



To: APOs & CUPOs

AUD #21-06

CC: Lisa Eason, Deputy Commissioner, State Purchasing Division
Mary Chapman, Director of Policy, Training and Outreach, State Purchasing Division

From: Audits, State Purchasing Division

Date: December 29, 2020

Re: Audit of Georgia Procurement Registry (GPR) solicitation statuses

Conclusion

The majority (90%) of the postings and solicitations posted to the Georgia Procurement Registry (GPR) in fiscal years 2018 through 2020 have an event status on the GPR, which reflects the actual status of the solicitation or posting. However approximately 10% of the solicitations and postings had a status, which was either incomplete, incorrect, or needed to be updated. We did not uncover any fraud related to the status of solicitations in the GPR.

Background

The GPR serves as the State of Georgia's central bid registry. In accordance with the State Purchasing Act, DOAS is required to maintain the GPR and all state entities must report bid opportunities through the GPR in accordance with DOAS' rules (O.C.G.A. Section 50-5-69 (b)). Georgia law also mandates public notice of the results of competitive sealed bidding through a Notice of Intent to Award (NOIA) and Notice of Award (NOA), as applicable for awards of \$100,000 or more (O.C.G.A. Section 50-5-67 (d)(1)). DOAS has issued rules governing the public notice process through the Georgia Procurement Manual (GPM). Section 6.2 of the GPM requires state entities to publish the results of the evaluations of all Request for Proposals (RFP), Request for Quotes (RFQ), and Request for Qualified Contractors (RFQC). The public notice of the completion of the evaluation process is accomplished via the posting of the NOIA¹ or the NOA or both by the Issuing Officer (IO). At this stage, the protest period begins and interested suppliers may review the published results as per section 6.4 of the GPM. If a contract is awarded and the solicitation status is not updated from "under evaluation" to "NOIA/NOA" on the GPR, suppliers may miss the opportunity to participate in the respective part of the protest process as per section 6.5 of the GPM.

In addition to solicitations, the GPM requires certain notices or postings be made on the GPR, such as sole source purchases, use of consortia, and Request for Information (RFI). Section 2.3.2.2 of the GPM requires state entities "provide public notice of the intended sole-source purchase or contract through a posting to the GPR." Section 1.3.4.4 of the GPM requires the state entity "must publicly advertise its intent to contract with the consortium-approved/cooperative-approved supplier" on the GPR.

¹ As per section 6.2.2.1 of the GPM, attachment of the NOIA is recommended as a best practice for all solicitations but is only mandatory for solicitations with an annual contract value of \$100,000 or more.

The final stages of these processes similarly include

- the posting of a public notice of intent² on the GPR to use either the consortia or cooperative contract or purchase from a sole source,
- a protest period, and, if the procurement is not successfully challenged by a protest,
- the posting of an NOA on the GPR.

And finally, Section 2.2.3.2 of the GPM provides the process to be followed when posting an RFI. Since this is not a competitive solicitation method there is no respective award process that is required to be followed. The use and posting of “Notices” to the GPR is a completely optional process that state entities may use for their convenience. It is neither governed or guided by any rules or processes in the GPM.

Audit Objectives

1. What is the status of the solicitations posted in fiscal years 2018, 2019, and 2020?
2. Which solicitation types are still under evaluation, in NOIA status, or otherwise appear to be incomplete or incorrect?
3. Which state entities account for the most solicitations with statuses, which appear to be incomplete or incorrect?
4. Which IOs account for the most solicitations and postings, which appear to be incomplete or incorrect?

Audit Summary

We found 620 out of the 5,230 postings and solicitations³ posted during the review period (fiscal year 2018 through fiscal year 2020) looked to be incomplete, incorrect, or needed to be updated. Of the 620 there were:

- 518 in either “Under Evaluation” status (318) or “Notice of Intent to Award” status (200). Based on the closing dates of these events, these events appear to have been awarded or otherwise completed.
- 96 in a draft status. These events do not appear when searched on the GPR and include the statuses of “save” (74) or “saveApproveAPO” (22).
- four with a status, which appears to be incorrect based on the solicitation process and the event closing date. These statuses were “Rebid” (2), and, “CLOSED” (2). The closed status is for solicitations where no suppliers submitted a response; in these two instances there was at least one response to the solicitation. These events appear on the GPR if a search is done under the event status of “All”.
- two with a status of “InProgress”. These events appeared to have had technical issues, which caused them to be put in this status. These issues need to be resolved or the events should be cancelled. These events appear on the GPR if a search is done under the event status of “All”.

There are approximately 522 solicitations or postings⁴ or 10% of the total events posted to the GPR, which have an event status, which does not accurately reflect the actual status of the event.

² This published notice serves as, and fulfills, the NOIA stage of the process.

³ These were solicitations under the purview of DOAS.

⁴ The 96 solicitations and posting in a draft status cannot be viewed on the GPR.

