

***Brookline Housing Authority
Procurement Policy and Procedure
Updated and Adopted by Board October 14, 2025***

GENERAL PROVISIONS

Purpose

The purpose of this Procurement Policy (“Policy”) is to provide for the fair and equitable treatment of all persons or firms involved in purchasing by the Brookline Housing Authority (“BHA”); assure that supplies, services, and construction are procured efficiently, effectively, and at the most favorable prices available to BHA; promote competition in contracting; provide safeguards for maintaining a procurement system of quality and integrity; and assure that purchasing actions are in full compliance with applicable Federal and State laws and regulations.

All procurement and contracting activities of BHA for federal housing properties shall be conducted in accordance with all applicable provisions of 2 CFR §200.317 - §200.326. All procurement and contracting activities of BHA for state housing properties shall be conducted in accordance with all applicable provisions of G.L. c.30B; G.L. c.30, §39M; and G.L. c.149, §§44A- 44J. Any exemptions or exclusions contained in those statutes are incorporated herein.

To the extent the so-called “Common Rule” is not varied herein, this Policy incorporates all provisions of those regulations, which in general requires a public entity to utilize the stricter of the two procurement requirements.

For controlled affiliates or entities of BHA, please refer to their policies.

Applicability

This Procurement Policy applies to all solicitations, purchase orders, and contracts for the procurement of goods, services, leases, rentals of equipment, supplies and construction, except for any exemptions or exclusions provided by statute or regulation.

Public Access to Procurement Information

Most procurement that is not proprietary or otherwise exempt from disclosure is a matter of public record and may be available to the public to the extent provided under law.

Chief Procurement Officer

The Executive Director, or if that position is unoccupied, the Interim Executive Director, is appointed and shall be the Chief Procurement Officer (CPO) with the authority to exercise all responsibilities and powers conferred upon that title by G.L. c.30B. While the CPO is responsible for ensuring that BHA’s procurements comply with this Policy, the CPO may delegate powers in accordance with G.L. c.30B as is necessary and appropriate to conduct the

business of BHA. The CPO or the delegee will have Massachusetts Certified Public Purchasing Official (MCPPO) certification.

Changes in Laws and Regulations

If an applicable law or regulation is modified or eliminated, or a new law or regulation is adopted, the revised law or regulation shall, to the extent inconsistent with these Policies, automatically supersede these Policies.

Modification to Procurement Policy

BHA's Board of Commissioners must approve modifications to any of the policies set forth herein subsequent to its adoption by the Board of Commissioners, except that the Executive Director is authorized to correct inconsistencies, make such non-material changes, additions, corrections or amendments as s/he may deem necessary or advisable, or make such other changes as may be required as a result of changes in federal or state statute, regulations or requirements, without the further approval of the Board of Commissioners.

ETHICS IN PUBLIC CONTRACTING

General

The BHA hereby establishes this code of conduct regarding procurement issues and actions and shall implement a system of sanctions for violations. This code of conduct is consistent with applicable Federal, State, or local law.

Conflicts of Interest

No employee, officer, Board member, or agent of the BHA shall participate directly or indirectly in the selection, award, or administration of any contract if a conflict of interest, either real or apparent, would be involved. If they otherwise would have participated in the procurement they will recuse themselves and note the reason for their recusal in writing to their supervisor. This type of conflict would be when one of the persons listed below has a financial or any other type of interest in a firm competing for the award:

- A. An employee, officer, Board member, or agent involved in making the award;
- B. His/her relative (including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister);
- C. His/her partner; or
- D. An organization which employs or is negotiating to employ, or has an arrangement concerning prospective employment of any of the above.

Gratuities, Kickbacks, and Use of Confidential Information

No officer, employee, Board member, or agent shall ask for or accept gratuities, favors, or items from any contractor, potential contractor, or party to any subcontract, and shall not knowingly use confidential information for actual or anticipated personal gain.

Employees will report any such offers of gratuities to their supervisor, and Executive Director will report any such offers to the board chair.

