



Finance Department Strategic Procurement Division (SPD) Procurement Performance Audit



OBJECTIVES

The primary objectives of the audit were to determine:

- Procurement processes related to demand determination through purchase order processing
- Compliance with applicable guidance;
- Timeliness of current practices; and
- Potential bottleneck areas.

BACKGROUND

SPD is the primary organization within the City authorized to issue bid invitations and requests for proposals, prepare and release purchase orders, and administer term contracts.

The division is comprised of six (6) buying groups: Commodity & Equipment, Fleet, One-Time Purchases, Small Purchases, Specialized Commodities and Services, and Work Services.

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AUDIT RESULTS

6 FINDINGS

- Use of a new emergency purchase order to process outstanding invoice amounts
- Unapproved MWBE goal used in invitation to bid (ITB) and advertisement
- The “Request to Purchase from Cooperative/Interlocal” form not consistently used
- No list of approved Interlocal and Cooperative purchasing agreements
- No efficient means to monitor compliance with requirements for contacting historically underutilized businesses
- No efficient means of identifying required vendor documents

6 RECOMMENDATIONS

The audit team’s conclusions included the following recommendations to SPD management:

- Process additional expenditures through PO modifications.
- Enforce procedures to review and approve all ITB documents and advertisements prior to publication.
- Adhere to policy requirement to obtain approved “Request to Purchase from Cooperative or Interlocal” form for all such procurements.
- Maintain listing of approved Interlocal and Cooperative purchasing agreements.
- Implement a means to identify and monitor compliance regarding contacting historically underutilized businesses.
- Develop summarized guidance to facilitate buyers efficiently determining the complete list of required vendor documents.