

# Town of Harvard Purchasing & Procurement Overview

Updated April 2023

*Fair, robust competition for larger procurements saves money and promotes integrity and public confidence in government.*

**-- Chapter 30B Manual: Procuring Supplies, Services, & Real Property**

Questions: Marie Sobalvarro [msobalvarro@harvard-ma.gov](mailto:msobalvarro@harvard-ma.gov) 978-456-4100 x330

# Purchasing, generally

- 80% of purchases are <5k → Sound business practices

Ideally obtaining quotes for higher-dollar items, comparing price, quality, delivery, and total time/involvement in process.

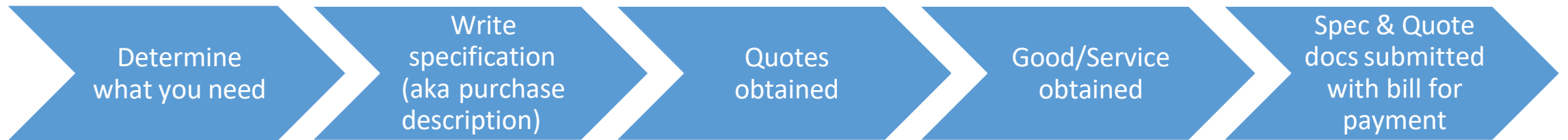
- 15% of purchases are 5k-50k → Quotes from 3 vendors

**Written** specification, either sent or orally conveyed. Submit **written** summary, vendors solicited, and results with request for payment.

- 5% of purchases are 50k+ → Competitive sealed bids

The Ch 30B approach, awarded to lowest responsive and responsible bidder. This goes through the procurement office.

# Simplified Process: 5k-50k



Writing purchase description is the trickiest step. Remember to state quantities, delivery terms.

Things to remember:

- Advance payment/pre-payment (prior to receipt of good/service) **is not allowed**.
- Contracts > 10k must be maintained on file for 6 years. Send a copy to Marie Sobalvarro (msobalvarro@harvard-ma.gov)

# Buy the time I get to Phoenix...

Two sets of rules apply to the Town's procurements:

- (1) legal requirements, i.e., those based on state or federal statute or regulation; and
- (2) our own requirements, i.e., those that are based on Town policy.

# State Contact Vendors (& Purchasing Collaboratives)

- State contracts can save time and money, and expand search into pre-qualified vendors offering fixed discounts.
- Locate the good/service sought, and then review state contract user guide (<https://www.mass.gov/service-details/find-a-statewide-contract-user-guide>)
- Indicate on payment warrant the state contract number, and the vendor's state contract ID.

# IFB (Invitation For Bid)

- Not just 'looking for the lowest price,' but the vendor offering the best value as determined by the quality requirements set by the buyer.
- Standard forms, publication/advertising deadlines set by the Commonwealth.
- Rule for award defined by the buyer.

# RFP (Request for Proposals)

- Used when you want to weigh the merits of proposals submitted, taking into account factors other than price.
- Requires extensive documentation, ranging from RFP decision to defining and assigning points to each evaluation criteria.
- Rule for award defined by the buyer.

# Town Parameters: From the Finance Dept\*

The purpose of this memo is to summarize procurement and bid requirements for goods and services. When submitting bills, please verify that your department has complied with procurement requirements. **A summary of your department's price solicitation should be attached to the relevant bill, in most cases.** Some circumstances are self-evident and do not require documentation, such as utility bills, town-wide bids (heating oil, for example), or annual bids (gasoline, road salt) except for the first bill of the year.

State law is very specific concerning the amounts and types of purchases that must be competitively bid. This applies to total amounts purchased over the fiscal year, not just each invoice. The following is a summary of procurement law, based on the total annual amount of goods/services purchased.

