



To: APOs and CUPOs

AUD #24-53

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

From: Audits, State Purchasing Division

Date: January 10, 2024

Re: Audit of Awarded and Cancelled Solicitations – November 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 61 solicitations posted to the GPR in November 2023, with a status of “awarded” (as of December 22, 2023) from 22 state entities. The awarded solicitations had an estimated value of \$7.9 million and are shown by the solicitation process in **Table 1**.

Table 1
Awarded Solicitations by Solicitation Process
November 2023

Solicitation Process	Number Awarded
Sole Source	30
Request for Quotations (RFQ)	23
Consortia	8
Total	61
Source: Georgia Procurement Registry	

Results – Awarded Solicitations

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

- 43 (96%) of the 45 awarded solicitations requiring an NOA contained the SPD-AP005 Notice of Award (NOA) form.
- Two (4%) of the 45 awarded solicitations requiring an NOA did not contain the required SPD-AP005 Notice of Award (NOA) form.
- 16 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.

What we audited – Cancelled Solicitations

SPD Audits identified 10 solicitations posted to the GPR in November 2023 that had a status of “cancelled” (as of December 22, 2023) from seven state entities. The cancelled solicitations are shown by the solicitation process in **Table 2**.

Table 2
Cancelled Solicitations by Solicitation Process
November 2023

Solicitation Process	Number Cancelled
Request for Quotations (RFQ)	6
Request for Proposals (RFP)	3
Sole Source	1
Total	10
Source: Georgia Procurement Registry	

Results – Cancelled Solicitations

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

- Three (60%) of the five cancelled solicitations requiring a cancellation notice did not contain the required SPD-SPR014RFX Cancellation Notice.
- Two (40%) of the five cancelled solicitations requiring a cancellation notice contained the required SPD-SPR014RFX Cancellation Notice.

- Five of the cancelled solicitations were 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 that 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.

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 a high number of solicitations cancelled.