



To: APOs and CUPOs

AUD #21-05

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

From: Audits, State Purchasing Division

Date: November 5, 2020

Re: Fiscal Year 2019 Audit of Required Solicitation Posting Periods for Awarded Requests for Quotations (RFQs) and Requests for Proposals (RFPs)

Conclusion

Our audit found over 99% of the awarded Requests for Proposals (RFPs) and Request for Quotations (RFQs) issued by entities that are subject to State Purchasing Division (SPD) policies and processes were posted for the required period. There was also no evidence of solicitations being closed early on the closing date after having been posted late on the opening date. However, the review did discover that the required Notice of Intent to Award (NOIA) and Notice of Award (NOA) or both are not consistently and sufficiently being posted by all entities to the respective events on the Georgia Procurement Registry (GPR) and Team Georgia Marketplace™ (TGM).

Background

According to section 3.5.2.1 of the *Georgia Procurement Manual* (GPM), “the posting and closing dates of a solicitation are used to determine the total public posting period. Solicitations must remain publicly posted for a minimum period depending on the estimated dollar value of the contract”. For RFQs and RFPs, the minimum required posting periods vary according to the estimated contract value of each solicitation/procurement. See section 3.5.2.1 of the GPM for details.

Audit Summary

The figures show that 51% of the solicitations posted in fiscal year 2019 were RFQs. Overall, RFQs, Sole Sources (SS), and RFPs account for 91% of all postings to the GPR. For a complete breakdown of solicitations by type, please see **Table 1** below. This review examined only awarded RFQs and RFPs¹. For fiscal year 2019, roughly 71% of all solicitations were awarded while 13% were cancelled. For a complete breakdown of solicitations by status, please see **Table 2**.

Audit Objectives

1. Was an estimated award amount included in the solicitation and used to determine the correct posting period?
2. Was the solicitation posted for the correct amount of time?

¹ Please refer to audit memos AUD 20-05 and AUD 20-04 for information regarding the audit of sole source postings and purchase orders and audit memos AUD 21-01 and AUD 21-02 for information regarding the audit of consortia postings and purchase orders.

3. Are related NOIA and NOA posting procedures being followed?
4. Are postings being closed early on the closing date after having been posted late on the opening date?

In fiscal year 2019, solicitations were distributed as follows across the solicitation types and statuses show below in **Table 1** and **Table 2**.²

Table 1
Solicitations by Type

Solicitation Type	Number
RFQ	990
Sole Source	607
RFP	168
Consortia	74
RFQC	76
RFI	18
Notice	3
Total	1,936
Source: Georgia Procurement Registry	

Table 2
Solicitations by Status

Solicitation Status	Number
Awarded	1,381
Cancelled	249
Under Evaluation	160
Notice of Intent to Award	83
Save	33
SaveApproveAPO	16
Completed	5
Rebid	5
Closed	3
InProcess	1
Total	1,936
Source: Georgia Procurement Registry	

In addition to examining only awarded RFQs and RFPs, the review also focused initially on the estimated value field of the solicitation to assist in making the determination of the required posting period. If this field was not completed, the review used the amount on the NOIA or NOA that was posted on the solicitation, where available.

We found that 697 RFQs and 92 RFPs had been awarded in fiscal year 2019. From these 789 awarded solicitations, further review indicated that 310 of these were “conducted under the full authority

² The data used for this audit was obtained from the GPR on March 17, 2020. The status shown in Table 2 are current with the date on which the data was obtained.

provided to the Department of Transportation under Title 32 of Georgia Code.” These solicitations typically had language in the solicitation, such as:

“not under the purview nor any procedure and/or processes directed by the Department of Administration, which includes any instruction under the GA Procurement Manual. Therefore, notwithstanding anything contained in this procurement document, any attachments hereto, or any referenced documents, the provisions and procedures contained in the GA Procurement Manual, and the Rules and Regulations of the State Purchasing Division of the Department of Administrative Services shall not apply to this procurement.”

to indicate they were not under the purview of DOAS.