Prohibition Against Contingent Fees

Contractors wanting to do business with the BHA must not hire a person to solicit or secure a contract for a commission, percentage, brokerage, or contingent fee, except for bona fide established commercial selling agencies.

Penalties

In the event any members, officers, employees, agents or contractors of BHA have been determined to have violated any of the provisions of this Section, such commissioner, employee, agent or contractor may be disciplined up to and including, but not limited to, termination, to the extent permitted by Federal, State, or local law or regulations.

PROCUREMENT - GENERAL

Goods and Services

All procurement activities for goods and services will conform to the following unless otherwise specified and/or exempt or excluded by statute or regulation. The charts below are adapted from the July 2025 [Office of the Inspector General procurement procedures charts](#).

Procurement Requirements – Non-Construction

Examples of non-construction purchases include materials, supplies, and services, unless specifically exempted in 2 CFR §200.317 - §200.326 or G.L. c.30B.

Estimated Contract Amount	Under \$10,000	\$10,000 to \$50,000	\$50,000 and over
Procurement Procedure	Sound business practices ¹	Written scope of work description to solicit written quotes from at least 3 persons who customarily provide/supply services ²	Sealed bids or proposals. (G.L. c.30B §§5 or 6)
Advertising Requirements	None	None	Post notice in office, and at least two weeks before due date, publish in newspaper and on COMMBUYS. If \$100,000 or more, advertise once in the <i>Goods and Services Bulletin</i> at least two weeks before bids or proposals are due.
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 practice.	Yes	Yes
Maximum Contract	Three years, unless majority vote by Board of Commissioners authorizes longer.		

Term⁶			
OSD or Blanket Contract Option	Yes	Yes	Yes
Authorization Required	Executive Director or authorized delegatee	Executive Director or authorized delegatee	BHA Board of Commissioners

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 2016 Mass. Acts c. 218, requires the procurement officer to record the names of all persons from whom quotations were sought and the names of persons submitting quotations, with the date and amount of each quotation.
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 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.”
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.”

Procurement Requirements – Public Works Related

Examples: Site improvements, repairs to underground utility lines, installation of playground equipment, and all other contracts for the construction, reconstruction, installation, demolition, maintenance or repair of bridges, roads, grounds, utility lines, etc.

Estimated Contract Amount	\$10,000 and under	Over \$10,000 to \$50,000		Over \$50,000
		G.L. c.30, §39M	G.L. c.30B, §5 Option¹	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 three persons who customarily perform such work. ³	Sealed bids	Sealed bids
Advertising Requirements	None	Post a notice at least two weeks before responses are due (1) on BHA website; (2) on COMMBUYS; (3) in the Central Register; and (4) in a	Post a notice at least two weeks before bids are	At least two weeks before bids are due, publish a notice (1) in the Central Register; (2) in a newspaper; and (3) on COMMBUYS; and at least one week before bids are due, post a notice (4) in your jurisdiction’s office. ⁶

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

		conspicuous place in BHA office. ⁴	due (1) in BHA office, and publish (2) in a newspaper; (3) on COMM BUYS; and (4) in the Central Register. ⁵	
DCAMM Certification	No	No	No	No
OSHA Training	No	Yes	Yes	Yes
Authority Prequalification	No	No	No	Maybe ⁷
Filed Sub-bids	No	No	No	No
Bid Deposit	No	No	No	5% of the value of the total bid
Payment Bond	No	50% payment bond if contract > \$25,000. ⁸	50% payment bond if contract > \$25,000. ⁹	50% payment bond
Performance Bond	No	No	No	No
Prevailing Wage or Davis Bacon	Yes	Yes	Yes	Yes
Authorization Required	Executive Director or authorized delegee	Executive Director or authorized delegee	Executive Director or authorized delegee	BHA Board of Commissioners

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

2 M.G.L. c. 30, § 39M, as amended by 2016 Mass. Acts c. 218. 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 2016 Mass. Acts c. 218.

4 Id.

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 if (1) 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 Id.