**Under \$10,000 – Sound business practice.** This allows flexibility in the number of quotes you obtain and how they are evaluated. Factors such as price, quality, speed of delivery, and the amount of time it takes to solicit proposals should be considered. **No solicitation notation is required on submitted bills.**

**\$10,000 to \$50,000** – Obtain quotes from at least three vendors. The quotes should be based on a clear, written description of the product or service. You may ask the low bidder to reduce their initial quoted price. In situations where provided quotes offer slightly different products (a longer warranty period, more computer memory, or larger engine), these factors may be considered in obtaining the best value for your department. **A written, single-page summary of your solicitation results should be attached to the bill when submitted for payment showing that you chose the lowest, responsible price.**

**\$50,000 or more** – Competitive, advertised, sealed bids are required. This process awards bids to the lowest responsive and responsible (qualified) bidder. **You must work with the Procurement Officer on this because a bid solicitation packet must be prepared and formal bids must be submitted.** A single-page summary of your bid results should be attached to the bill when submitted for payment. If multiple payments are made, the attachment should accompany the first bill only.

Exceptions to bid/quote requirements: procurement which is bid townwide on an annual basis such as heating oil and gasoline; and certain services specifically exempted by Chapter 30B, such as textbooks and legal services, sole source suppliers and items purchased through state bid list. If you have procurement questions, please contact Marie Sobalvarro at [msobalvarro@harvard-ma.gov](mailto:msobalvarro@harvard-ma.gov) or 978-456-4100 x330)

\*Thresholds were increased per vote of the Select Board on 2/17/21



# State Parameters

- See attached documents



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The Office of the Inspector General (Office) created the following charts for the easy reference of Massachusetts public procurement procedures. 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. Also, your local rules may include 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. For more information about the procurement laws, consult the statutes, review our procurement manuals and related information or contact the Chapter 30B Technical Assistance hotline. For more information about the resources available to you, please see our [website](#).

**Note:** The Office updated the charts to reflect the changes to M.G.L. c. 30B effective November 25, 2022, pursuant to the passage of [Chapter 198 of the Acts of 2022](#), *An Act Relative to School Operational Efficiency*.

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 M.G.L. c. 30B (Chapter 30B) may be directed to this Office by calling (617) 722-8838 or by emailing us at [30BHotline@mass.gov](mailto:30BHotline@mass.gov). Questions concerning M.G.L. c. 149, M.G.L. c. 30, § 39M, and M.G.L. c. 7C should be directed to the Office of the Attorney General by calling (617) 963-2371 or your legal counsel. Thank you.

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 must be submitted to the Secretary of the State's Office online at <http://www.sec.state.ma.us/spr/sprcentral/infosubmit.htm>.
- *Goods and Services Bulletin* advertisements must be submitted the Secretary of the State's Office online at <http://www.sec.state.ma.us/sprpublicforms/GSSubmissionform.aspx>.
- COMMBUYS postings must be completed at [www.commbuys.com](http://www.commbuys.com).

**M.G.L. c. 149 – Building Construction Contracts**

<b>Estimated Contract Amount</b>	<b>Under \$10,000</b>	<b>\$10,000 to \$50,000</b>	<b>Over \$50,000 to \$150,000</b>	<b>Over \$150,000</b>	<b>Over \$10,000,000</b>
<b>Procurement Procedure</b>	Sound business practices (as defined in M.G.L. c. 30B, § 2). <sup>1</sup>	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).
<b>Notice/Advertising Requirements</b>	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. <sup>2</sup>	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. <sup>3</sup>	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. <sup>4</sup>	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. <sup>5</sup>
<b>DCAMM Certification</b>	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.
<b>OSHA Training</b>	No.	Yes.	Yes.	Yes.	Yes.
<b>Prequalification</b>	No.	No.	No.	Optional. <sup>6</sup>	Yes.
<b>Filed Sub-bids</b>	No.	No.	No.	Yes, if more than \$25,000.	Yes, if more than \$25,000.
<b>Bid Deposit</b>	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.
<b>Payment Bond</b>	No.	50% payment bond if contract is >\$25,000. <sup>7</sup>	50% payment bond.	100% payment bond.	100% payment bond.
<b>Performance Bond</b>	No.	No.	No.	100% performance bond.	100% performance bond.
<b>Prevailing Wage</b>	Yes.	Yes.	Yes.	Yes.	Yes.
<b>Contractor Evaluation</b>	No.	No.	No.	Yes.	Yes.
<b>OSD or Blanket Contract Option</b>	Yes.	Yes.	No.	No.	No.