Of the remaining 479 awarded solicitations, 276 had an estimated amount entered while 203 did not. We were able to identify 145 estimated or actual amounts on an NOIA or NOA by reviewing each solicitation on the GPR and/or TGM. For the remaining 58 solicitations we contacted each respective Agency Procurement Officer (APO) or CUPO (College/University Purchasing Officer) for clarification of the value of the award to review the posting time.

After reviewing the estimated amount or the actual amount of each of the 479 solicitations, only 12 solicitations (2.5%) appeared to have been posted for less time than required by policy according to the solicitation type and estimated or actual award value. For these 12 solicitations, we contacted the respective APO/CUPO for clarification of the posting time that was determined by the entity. Upon further reviewed it was determined that

- Five solicitations were for Board of Regents public works/construction and were not subject to SPD posting times
- Three solicitations were acknowledged to have been under-posted due to employee error
- Two solicitations were re-bids:
 - One was re-opened and re-posted with SPD assistance after a technical issue
 - The other was closed one-day early because the re-bid did not attract more interest than the original solicitation
- One bid was posted on the entity’s sourcing system but experienced a slight timing delay in reaching the GPR the same day
- One bid contained a typographical error in the estimated value

Aside from the three under-posted solicitations mentioned above, the only major material noncompliance issue that we identified with these solicitations was regarding the posting of the NOIA (when required) and NOA to the GPR. We reviewed every awarded RFQ and RFP for fiscal year 2019 and found the following:

- Of the 276 solicitations that had an estimated amount:
 - 77 had a .doc or .txt file posted in lieu of an NOA. These files did not contain the elements present on an NOA such as a list of unsuccessful offerors and reasons, information on filing protests. Of the 77 files; 43 did not have an award amount listed on the file.
 - 33 had no NOA posted in the GPR or TGM
 - 11 had an NOA that stated “fixed” or “open” contract without an award amount

- Of the 203 solicitations that had no estimated amount:
 - 28 had no NOA posted in the GPR or TGM
 - 23 had a .txt file posted in lieu of an NOA
 - 7 had an NOA that stated “fixed” or “open” contract without an award amount

Based on the above numbers, approximately 37% of all awarded solicitations (179 out of 479) did not contain sufficiently detailed award information as required by the GPM.

The audit also did not find any instances where state entities were posting late (e.g. after 5 pm) on the first day of the notice period and closing early (e.g. before 9 am) on the last day of the notice period. Such a practice would meet the letter of the posting requirements (since the solicitations would be posted the correct number of days) but not the intent since the postings would not be posted for the entire intended period. No evidence was found of state entities using this practice.

Recommendations

1. In order to ensure that all interested and participating suppliers are informed of, and have access to, solicitation award information, APOs and CUPOs are requested to review, with all staff involved in the solicitation posting process, all of the requirements in Section 6.2.2 of the GPM regarding the posting of the NOIA and the NOA. At the same time, all issuing officers should be asked to review every awarded RFQ and RFP for fiscal years 2019 and 2020 and post any missing NOIAs and NOAs.
2. APOs and CUPOs are reminded that Section 6.2 of the GPM states “for contracts that do not have a guaranteed award amount (such as open state entity contracts), the issuing officer should use the estimated purchase amount for purpose of identifying the contract award amount.” This estimated amount is important in this case for suppliers to be able to know whether they are required to provide notice of their intent to file a protest within five days of the posting of the NOIA.
3. TGM entities should review the “SS Post an NOIA” [Quick Reference Guide](#) to ensure completion of all required steps to post NOIA. When posting an NOIA, the buyer should check the public view of the event to ensure the NOIA status is displaying as expected and that the NOIA attachment is visible to the public. Any system issues should be reported to procurementhelp@doas.ga.gov.
4. Given the importance of the contract value for the filing of potential protests and solicitation posting and closing dates, SPD should review the use of the “estimated contract value” amount and fields for solicitation postings to ensure that this figure is consistently applied and understood by end users across the various platforms used to post solicitations.
5. State entities must adhere to the posting period guidelines summarized in Table 3.5 in the GPM. To assist state entities in complying with these requirements, SPD should provide additional guidance to state entities for estimating the contract award for contracts, which may be harder to estimate the award value, such as, income-generating contracts; leases; commission based contracts; contracts with unit pricing; or contracts based on non-monetary factors.