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Governor

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To: APOs and CUPOs

AUD #25-24

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

From: Audits, State Purchasing Division

Date: December 31, 2024

Re: Audit of Awarded and Cancelled Solicitations – September 2024

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 GPM requires “a notice of cancellation, SPD-SPR014 RFX 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 77 solicitations posted to the GPR in September 2024, with a status of “awarded” (as of October 31, 2024) from 29 state entities. The awarded solicitations had an estimated value of \$13.5 million and are shown by the solicitation process in **Table 1**.

Table 1
Awarded Solicitations by Solicitation Process
September 2024

Solicitation Process	Number Awarded
Sole Source	36
Request for Quotations (RFQ)	30
Consortia	10
Request for Proposals (RFP)	1
Total	77
Source: Georgia Procurement Registry	

Results – Awarded Solicitations

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

- 56 (95%) of the 59 awarded solicitations requiring an NOA contained the SPD-AP005 Notice of Award (NOA) form.
- Three (5%) of the 59 awarded solicitations requiring an NOA did not contain the required SPD-AP005 Notice of Award (NOA) form.
- 18 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.

What we audited – Cancelled Solicitations

SPD Audits identified 20 solicitations posted to the GPR in September 2024 that had a status of “cancelled” (as of October 31, 2024) from 7 state entities. The cancelled solicitations are shown by the solicitation process in **Table 2**.

Table 2
Cancelled Solicitations by Solicitation Process
September 2024

Solicitation Process	Number Cancelled
Request for Quotations (RFQ)	19
Sole Source	1
Total	20
Source: Georgia Procurement Registry	

Results – Cancelled Solicitations

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

- Five (100%) of the five cancelled solicitations requiring a cancellation notice contained the required SPD-SPR014 RFX Cancellation Notice.
- 15 of the cancelled solicitations were not subject to the State Purchasing Act and not under the purview of DOAS. Consequently, these solicitations are not subject to posting the cancellation notice as the GPM requires.

Conclusion

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

Recommendations

1. APOs and CUPOs should review, with staff involved in the solicitation posting process, the requirements in:
 - a. Section 4.8.2. of the GPM regarding the posting of SPD-SPR014 RFX Cancellation Notice. APOs and CUPOs should review all recently cancelled events and post any missing cancellation notices, where required.
 - b. Section 6.2.2. of the GPM regarding the posting of SPD-AP005 Notice of Award. APOs and CUPOs should review all recently awarded events and post any missing NOAs, where required.
2. When the status of an event is changed to “cancelled” or “awarded”, SPD should consider adding a system notification reminding Issuing Officers (IOs) of the requirements of Sections 4.8.2. and 6.2.2. of the GPM.
3. SPD should periodically review that IOs have taken the courses needed to post solicitations (Sourcing Event Buyer), especially for IOs who have had many solicitations cancelled.