,000. Did we need to solicit three written price quotations because the total purchase from this vendor exceeded \$10,000?

A: Not necessarily. The Chapter 30B thresholds apply to the cost of the supplies or services procured and not to a specific vendor. The number of times you make purchases from the same vendor does not matter for purpose of cost thresholds if done in accordance with Chapter 30B. The statute requires that you use sound business practices for a procurement of less than \$10,000. [M.G.L. c. 30B, § 4\(c\)](#). If you made distinct purchases for different supplies or services and each purchase was less than \$10,000, then using sound business practices seems appropriate.

You need to be careful, however, that you are not bid-splitting. Intentionally dividing what would normally be one procurement into multiple smaller procurement to evade Chapter 30B requirements is bid-splitting, which is illegal under Chapter 30B. *Id.* at [§ 11](#). Dividing a purchase for legitimate business or policy reasons is not bid-splitting. For example, many jurisdictions have accounts with a local hardware store. Employees may need to make multiple low-dollar purchases from the same hardware store throughout the year. This would not be bid-splitting. However, if you are able to anticipate your supply needs, bundling these items into one purchase could be more cost effective.

Q: Our town needs to buy a replacement part that costs more than \$50,000 for our water treatment facility. Only the original vendor can supply the part as they built the machinery specifically for the facility. Can we conduct a sole-source procurement under Chapter 30B?

A: No. A sole-source procurement is a purchase of supplies or services without advertising or competition. Chapter 30B places strict limitations on sole-



source procurements. You may make a sole-source procurement of any supply or service that is estimated to cost not more than \$50,000 when a reasonable investigation shows that there is only one practicable source for the required supply or service. [M.G.L. c. 30B, § 7\(a\)](#). For procurements costing more than \$50,000, a

sole-source procurement is only permissible for (1) software maintenance, (2) library books, (3) educational materials or (4) regulated utility services. *See id.* at [§ 7\(a, c\)](#). (Note that the sole-source threshold amount for municipal or regional school districts is more than \$100,000.)

Because the replacement part for the water treatment facility costs more than \$50,000 and does not fall into one of the above four categories, your town cannot conduct a sole-source procurement. You must conduct an advertised competitive procurement using either invitations for bids (IFB) or requests for proposals (RFP) for the replacement part. *Id.* at [§§ 5, 6](#). You may include proprietary specifications in the IFB or RFP only if no other manner of description suffices and your procurement officer provides written justification for that finding. *Id.* at [§ 14](#).

By conducting an advertised competitive procurement, you may discover additional vendors that can provide either the exact part or one that will work with the machinery in your water treatment facility.

Q: I am a newly elected member of my town's select board. I want to make sure our town officials have the bonding required by statute. Which positions must be bonded?

A: Although certain municipal officials' obligation to give bond to their city or town is not related to public procurement under Chapter 30B, this is a commonly asked question on the Chapter 30B Technical Assistance Hotline.

Massachusetts law requires the following municipal officials to provide bonds:

- Town Clerk, [M.G.L. c. 41, § 13](#)

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Frequently Asked Questions, continued

- City Clerk, [M.G.L. c. 41, § 13A](#)
- Town Treasurer, [M.G.L. c. 41, § 35](#)
- Assistant Treasurer, [M.G.L. c. 41, § 39A](#)
- Assistant Collector, [M.G.L. c. 41, § 39C](#)
- Temporary Town Officer, [M.G.L. c. 41, § 40](#)
- Temporary City Officer, [M.G.L. c. 41, § 61A](#)

For more information, see the *OIG Bulletin* November 2020 article, [“Bonds and Municipal Employees: Requirements and Recommendations.”](#)

For information on minimum bond amounts, see the Massachusetts Department of Revenue’s [instructions for determining bond amounts](#) and [Guide to Financial Management for Town Officials](#).

Q: I am the school business manager for my school district. I know the Chapter 30B thresholds changed in late 2022 for school districts. I have been told that this change allows schools to use Chapter 30B sound business practices for procurements up to \$100,000. Is that correct?

A: No. Only the upper threshold for seeking written price quotations changed in November 2022 for municipal or regional school districts. See [M.G.L. c. 30B, § 4\(a\)](#). Prior to November 2022, Chapter 30B required all governmental bodies to seek at least three written quotations for procurements in the amount of \$10,000 or greater, but not more than \$50,000. As a

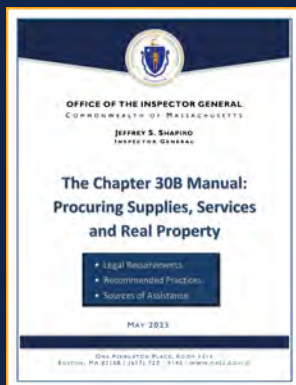


result of the November 2022 legislative change, municipal or regional school districts may now seek at least three written quotations for supplies and services costing not more than \$100,000. *Id.*

This change did not impact the sound business practice threshold range. You still may only use the sound business practice procurement method for purchases of less than \$10,000. See *id.* at [§ 4\(c\)](#).

For supplies and services costing more than \$100,000, municipal or regional school districts must issue an invitation for bids (IFB) or request for proposals (RFP). See *id.* at [§§ 5, 6](#). Although not required by Chapter 30B, municipal or regional school districts may still opt to issue an IFB when procuring supplies or services estimated to cost not more than \$100,000. See *id.* at [§ 5](#).

Note that this threshold change applies only to municipal or regional school districts. All other governmental bodies subject to Chapter 30B must still issue an IFB or RFP for supplies or services costing more than \$50,000. See *id.* at [§§ 5, 6](#).



The Office of the Inspector General is pleased to announce the release of a new edition of the *Chapter 30B Manual: Procuring Supplies, Services and Real Property*.

The new edition of the manual incorporates recent changes to Chapter 30B thresholds for municipal or regional school districts effective November 25, 2022. The manual also contains updated forms and checklists, including a revised CPO delegation form and a revised energy and energy-related services reporting form.

Contact and Subscription Information



Contact the Massachusetts Office of the Inspector General

One Ashburton Place, Room 1311,
Boston, MA 02108

Phone

- Main Office (617) 727-9140
- Fraud, Waste and Abuse Hotline (800) 322-1323
- MassDOT Fraud Hotline (855) 963-2580
- Chapter 30B Assistance Hotline (617) 722-8838
- MCPPO Training (617) 722-8884
- Media Inquiries (617) 722-8894

Email

- Main Office
MA-IGO-General-Mail@mass.gov
- Fraud, Waste and Abuse Hotline
IGO-FightFraud@mass.gov
- MassDOT Fraud Hotline
MassDOTFraudHotline@mass.gov
- Chapter 30B Assistance Hotline
30BHotline@mass.gov
- Training/MCPPO Inquiries
MA-IGO-Training@mass.gov
- Employment Inquiries
IGO-Employment@mass.gov

Attorney General's Office

For questions related to public construction, public works or designer selection, please contact the AGO at (617) 963-2371.



MCPPO Class Information

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