Procurement Requirements – Public Building Related (C.149)

Examples: Painting vacant units, hiring a technician to repair HVAC equipment, installing carpeting, contracting for extraordinary maintenance and modernization projects (e.g. kitchen and bathroom modernization, closet door installation, window replacement) and all other contracts for the construction, reconstruction, installation, demolition, maintenance or repair at any BHA building.

Estimated Contract Amount	Under \$10,000¹	\$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 to solicit from at least 3 persons who customarily perform the work	Sealed bids (using 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).
Advertising Requirements	None	Post a notice at least two weeks before responses are due (1) on BHA website; (2) on COMMBUYS ; (3) in the Central Register; and (4) in BHA Office. ²	At least two weeks before bids are due, publish a notice (1) in the Central Register; (2) in a newspaper; and (3) on COMMBUYS; and, at least one week before bids are due, post a notice (4) in BHA office. ³	At least two weeks before bids are due, publish a notice (1) in the Central Register; (2) in a newspaper; and (3) on COMMBUYS; and, at least one week before bids are due, post a notice (4) in BHA office. ⁴	Advertise the request for qualifications at least two weeks before responses are due (1) in a newspaper; (2) in the Central Register; and (3) on COMMBUYS. ⁵
DCAMM Certification	No	No	No	Required for general bidders if more than \$150,000 and filed sub- bidders if more than \$25,000	Required for general bidders if more than \$150,000 and filed sub- bidders if more than \$25,000
OSHA Training	No	Yes	Yes	Yes	Yes
Authority Prequalification	No	No	No	Optional ⁶	Yes ⁷⁼
Filed Sub-bids	No	No	No	Yes, if \$25,000 and over	Yes, if \$25,000 and over
Bid Deposit	No	No	5% of the value of the total bid	5% of the value of the total bid, or	5% of the value of the total bid, or

				sub-bid	sub-bid
Payment Bond	No	50% payment bond if contract > \$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 or Davis Bacon	Yes	Yes	Yes	Yes	Yes
Contractor Evaluation	No	No	No	Yes	Yes
OSD or Blanket Contract Option	Yes	Yes	No	No	No
Authorization Required	Executive Director or authorized delegee	Executive Director or authorized delegee	BHA Board of Commissioners	BHA Board of Commissioners	BHA Board of Commissioners

1 M.G.L. c. 149, § 44A(2)(A), as amended by 2016 Mass. Acts c. 218. 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 2016 Mass. Acts c. 218.

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

4 Id.

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 prepaid, to all prequalified general contractors 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 contractors 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.

Legal Services

Legal services are exempt from c.30B. BHA will generally follow 30B in procurements for legal services, following best business practices for engagements estimated below \$10,000 and soliciting at least 3 quotes for larger contracts.

Alternative Project Delivery Methods under G.L. c.149A

BHA staff will follow the procurement procedures as outlined under G.L. c.149A for construction manager (CM) at risk projects. As per the statute, BHA Board of Commissioners will approve a board action authorizing staff to pursue G.L. c.149A as the first step in getting permission from the Office of the Inspector General for CM At-Risk projects. BHA Board of Commissioners will also review the results of the RFQ/RFP procurement process and authorize the execution of a construction contract with the selected CM at-risk firm. BHA Board of Commissioners will approve the execution of a guaranteed maximum price (GMP) contract amendment and all change orders in accordance with this Policy.

Procurement of A/E Services

A. Design services in connection with public construction projects are exempt from G.L. c.30B. However, for building construction projects funded in whole or in part from State sources, the design services contracts must follow the procedures established by the 0. The Executive Office of Housing & Livable Communities (EOHLC's) procedures generally follow the G.L. c.7C process and prescribe the role of EOHLC and of BHA in the selection process. BHA will procure A/E services on all federally funded projects using a qualifications-based selection (QBS) in accordance 2 CFR §200.320. For all other A/E services, BHA has a choice of using price inquiries for contracts under \$10,000 or competitive proposals or qualifications-based selection (QBS) for contracts \$10,000 or more provided that the procurement is in a manner providing for full and open competition. The QBS process includes the following:

1. BHA requests technical qualifications statements from prospective firms and then ranks the statements according to their qualifications as related to the project.
2. BHA then opens negotiations with the top-ranked firm with the intention of reaching agreement on a fair and reasonable price.
3. If agreement cannot be reached, BHA shall terminate negotiations with this firm and proceed to the next-highest rated firm until a price determined to be fair and reasonable by both parties is obtained.
4. Once negotiations have been terminated with a firm, BHA may not go back to that firm for additional negotiations even if the next lower ranked respondent is higher in price.

