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By Email

Commonwealth Officials

Re: Procurement Measures During the COVID-19 Pandemic

Dear Agency Heads, Chief Financial Officers and Procurement Officials:

I am sending this letter to offer guidance and relay important reminders as you navigate this unprecedented time. I know that you have worked hard to procure goods and services, such as cleaning supplies and personal protective equipment, to ensure the safety of your employees, as well as to ensure that the Commonwealth's services continue to run smoothly.

Unfortunately, while you work diligently on behalf of the Commonwealth, dishonest individuals often attempt to exploit state and local agencies during difficult times. The guidance below will help you safeguard public funds during this public health emergency. And as always, if you encounter fraud, waste or abuse in the use of public funds or property, the Office of the Inspector General ("OIG") is here to help.

Before Buying Supplies or Services

- a. **Follow the Operational Services Division's ("OSD") March 2020 guidance to procure emergency supplies and services.**¹ While agencies have been granted latitude in their procurement practices, OSD still requires that buyers follow the protocols for emergency procurements set forth in the OSD's "Conducting Best Value Procurements" handbook.²

Even if your agency is expressly exempt from OSD's procurement rules, you should follow uniform procurement rules and procedures to ensure transparency, competition and that you receive the goods and services your agency needs at a fair price.

¹ See OSD's March 12, 2020 guidance "Acquisition of Goods and Services for COVID-19 Mitigation," available at <https://www.mass.gov/doc/operational-services-covid-19-buyer-message>.

² See OSD's handbook titled "Conducting Best Value Procurements," available at <https://www.mass.gov/handbook/conducting-best-value-procurements>.

- b. For municipalities and other local governments: remember that M.G.L. c. 30B (“Chapter 30B”) is not suspended at this time.** In fact, Chapter 30B has specific guidelines for emergency procurements.
- c. Perform background research on vendors to confirm you are purchasing from a legitimate company.** For example, confirm that Massachusetts-based companies are registered with the Secretary of State, check to see if the company has a valid online presence, review the professionalism of the vendor’s website, and call the company’s listed phone number. If there is no way to contact this company offline or if the company has no physical address, this may be a red flag that the business is not legitimate.
- d. Check prices with multiple vendors to ensure that your potential vendor is not price gouging** due to the ongoing pandemic. Price gouging involves raising the prices of necessities to unreasonable levels in order to capitalize on an emergency, such as the COVID-19 pandemic. The Massachusetts Attorney General’s Office (“AGO”) provides guidance about, and a complaint form to report, suspected price gouging.³
- e. Contact our office for procurement assistance.** We provide procurement information and guidance through our Chapter 30B hotline. Please do not hesitate to contact us by email or telephone at (617) 722-8838.

After Procuring Supplies or Services

- a. Carefully review all invoices to ensure you only pay for the correct products purchased, at the agreed-upon prices.** During this time, unscrupulous vendors may send inferior or substitute products to meet demand. Others may charge more than the contracted rate or advertised price.
- b. Remember that you do not need to have actually purchased supplies or services to be a target of fraud.** Another common scheme involves vendors submitting fake invoices for goods that the entity did not purchase at all, but is likely to need. Before paying any invoice, confirm that your organization ordered and received the goods or services.
- c. Continue to perform and enforce your agency’s internal controls.** As agencies continue to work remotely, it is more important than ever to enforce strong internal controls, such as segregation of duties, pre-authorization procedures and thorough recordkeeping.
- d. Visit our website to learn more.** The OIG has updated its website to provide you with resources and information to protect your agency from fraud. This information is available [here](#). Further, the office has a webpage dedicated to COVID-19 and Chapter 30B FAQs, available [here](#).

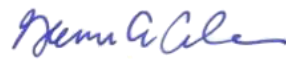
³ See AGO information regarding price gouging, available at <https://www.mass.gov/news/ag-healey-issues-emergency-regulation-prohibiting-price-gouging-of-critical-goods-and-services>.

In addition, our fraud hotlines and our assistance hotlines are operating and are fully staffed. If you suspect a vendor has engaged in fraudulent behavior, contact us:

- 1) Call the 24-hour confidential hotline at (800) 322-1323
- 2) Email our confidential email address, IGO-FightFraud@state.ma.us
- 3) Complete an [online form](#) to report fraud, waste or abuse

We understand the impact this current health emergency is having on the operations of the state and local governments, including on finance and procurement staff. The OIG is committed to help. If you need procurement assistance, or if you suspect fraud, waste or abuse, please do not hesitate to contact us.

Sincerely,



Glenn A. Cunha
Inspector General