



To: APOs and CUPOs

AUD #25-35

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

From: Audits, State Purchasing Division (SPD)

Date: February 27, 2025

Re: Audit of Emergency Purchase Orders (POs) issued by Team Georgia Marketplace™ and University System of Georgia entities in the months of November and December 2024

Audit Objectives

1. Was an emergency purchase required?
2. Was the emergency justification form (SPD-NI004) completed?

Background

In accordance with O.C.G.A. §50-5-71, SPD has granted the authority to state entities to purchase urgently needed items during emergencies. Emergency purchases shall be limited to those supplies, services, or items necessary to respond to the emergency. On April 12, 2022, the Department of Administrative Services (DOAS) released Official Announcement #22-06, which revised the emergency purchasing policy. These changes became effective on July 1, 2022.

Audit Summary

SPD Audits identified 40 POs totaling \$5.6 million classified as emergencies in November and December 2024. All of the 40 POs audited were under the DOAS's purview. The POs were issued by 18 different state entities. The four state entities that issued the highest-value emergency POs from November and December 2024 accounted for 87% of all emergency POs and are summarized in **Table 1**.

Table 1
Top 4 State Entities under the Purview of DOAS
Emergency POs issued in November & December of Fiscal Year 2025

State Entities	PO Amount	Percent	PO Count
Valdosta State University	\$2,909,597	52%	2
Department of Natural Resources	\$1,490,155	27%	9
Georgia State University	\$263,888	5%	3
Department of Corrections	\$166,486	3%	3
Sources: 1) TGM_oEPO019D_PO_SPEND_BY_BU_DTL; 2) PO queries for Georgia Institute of Technology, Georgia State University, Augusta University; and the 3) PO data provided by the University of Georgia.			

Audit Results

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

1. Of the 40 emergency POs under the purview of DOAS, 28 required an Emergency Justification Form. We were able to locate 27 (96%) Emergency Justification Forms. Twelve POs had a value of less than \$25,000 and were not required to be classified as an emergency. Although not necessary, Emergency Justification Forms were attached to 9 of these 12 POs.
2. Five POs totaling \$3,173,485 fell under the Board of Regents Public Works/Construction exemption. Section 1.3.6.1 of the GPM refers to this exemption. Since this type of procurement is exempt under the State Purchasing Act, the POs could have been classified as “CSN” construction. Consequently, no emergency justification form would have been needed. These POs had the correct Emergency Justification Form attached.
3. One PO, for \$27,600, did not contain the required Emergency Justification Form, but the form was uploaded to the PO after the audit team had contacted the agency procurement officer (APO).
4. We would like to commend Athens Technical College, Augusta Technical College, Central Georgia Technical College, Clayton State University, the Department of Corrections, the Department of Public Health, the Georgia Forestry Commission, Georgia State University, the Department of Natural Resources, the Technical College System of Georgia, University of Georgia, Valdosta State University, and Wiregrass Technical College for following the emergency purchase procedures and completing the Emergency Justification Form.

Recommendation

1. For existing emergencies that span fiscal years and now require longer-term solutions and procurements to resolve, APOs and CUPOs are reminded that they should seek advice, guidance, and approval as applicable from SPD Policy via spdpolicy@doas.ga.gov before
 - a. encumbering additional funds on existing POs
 - b. creating new POs, or
 - c. extending a contractual relationship with a supplier
2. SPD Audits recommends that APOs and CUPOs, and state entity procurement staff be reminded of the requirements of Section 1.3.5 of the Georgia Procurement Manual before coding POs as “emergency.”
3. APOs and CUPOs should review the current (revised 07/01/2022) version of Form SPD-NI004 with procurement staff and business owners at their entity. They should also share the [Emergency Purchasing Policy Updates](#) webinar with the team and business owners involved in emergency procurements.