<sup>1</sup> [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.”

<sup>2</sup> [M.G.L. c. 149, § 44A\(2\)\(B\)](#), as amended by [Chapter 218 of the Acts of 2016](#).

<sup>3</sup> [M.G.L. c. 149, § 44J](#), as amended by [Chapter 218 of the Acts of 2016](#).

<sup>4</sup> [M.G.L. c. 149, § 44J](#), as amended by [Chapter 218 of the Acts of 2016](#).

<sup>5</sup> 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.

<sup>6</sup> 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.)

<sup>7</sup> [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 <sup>1</sup>	M.G.L. c. 30, § 39M
<b>Procurement Procedure</b>	Sound business practices (as defined in M.G.L. c. 30B, § 2). <sup>2</sup>	Use a written scope-of-work statement to solicit written responses from no fewer than 3 persons who customarily perform such work. <sup>3</sup>	Sealed bids.	Sealed bids.
<b>Notice/Advertising Requirements</b>	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. <sup>4</sup>	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> . <sup>5</sup>	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. <sup>6</sup>
<b>OSHA Training</b>	No.	Yes.	Yes.	Yes.
<b>Prequalification</b>	No.	No.	No.	Maybe. <sup>7</sup>
<b>Bid Deposit</b>	No.	No.	No.	5% of the value of the total bid.
<b>Payment Bond</b>	No.	50% payment bond if contract is more than \$25,000. <sup>8</sup>	50% payment bond if contract is more than \$25,000. <sup>9</sup>	50% payment bond.
<b>Performance Bond</b>	No.	No.	No.	No.
<b>Prevailing Wage</b>	Yes.	Yes.	Yes.	Yes.
<b>OSD or Blanket Contract Option</b>	Yes.	Yes.	No.	No.

<sup>1</sup> Authorized by [M.G.L. c. 30, § 39M\(d\)](#).

<sup>2</sup> [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.”

<sup>3</sup> [M.G.L. c. 30, § 39M](#), as amended by [Chapter 218 of the Acts of 2016](#).

<sup>4</sup> [M.G.L. c. 30, § 39M](#), as amended by [Chapter 218 of the Acts of 2016](#).

<sup>5</sup> [M.G.L. c. 30B, § 5](#), and [M.G.L. c. 9, § 20A](#).

<sup>6</sup> [M.G.L. c. 149, § 44J](#).

<sup>7</sup> 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](#).

<sup>8</sup> [M.G.L. c. 149, § 29](#).

<sup>9</sup> [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
	<b>M.G.L. c. 30, § 39M</b>	<b>M.G.L. c. 30, § 39M</b>	<b>M.G.L. c. 30, § 39M</b>	<b>M.G.L. c. 30B, § 5 Option<sup>1</sup></b>
<b>Procurement Procedure</b>	Sound business practices (as defined in M.G.L. c. 30B, § 2). <sup>2</sup>	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.
<b>Notice/Advertising Requirements</b>	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. <sup>3</sup>	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. <sup>4</sup>	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> . <sup>5</sup>
<b>OSHA Training</b>	No.	No.	No.	No.
<b>Prequalification</b>	No.	No.	No.	No.
<b>Bid Deposit</b>	No.	No.	5% of the value of the total bid.	No.
<b>Payment Bond</b>	No.	50% payment bond if contract is more than \$25,000. <sup>6</sup>	50% payment bond.	50% payment bond if contract is more than \$25,000. <sup>7</sup>
<b>Performance Bond</b>	No.	No.	No.	No.
<b>Prevailing Wage</b>	No.	No.	No.	No.
<b>OSD Option</b>	Yes.	Yes.	Yes.	No.
<b>Blanket Contract Option</b>	Yes.	Yes.	No.	No.