Forms of A/E Contract.

The form HUD-51915, Model Form of Agreement Between Owner and Design Professional, is required for use by federally funded PHAs for A/E contracts that exceed the Federal small purchase threshold.

Alternate Project Delivery Methods: Procurement Exemption

Pursuant to Chapter 268 of the Acts of 2022 as further explained by EOHLC Public Housing Notice 2023-04 or subsequent guidance from EOHLC, BHA may seek a procurement exemption from EOHLC for projects where “where the land, buildings or structures associated with the housing project have been conveyed or transferred to an affiliated non-profit or private entity for purposes of completing the redevelopment”. EOHLC's approval exempts the project from compliance with G.L. c.7C (Designer Selection) and G.L. c.149 (vertical construction). Requirements of 26 to 27F (prevailing wage), inclusive, and section 29 (bonding) of chapter 149 continue to apply.

BHA will seek this procurement exemption for redevelopment projects involved “mixed-financing”, including mortgage debt and/or tax credit equity.

BHA staff may undertake different design and construction procurement methods, including Request for Proposals, Requests for Qualifications, negotiated General Maximum Prices, fixed bid solicitations at various stages of design, or some combination thereof. In all cases, BHA will ensure open and fair competition.

All contract solicitations and awards utilizing this procurement flexibility require board approval.

Real Property Procurement

The purchase, lease or rental of real property shall be made in accordance with the provisions of G.L. c.30B, §16. Whenever BHA desires to acquire, dispose, lease or rent real estate with a value or cost greater than the threshold established by G.L. c.30B, §16, a solicitation for proposals shall be advertised as required by this Policy. However, intergovernmental acquisitions are exempt from the competitive proposal requirement of G.L. c.30B, §16.

All such solicitations for real property valued greater than the threshold established by G.L. c.30B, §16 require board approval before posting and at award.

Petty Cash Purchases

Petty Cash shall be established through the revolving fund in the amount of \$250.00. This is used to cover small purchases generally under \$25.00 per unit item. The account shall be established from time to time as needed with all expenses documented on BHA form and approved as appropriate. Petty Cash Accounts may be established in an amount sufficient to cover small purchases made during a reasonable period, e.g., one month. For all Petty Cash Accounts, the BHA shall ensure that security is maintained and only authorized individuals have access to the account. These accounts should be reconciled and replenished periodically. The Executive Director or Interim Executive Director shall be responsible for maintaining the petty cash fund and for developing procedures and requirements for its use.

Credit (or Purchasing) Cards

Credit card usage should follow the rules for all other small purchases. For example, the Contracting Officer may use a credit card for Micro Purchases without obtaining additional quotes provided the price is considered reasonable. However, for amounts above the Micro Purchase level, the Contracting Officer would generally need to have obtained a reasonable number of quotes before purchasing via a credit card.

Executive Director, Assistant Executive Director, Chief Financial Officer will adopt reasonable safeguards to assure that they are used only for intended purposes (for instance, limiting the types of purchases or the amount of purchases that are permitted with credit cards).

Credit card use is limited to senior staff. All purchases in excess of \$2,500 require prior authorization from Assistant Executive Director, Executive Director, or Chief Financial Officer.

BHA staff may not, under any circumstances, use the agency credit card for personal purchases. Improper use of the agency credit card is subject to discipline, as defined in personnel policy and/or union contracts.

