



Independent Procurement Review Report

Why We Did This Review

In accordance with Atlanta City Charter Article 8, Section 8-107, the Independent Procurement Review Division of the Office of the Inspector General must review all solicitations with an aggregate value of \$1,000,000 or greater, seeking approval by the Atlanta City Council, for file completeness, conflicts of interest, and other areas of perceived deficiency.

Solicitation#	IFB-G-1230134
Estimated Dollar Amount:	\$6,800,000
Type of Procurement:	Invitation for Bid
Contract Description:	Microsoft License Agreement
Requesting Department:	Department of Atlanta Information Management
All Proponents:	Crayon Software Experts LLC GovConnection Inc.
DOP Responsive Proponents:	Crayon Software Experts LLC GovConnection Inc.
Recommended Awardee:	Crayon Software Experts LLC GovConnection Inc.

TABLE OF FINDINGS

Review Area	Risk/Criteria	Results
Evaluation Team	DOP procedures require evaluators to possess the necessary and appropriate experience needed to evaluate the proposals or offerors submitted to the city.	No findings identified
Solicitation	<ul style="list-style-type: none"> Bids shall only be evaluated on requirements and evaluation criteria outlined in the formal solicitation (DOP SOP 4.3.6.(E)(3). Having selection criteria established in the solicitation can help prevent bid manipulation. Evaluation criteria that are too vague or subjective can allow for manipulation of the scores. 	Three rounds were issued for this solicitation, due to unclear criteria regarding the quantity and pricing of the requested licenses.
Advertisement/ Addenda	<ul style="list-style-type: none"> Changing the solicitation criteria to favor a particular proponent is a red flag of potential bid rigging (International Anti-Corruption Resource Center). Too many addenda could indicate unclear specifications or unclear scope of work, which could also favor a particular proponent. 	<p>(1) This solicitation consisted of three rounds, however only one addendum was issued. The addendum that was issued fails to document the changes made during each of the solicitation's three rounds.</p> <p>(2) As required by DOP SOP 4.3.4 and GA Code § 36-91-20, all solicitations must be advertised for at least 14 days. The first round of this solicitation was advertised for at least 14 days, then subsequently cancelled. The second and third rounds were advertised for fewer than 14 days each.</p> <p>(3) DOP confirmed with OIG that subsequent rounds of the solicitation were not made public, and bidding was restricted to only two proponents. Changing the solicitation criteria to favor a particular proponent could be an indicator of potential bid rigging.</p>

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Submittal	The city code provides that the city shall select no less than three submittals solicited from an RFP that it deems as the most responsible and responsive; provided, however, that if three or fewer offerors respond, the requirement shall not apply (City Code Sec. 2-1189).	Fewer than three submittals were received for this solicitation.
Responsive Review	<ul style="list-style-type: none"> • DOP procedures require findings to be recorded on a responsive checklist which identifies specific submittal requirements for the project and identifies a bidder's compliance with those required documents. • Unclear or inconsistent responsiveness determinations could be a red flag of bid manipulation. 	As required by DOP SOP Sec. 4.3.5 (D)(8), DOP failed to conduct a responsive review of bids received for evaluation purposes. Per DOP SOP Sec. 4.3.6 (B), the Procurement Professional should record all findings on a responsive checklist. This required checklist was not provided in the contract file. DOP confirmed that a checklist was not used to record findings.
Conflict of Interest	The city's standards of conduct prohibit employees from having financial conflicts of interests. Contracts must be awarded and administered free from improper influence or the appearance of impropriety.	No findings identified
Evaluation	<ul style="list-style-type: none"> • DOP procedures require procurement staff to compile the evaluation scores, including those from risk management and contract compliance. • Public procurement practice states that any arithmetical errors should be corrected, and scores should be recorded in grids/matrices (NIGP). • According to the International Anti-Corruption Resource Center, bids that are too close together (less than 1%) or too far apart (more than 20%) could be indicators of collusive bidding. Not applicable for RFPs. 	A bid tabulation sheet was not provided in the contract file.
Cancellation	<ul style="list-style-type: none"> • The Government Accountability Office states that the use of standard language such as "in the best interest of the city" without a specific justification for cancellation could be a fraud indicator. • Transparency International states that effective record-keeping of decisions and reasons for cancellation promotes accountability and transparency. 	<p>(1) DOP issued a cancellation for this solicitation. The award associated with this cancelled solicitation was subsequently rescinded.</p> <p>(2) The cancellation memo provided in the contract file does not specify the reason for cancellation. Absence of a specific justification indicates potential fraud.</p>
Award	A contract file should include all project items, to confirm that each phase of the procurement was facilitated appropriately and audit-ready (DOP SOP Sec. 3.18)	(1) During the solicitation and evaluation phase of this procurement, an IT Director met with a proponent's Business Development Manager. The IT Director later selected that proponent to be awarded for this solicitation.

Review Area	Risk/Criteria	Results
		(2) DOP has confirmed that the award for this solicitation would be split with one proponent being a primary awardee and another being a backup or secondary awardee. The award memo fails to list both proponents as awardees and the contract file fails to indicate how the split award would be executed.