



To: APOs and CUPOs

AUD #24-24

CC: Jim Barnaby, Deputy Commissioner, State Purchasing Division
Mary Chapman, Deputy Division Director, State Purchasing Division

From: Audits, State Purchasing Division

Date: October 19, 2023

Re: Audit of Awarded and Cancelled Solicitations – July 2023

Background

Section 6.2 of the Georgia Procurement Manual (GPM) requires that “State entities must publish notice of the results of the solicitation process, including any intended or actual contract awards.” The published notice, known as a Notice of Award (NOA), should include the following:

- The name(s) of the successful supplier(s),
- The amount of any contract award,
- The names of the unsuccessful suppliers, and
- The reasons why those suppliers were unsuccessful.

Section 6.2.2.2. of the GPM states, “the NOA is mandatory for announcing any and all awards resulting from solicitations regardless of the dollar amount.” SPD created the form SPD-AP005 Notice of Award to record the NOA.

Furthermore, a state entity may withdraw or cancel a solicitation posted to the Georgia Procurement Registry (GPR). Section 4.8.2 of the Georgia Procurement Manual (GPM) requires “a notice of cancellation, SPD-SPR014RFX Cancellation Notice, will be issued to include either a description or to document the reason for the cancellation.” Posting a cancellation notice to the GPR for a cancelled solicitation is important to ensure transparency in the solicitation process.

What we audited – Awarded Solicitations

SPD Audits identified 70 solicitations posted to the Georgia Procurement Registry in July 2023, with a status of “awarded” (as of August 25, 2023) from 21 state entities. The awarded solicitations had an estimated value of \$9.4 million and are shown by the solicitation process in **Table 1**.

Table 1
Awarded Solicitations by Solicitation Process
July 2023

Solicitation Process	Number Awarded
Request for Quotations (RFQ)	35
Sole Source	28
Consortia	5
Request for Proposals (RFP)	1
Request for Information (RFI)	1
Total	70
Source: Georgia Procurement Registry	

Results – Awarded Solicitations

Using the requirements from the GPM and State law as guidance, the audit identified the following:

- 41 (89%) of the 46 awarded solicitations requiring an NOA contained the SPD-AP005 Notice of Award (NOA) form.
- Five (11%) of the 46 awarded solicitations requiring an NOA did not contain the required form SPD-AP005 Notice of Award (NOA).
- 23 of the awarded solicitations were not subject to the State Purchasing Act and not under the purview of the Department of Administrative Services (DOAS). Consequently, these solicitations are not subject to posting the NOA as the GPM requires.
- One of the awarded solicitations was a Request for Information (RFI), and this type of solicitation is not required to have an NOA.

What we audited – Cancelled Solicitations

SPD Audits identified 17 solicitations posted to the GPR in July 2023 that had a status of “cancelled” (as of August 25, 2023) from 11 state entities. The cancelled solicitations are shown by the solicitation process in **Table 2**.

Table 2
Cancelled Solicitations by Solicitation Process
July 2023

Solicitation Process	Number Cancelled
Request for Quotations (RFQ)	13
Sole Source	2
Request for Proposals (RFP)	1
Consortia	1
Total	17
Source: Georgia Procurement Registry	

Results – Cancelled Solicitations

Using the requirements from the GPM and State law as guidance, the audit identified the following:

- Five (50%) of the 10 cancelled solicitations requiring a cancellation notice contained the required Form SPD-SPRO14RFX Cancellation Notice.
- Five (50%) of the 10 cancelled solicitations requiring a cancellation notice did not contain the required Form SPD-SPRO14RFX Cancellation Notice.
- Seven of the cancelled solicitations was not subject to the State Purchasing Act and not under the purview of the Department of Administrative Services (DOAS). Consequently, this solicitation is not subject to posting the cancellation notice as the GPM requires.

Conclusion

Where it occurs, SPD audits will contact the state entities which did not post the NOA or cancellation notice and ask them to upload the required form as soon as possible. SPD will continue to monitor solicitations that were posted in prior months of fiscal year 2024, which remained in a status of “open” or “under evaluation” at the time of the audit to ensure that the required actions are taken.