Sole Source Procurement

- A. For contracts procured under Chapter 30B, the CPO may initiate a procurement of any supply or service in an amount less than \$50,000 when, after reasonable investigation, the CPO determines in writing that only one practicable source for the required supply or service exists. A proprietary item shall be procured by competition if more than one potential bidder or offer for that item exists. The CPO shall record all sole source procurements, specifying each contractor's name, the amount and type of each contract, a listing of supplies or services procured under each contract, and the basis of the determination that the contractor was the only practicable source for the required supply of service. Any sole source procurement over \$10,000 requires prior authorization by board.
- B. Material specifications for construction contracts subject to G.L. c.149 and G.L. c.30, §39M must be written to provide for full competition for each item of material to be furnished under the contract. Specifications that restrict competition to fewer than three manufacturers or producers may be used only for “sound reasons in the public interest.” After a reasonable investigation, BHA staff must document for the Board and the Board must approve the reasons for using the restrictive or proprietary specifications and provide documentation to anyone making a written request for this information. If using restrictive or proprietary specifications for an item, the specifications for that item must include an “or equal” clause.

Cooperative Purchasing/Intergovernmental Agreements

- A. **Statewide Contracts.** Statewide contracts for state-funded properties are contracts procured by the Operational Services Division of the Commonwealth of Massachusetts Office of Administration and Finance on behalf of all state departments, including public housing authorities and other political subdivisions, for specified commodities and services. A procurement of any dollar amount may be made pursuant to a statewide contract without seeking further competition.
- B. **Other Intergovernmental Contracts.** The BHA may enter into State and/or local cooperative or intergovernmental agreements to purchase or use common supplies, equipment, or services. The decision to use an interagency agreement instead of conducting a direct procurement shall be based on economy and efficiency. If used, the interagency agreement shall stipulate who is authorized to purchase on behalf of the participating parties and shall specify inspection, acceptance, termination, payment, and other relevant terms and conditions. The BHA may use Federal or State excess and surplus property instead of purchasing new equipment and property if feasible and if it will result in a reduction of project costs. The goods and services obtained under a cooperative purchasing agreement must have been procured in accordance with 2 CFR 200, et seq.

Emergency Procurement

- A. An emergency procurement is appropriate whenever the Executive Director determines that unforeseen circumstances require the immediate acquisition of commodities and services to:

- Provide necessary or mandated services
- Avoid a threat to the health, welfare or safety of persons
- Avoid a threat of serious damage to property

An emergency procurement shall be limited to only the supplies or services necessary to meet the emergency, and shall conform to this Procurement Policy to the fullest extent practicable. The Executive Director will present all emergency procurements for affirmation by the board.

- B. Waiver Requirements. If an emergency procurement for state-funded property would be subject to public bidding in accordance with G.L. c.149, §44A-44J, or G.L. c.30, §39M, a waiver of these requirements must be obtained from the Department of Capital Asset Management and Maintenance of the Commonwealth of Massachusetts.
- C. Recordkeeping Requirements. For each emergency procurement, a record shall be kept specifying the contractor's name, the amount and type of procurement contract, a listing of the supply or service provided, and the basis for determining the need for an emergency procurement. The record of an emergency procurement for state-funded property shall be submitted to the Central Register for publication.

Payment of Bills

All Bills require the approval of a member of Senior Staff, or the Executive Director. The sign off person has the responsibility to ensure that the goods were received in compliance to the request or specification and the appropriate budget and line item to be charged.

Change Orders

At times during a major redevelopment or modernization project, it becomes necessary to approve changes to an architecture, engineering, or other third party consulting contracts. Waiting 30 days for Board approval and subsequently documenting this change can jeopardize the construction schedule and increase BHA financial risk related to development and completion guarantees.

Therefore, the BHA Board has approved a policy whereby staff may approve changes to non-construction costs related to redevelopment prior to an affirmation vote by the Board as follows:

Category 1: Non-construction costs under \$10,000 or 10%, whichever is less, of the contract amount may be approved by the Director of Redevelopment or Associate Director of Redevelopment.

Category 2: Non-construction costs in excess of \$10,000 but less than \$50,000 or 25%, whichever is less, of the contract amount may be approved by the Executive Director.