For those procurements, which were in fact awarded, there are associated risks with having an incomplete status listed on the GPR, such as failure to notify suppliers of an intent to award and thereby missing an opportunity to protest in a timely manner. The number of solicitations by status is shown below in **Table 1**.

Table 1
Solicitations by Current⁵ Status^(b) by Fiscal Year ^(a)

Status	2018	2019	2020	Total	Percent of Total
Awarded	1,408	1,340	1,156	3,904	76.04%
Cancelled	234	231	177	642	12.50%
Under Evaluation	97	119	162	324	6.31%
Notice of Intent to Award	75	74	110	232	4.52%
Completed	7	5	6	18	0.35%
Rebid	3	2	1	6	0.12%
Closed	3	3	0	6	0.12%
InProcess	0	1	1	2	0.04%
Total	1,827	1,775	1,532	5,134	100%
<u>Notes</u>					
(a) Posting date was used to determine fiscal year.					
(b) Figures do not include 96 postings in a draft status.					
Source: Georgia Procurement Registry					

The statuses of the solicitations by solicitation process are summarized in the following paragraphs

Request for Quotation (RFQ)

There were 2,648 solicitations classified as an RFQ. Of these 2,648 solicitations, 208 (8%) have a status which does not appear to be complete. These solicitations need to be reviewed by the state entity to determine if the status needs to be updated. These 208 solicitations were between 112 and 1,182 days past their closing date (as of October 27, 2020). The statuses of these 208 RFQs were as follows:

- 180 solicitations had a status of “Under Evaluation”. The estimated amount of these solicitations totaled \$55 million; 136 of these solicitations were past their closing date by more than one year.
- 28 solicitations had the status of “Notice of Intent to Award”. The audit team reviewed the documentation posted on the GPR for 14 of these solicitations and found: six had an NOA posted; two had an NOIA posted but not an NOA; three had bid tabulations sheets uploaded; two did not have any documentation related to the award status; and, one had a cancellation notice uploaded. It is unclear how many of the 28 solicitations have been awarded.

⁵ Solicitation status current as of July 9, 2020 when the report data was obtained from the GPR. A follow-up on the status of fiscal year 2020 solicitations was done on October 27, 2020.

Sole Source

There were 1,672 postings classified as a sole source. Of these 1,672 postings, 147 (9%) have a status, which does not appear to be complete or correct. These solicitations need to be reviewed by the state entity to determine if the status needs to be updated. These 147 postings were between 131 and 1,202 days past their closing date (as of October 27, 2020). The statuses of these 147 sole sources were as follows:

- 146 postings had a status of “Notice of Intent to Award”. The estimated amount of these postings totaled \$24.1 million; 125 of these postings were past their closing date by more than one year.
- One posting has the status of “Rebid”. This status appears to be incorrect since a sole source posting would not be rebid.

There were 96 postings with a status of “save” (74) or “saveApproveAPO” (22). These appear to have been postings which should have been cancelled. These postings appear to have been either the first iteration of a sole source posting which was eventually awarded under a different solicitation number or a solicitation, which was changed to a different solicitation type, in a subsequent posting.

Request for Proposal (RFP)

There were 488 solicitations, which were classified as an RFP. Of these 488 solicitations, 85 (17%) have a status, which does not appear to be complete. These solicitations need to be reviewed by the state entity to determine if the status needs to be updated. These 85 solicitations were between 113 days and 1,182 days past their closing date (as of October 27, 2020). The statuses of these 85 RFPs were as follows:

- 74 had the status of “Under Evaluation”. The estimated amount of these solicitations totaled \$72.8 million; 52 of these solicitations were past their closing date by more than one year.
- 10 had the status of “Notice of Intent to Award”. The audit team reviewed the documentation posted on the GPR for these solicitations and found: six had an NOA posted, three had an NOIA posted but not an NOA, and one had no documents posted.
- There was one solicitation that had a status of “InProgress”. This solicitation closed on March 19, 2020. This solicitation appeared to have had a technical issue, which needs to be resolved or the event should be cancelled.

Consortia

There were 189 postings, which were classified as a consortium. Of these 189 postings, eight (4%) had a status of “Notice of Intent to Award”, which does not appear to be complete. These postings need to be reviewed by the state entity to determine if the status needs to be updated. The eight postings were between 214 and 909 days past their closing date (as of October 27, 2020). The audit team reviewed the documentation posted on the GPR and found the eight postings had the notice to use a consortium or cooperative purchasing agreement (SPD-NI007) uploaded to the GPR but only two had an NOA posted.

Request for Qualified Contractors (RFQC)

Section 2.4.3.1 of the GPM covers the RFQC method, where a “procurement professional issues an RFQC to solicit responses from qualified suppliers. Suppliers are evaluated based on their ability to meet or exceed the identified qualification criteria. The results of the prequalification process are published. As RFQCs do not result in contract award⁶ notice of the results of the prequalification process should be published through form SPD-AP008 RFQC List of Qualified Contractors.