<sup>1</sup> Authorized by [M.G.L. c. 30, § 39M\(d\)](#).<sup>2</sup> [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.”<sup>3</sup> [M.G.L. c. 30, § 39M](#), as amended by Chapter 218 of the Acts of 2016.<sup>4</sup> [M.G.L. c. 149, § 44J](#).<sup>5</sup> [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*.)<sup>6</sup> [M.G.L. c. 149, § 29](#).<sup>7</sup> [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 Schools<sup>1</sup>**

<b>Estimated Design Fee (EDF)/Estimated Construction Cost (ECC)</b>	<b>EDF less than \$30,000 or ECC less than \$300,000</b>	<b>EDF \$30,000 or more and ECC \$300,000 or more</b>
<b>Procurement Procedure</b>	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.
<b>Advertising Required</b>	No.	Advertise in the <i>Central Register</i> <b>and</b> your local newspaper at least two weeks before the deadline for filing applications.
<b>Designer Selection Board<sup>1</sup></b>	No.	No – adopt selection procedure in writing. <sup>2,3</sup>
<b>Designer Application</b>	No.	Yes. See <a href="#">Designer Selection Procedures for Municipalities</a> . Use “Standard Designer Application Form for Municipalities and Public Agencies not within DSB Jurisdiction (Updated July 2016)”
<b>Designer Evaluation (Submit to DCAMM and Designer Selection Board)</b>	No.	Yes. See <a href="#">Designer Evaluation Forms &amp; Information for Municipalities and Agencies</a>
<b>Registration</b>	Yes.	Yes.
<b>Insurance</b>	No.	At a minimum, the lesser of \$1 million or 10% of the project’s estimated cost of construction. <sup>4</sup>
<b>Prevailing Wage</b>	No.	No.

<sup>1</sup> 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.

<sup>2</sup> 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](#).

<sup>3</sup> 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.

<sup>4</sup> [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
<b>Procurement Procedure</b>	Sound business practices. <sup>1</sup>	Use a written purchase description to solicit written price quotations from no fewer than 3 persons who customarily provide the supply or service. <sup>2</sup>  As of November 25, 2022, the price quotation threshold changed for municipal or regional school districts only from \$10,000 to \$100,000. <sup>3</sup>  <b>NOTE:</b> A governmental body may require that any procurement in an amount of not more than \$50,000 be subject to sealed bid procedures under M.G.L. c. 30B, § 5.	Sealed bids or sealed proposals (M.G.L. c. 30B, §§ 5 or 6).  <b>NOTE:</b> At more than \$100,000 a municipal or regional school district must use a sealed bid or sealed proposal.
<b>Notice/Advertising Requirements</b>	None.	None.	Post a notice at least two weeks before bids or proposals are due in (1) your jurisdiction's office, and publish at least two weeks before bids or proposals are due in a (2) 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> .
<b>Award contract to:</b>	Responsible and responsive person offering the best price.	Responsible and responsive person offering the needed quality of supply or service at the lowest price quotation.	Under § 5, the responsible <sup>4</sup> and responsive <sup>5</sup> 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.
<b>Written Contract Required<sup>6</sup></b>	No.	Yes.	Yes.
<b>Maximum Contract Term<sup>7</sup></b>	Three years, unless majority vote authorizes longer.		
<b>OSD Option</b>	Yes.		

<sup>1</sup> [M.G.L. c. 30B, § 2](#), defines sound business practices as “ensuring the receipt of favorable prices by periodically soliciting price lists or quotes.”

<sup>2</sup> [M.G.L. c. 30B, § 4](#), as amended by [Chapter 218 of the Acts of 2016](#), requiring the procurement officer to record the names of all persons from whom quotations were sought and submitted with the date and amount of each quotation.

<sup>3</sup> [M.G.L. c. 30B, § 5](#), as amended by [Chapter 198 of the Acts of 2022](#), authorizing a procurement officer for “a municipal or regional school district” to procure a supply or service at more than \$100,000 with a sealed bid procedure.

<sup>4</sup> [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.”

<sup>5</sup> [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.”

<sup>6</sup> [M.G.L. c. 30B, § 17\(a\)](#), states that 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.”

<sup>7</sup> [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.”