All budget changes approved in Category 1 and 2 will be affirmed by a vote of the BHA Board at the next regular meeting of the BHA Board. All other non-construction changes – those in excess of \$50,000 or 25% of the contract amount - shall be approved only by a regular vote of the Board.

With respect to construction contracts for both modernization and redevelopment, the Executive Director may approve change orders prior to an affirmation vote by the BHA Board in order to expedite construction and address urgent situations as follows:

Category 1: Change orders in amounts less than \$50,000

Category 2: Change orders due to urgent situations or regulatory mandates such as Building Department requirements.

All construction change orders approved in Category 1 and 2 will be affirmed by a vote of the BHA Board at the next regular meeting of the BHA Board. All other change orders shall be approved only by a regular vote of the Board.

Any and all construction change orders shall be approved in advance and in writing by the Project Architect, the Owner's Project Manager or Director of Maintenance & Modernization, Associate Director of Redevelopment, and the Executive Director.

Contract Changes by Executive Director Approval with Board Affirmation	
Category	Thresholds
Construction Change Order	Up to \$50K
Construction Change Order to Urgent Situation or Regulatory Mandate	No threshold

Non-Construction Project	Up to \$50K or cumulative 25% of original contract value, whichever is less
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Exercising Options to Extend, Renew or Purchase

A contract may be extended or renewed or an option exercised only if the original solicitation included a provision permitting an extension, renewal or option. An option to renew may only be at the discretion of BHA, and not the contractor. The board must approve all contract extensions. The executive director will justify extension vs. Rebidding in memo to board when seeking approval of the extension

Contract Increases

BHA may increase the original amount of a supply or service under a contract procured under 2 CFR §200 or G.L. c.30B without re-bidding, so long as unit prices remain the same or less, the CPO or designee certifies in writing that the increase is necessary to fill actual needs of BHA and that it is more economical to do so than to award another contract, the parties agree to the increase in writing, and the increase in the contract does not exceed 25%, except for gasoline, fuel oil, road salt, and ice and snow control supplies.

The Executive Director may approve changes to non-construction contracts prior to an affirmation vote by the Board where the contract amendment is less than \$50,000 of the original contract, subject to the over 25% increase limit noted above. The over 25% increase is cumulative for all contract changes.

Prohibition of Bid Splitting

Manipulating the procurement process to divide procurements so as to avoid bidding requirements is known as “bid splitting.” Bid splitting is illegal and a violation of BHA’s Procurement Policy.

Wage Rates

Procurements and contracts that include on-site labor shall incorporate all applicable regulations of the Commonwealth of Massachusetts Department of Labor and Industries, the U.S. Department of Labor and/or the U.S. Department of Housing and Urban Development regarding the payment of wages.

Inventory

It is the policy of BHA to ensure accurate valuation, safeguarding, and tracking of all materials and equipment it purchases through the use of a physical inventory to verify inventory balances. Said physical inventory shall be conducted at least once per year coinciding with the end of BHA’s fiscal year.

Funding Availability

Before initiating any contract, the BHA shall ensure that there are sufficient funds available to cover the anticipated cost of the contract or modification.

Documentation and Recordkeeping

- A. All procurement activity shall be documented. Requisitions, quotations, purchase orders, invoices, receipts, vouchers and all other written material supporting a purchase will be retained, permitting speedy and effective audits to determine compliance with these procurement policies.
- B. For procurement of supplies and services from \$5,000 to \$10,000, a written record shall be maintained which includes the purchase specifications, the name and addresses of all persons from whom quotations were sought, and the date and amount of each quotation.
- C. For procurement of \$10,000 or more, there shall be maintained a written record which includes the contract and any amendments to the contract. If a contract is awarded pursuant to a formal solicitation, the written record shall also include the invitation for bids or request for proposals, the public notices and advertisements, the bids or proposals submitted and written evaluation of proposals.
- D. All written documentation required by Paragraphs B and C of this Section shall be maintained for a period of six years from the date of final payment under the contract. Such written documentation may be electronic, including through state-operated systems such as CapHub where applicable.