There were 178 solicitations classified as a RFQC. Of these 178 solicitations, 51 (29%) have a status, which does not appear to be complete or correct. These solicitations need to be reviewed by the state entity to determine if the status needs to be updated. These 51 solicitations were between 134 and 1,146 days past their closing date (as of October 27, 2020). The statuses of these 51 RFQCs were as follows:

- 39 solicitations had the status of “Under Evaluation”. The estimated amount of these postings totaled \$35.4 million; 29 of these postings were past their closing date by more than one year. The audit team reviewed the documentation posted on the GPR for seven of these solicitations and found six had a list of qualified suppliers uploaded to the GPR. These solicitations appear to have been completed.
- Eight solicitations had the status of “Notice of Intent to Award”. The audit team reviewed the documentation posted on the GPR for these solicitations and found: all had a list of qualified suppliers posted on the GPR; two had bid tabulations with amounts, and one had an NOA posted. Three of these solicitations appear to have resulted in some type of award.
- There were four solicitations where the status appeared to be incorrect. There were two solicitations with a status of “CLOSED”. The closed status is for solicitations where no suppliers submitted a response; in these two instances there was at least one response to the solicitation. There was one solicitation had the status of “Rebid”. This solicitation did not have a list of qualified suppliers posted to the GPR. This status seems to be incorrect since no subsequent or revised solicitation was found.
- There was one solicitation had a status of “InProgress”. This solicitation closed on February 26, 2019. This solicitation appeared to have had a technical issue, which needs to be resolved or the event should be cancelled.

Request for Information (RFI)

Section 2.2.3.2. of the GPM defines a RFI as “a semi-formal method for requesting information from suppliers who have knowledge or information about an industry, goods, or service. The RFI is not a competitive solicitation and does not satisfy the requirement for competitive bidding. As a result, no award is made. The RFI is posted for any period deemed desirable by the procurement professional.”

There were 50 postings classified as an RFI. Of these 50 postings, 25 (50%) have a status, which does not appear to be complete. These postings need to be reviewed by the state entity to determine if the status needs to be updated. The 25 postings were between 91 and 1,166 days past their closing date (as of October 27, 2020). The statuses of these 25 RFIs were “Under Evaluation”. It was unclear how

⁶ RFQCs do not result in a contract award, except those pre-approved by SPD in accordance with GPM Section 2.4.3.2. – Other Prequalification Methods.

many of these were the status of under evaluation was not correct; 19 of these solicitations were past their closing date by more than one year.

Across all fiscal years, we found 524 solicitations or postings where the status appeared to be incomplete, incorrect, or needed to be updated. These solicitations and postings are summarized by solicitation process in **Table 2**.

Table 2
Solicitations needing review by solicitation process

Solicitation Process	Number of solicitations needing review	Total solicitations	Percent Needing review
RFQ	208	2,648	8%
Sole Source ^(a)	147	1,576	9%
RFP	85	488	17%
RFQC	51	178	29%
RFI	25	50	50%
Consortia	8	189	4%
Notice	0	5	0%
Total	524	5,134	10%
<u>Note</u>			
(a) Figures do not include 96 postings in a draft status.			
Source: Georgia Procurement Registry			

The state entities with the most solicitations and postings, which need to be reviewed by the state entity, to determine if the status needs to be updated are summarized in **Table 3**.

Table 3
Solicitations and postings needing review
(State entities with 15 or more)

State Entity	2018	2019	2020	Total
Georgia Institute of Technology	154	140	78	372
University of Georgia	3	16	13	32
Human Services, Department of	2	5	11	18
Source: Georgia Procurement Registry				

In closing out the audit, we also looked at which Issuing Officers accounted for the most solicitations with a status, which needed further review. This list was provided to SPD's Policy, Training and Outreach unit.

Recommendations

1. To avoid the risks associated with inaccurate and incomplete solicitation statuses, APOs and CUPOs are reminded to review chapter 6 “Award Process” of the GPM with staff involved in the posting and processing of solicitations and to ensure that the status of their solicitations is kept current, accurate and complete in relation to the respective award stage of the event.
2. SPD should consider activating reminders in the GPR and the sourcing module of TGM to notify issuing officers of events that have not been fully processed.
3. SPD should review the current available statuses and remove those which are used infrequently and do not appear to add much value. The status of “Closed”, for example, was only used with six solicitations and two of those instances its use appeared to be in error.
4. SPD should consider issuing guidance to IOs on how to close RFIs and RFQCs. Although used infrequently, the final status of these solicitations varies depending on the system used. The final status is “Awarded” for state entities using PeopleSoft and “Completed”
5. In future system enhancements or with the implementation of a new sourcing system, consideration should be given to removing the status of “Awarded” for RFIs and Notices since no award is being made through these postings.