



## CITY OF ATLANTA

City Auditor's Office  
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### ***Why We Did This Audit***

City officials identified procurement as a significant potential risk to accomplishing their objectives. The city created the Department of Procurement in 2002 and the chief procurement officer requested we review controls over solicitation and evaluation. We focused on aviation procurements because these represent a large proportion of the city's total contracting budget, and because of the number of protests by participating vendors.

### ***What We Recommended***

While we primarily focused on aviation contracts, our recommendations are applicable citywide and are intended to increase the accuracy of solicitation documents, safeguard the integrity of the evaluation process and enhance transparency and credibility. Procurement should:

- Monitor the number and nature of changes to solicitation documents that originate with user departments and evaluate completed solicitations to provide guidance and improve templates and checklists;
- Offer briefing meetings to vendors to answer questions and provide feedback before protests are filed;
- Restructure scoring methodology;
- Allow evaluators to discuss criteria during evaluations; and
- Ensure evaluators are qualified, free from conflicts of interest, and understand evaluation criteria and procedures.

We also recommend aviation review its solicitations and model new solicitations after similar successful efforts.

For more information regarding this report, please contact Richard Edwards at 404.330.6678 or [redwards@atlantaga.gov](mailto:redwards@atlantaga.gov).

## ***Performance Audit:***

### **Procurement Solicitation and Evaluation**

#### ***What We Found***

The city's procurement ordinances and the Department of Procurement's procedures are consistent with industry practices that are intended to ensure fair and open competition. All 30 solicitation files we reviewed showed evidence that the city followed procedures intended to encourage competition, including:

- Advertising contracting opportunities in industry publications and local newspapers;
- Preparing written solicitation documents;
- Providing opportunities for potential vendors to ask questions and obtain clarification; and
- Establishing procedures for evaluating solicitation responses.

The process must not only be open and treat bidders and potential bidders fairly; it must appear to be fair. Frequent changes to technical specifications and confusion about how the city evaluates bids/proposals could lead vendors to question the process. Bidders protested at least 16 percent of the aviation solicitations between January 2002 and November 2004, often citing problems with specifications and evaluation procedures. Frequent changes to specifications also contribute to delays and bid cancellations, which can dissuade potential vendors from participating in future solicitations and can adversely affect operations.

- The city revised technical specifications after releasing solicitation documents in about half of the procurements we reviewed, and issued more than three addenda – the Department of Procurement's rule of thumb limit – for one third of the procurements we reviewed. Most of the procurements we reviewed extended the due dates past the original deadline.
- Evaluators' scores for individual vendors varied an average of 35% of the total possible points. Such variation could affect vendors' perceptions that the process is fair, especially since evaluators do not provide reasons for their scores. Several factors appear to contribute to the variation in scoring including different interpretations of criteria and how to score them, lack of instruction, lack of opportunity to discuss the criteria with other evaluators, and the way the scoring mechanism is structured.