Disposition

The disposition of tangible materials, supplies and/or equipment that are no longer useful to BHA must be in accordance with the provisions of G.L. c.30B, §15. These rules apply to all tangible supplies and equipment including motor vehicles, machinery, computer equipment, furniture, and other materials, supplies and equipment. The three acceptable forms of disposition as specified in G.L. c.30B, §15 for such tangible supplies and equipment are: sale, charitable donation, and trade-ins as described herein. Transactions with other jurisdictions are exempt from this requirement.

- A. **Sale of Surplus Materials, Supplies and Equipment**
For materials, supplies and/or equipment with a resale or salvage value of less than \$10,000, the CPO may dispose of the materials, supplies or equipment in accordance with written procedures adopted by BHA.

For materials, supplies and/or equipment with a resale or salvage value of \$10,000 or more, the CPO may use any of three alternate methods of sale: (1) sealed bids, (2) public auction, or (3) an established market.

- B. **Charitable Donations**

Surplus materials, supplies, and/or equipment may be disposed at less than fair market value to any organization that has an IRS tax exempt status by reason of its charitable nature by a majority vote of the Board of Commissioners.

C. Trade-Ins

Surplus materials, supplies, and/or equipment may be traded in when making a purchase provided the Invitation for Bid or Request for Proposal or quotation specifies the items to be traded in as part of the procurement.

Contract Terms

- A. All contracts for Federal projects shall contain the provisions set forth in 2 CFR Appendix II to Part 200 – Contract Provisions for Non-Federal Entity Contracts under Federal Award.

ASSISTANCE TO SMALL AND OTHER BUSINESSES

Required Efforts

Consistent with Presidential Executive Orders 11625, 12138, and 12432, and Section 3 of the HUD Act of 1968, all feasible efforts shall be made to ensure that small and minority-owned businesses, women's business enterprises, and other individuals or firms located in or owned in substantial part by persons residing in the area of BHA project are used when possible. Such efforts shall include, but shall not be limited to:

- A. Including such firms, when qualified, on solicitation mailing lists;
- B. Encouraging their participation through direct solicitation of bids or proposals whenever they are potential sources;
- C. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms;
- D. Establishing delivery schedules, where the requirement permits, which encourage participation by such firms;
- E. Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce;

- F. Including in contracts, to the greatest extent feasible, a clause requiring contractors, to provide opportunities for training and employment for lower income residents of the project area and to award subcontracts for work in connection with the project to business concerns which provide opportunities to low-income residents, as described in 24 CFR Part 135 (so-called Section 3 businesses); and
- G. Requiring prime contractors, when subcontracting is anticipated, to take the positive steps listed above.

Goals

Goals shall be established periodically for participation by small businesses, minority-owned businesses, women-owned business enterprises, labor surplus area businesses, and Section 3 business concerns in BHA prime contracts and subcontracting opportunities. BHA shall report progress on these goals annually to the board.

Definitions

1. A **small business** is defined as a business that is: independently owned; not dominant in its field of operation; and not an affiliate or subsidiary of a business dominant in its field of operation. The size standards in **c** should be used to determine business size.
2. A **minority-owned business** is defined as a business which is at least 51% owned by one or more minority group members; or, in the case of a publicly-owned business, one in which at least 51% of its voting stock is owned by one or more minority group members, and whose management and daily business operations are controlled by one or more such individuals. Minority group members include, but are not limited to Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Asian Indian Americans, and Hasidic Jewish Americans.
3. A **women's business enterprise** is defined as a business that is at least 51% owned by a woman or women who are U.S. citizens and who control and operate the business.
4. A **"Section 3 business concern"** is as defined under **24 CFR Part 135**.
5. A **labor surplus area business** is defined as a business which, together with its immediate subcontractors, will incur more than 50% of the cost of performing the contract in an area of concentrated unemployment or underemployment, as defined in **20 CFR Part 654**, Subpart A, and in the list of labor surplus areas published by the Employment and Training Administration.

SELF-CERTIFICATION

The BHA self-certifies that this Procurement Policy, and the BHA's procurement system, complies with all applicable Federal regulations and, as such, the BHA is exempt from prior HUD review and approval of individual procurement action.