**State Fiscal Accountability Authority**

**Division of Procurement Services (DPS)**

**Office of Audit & Certification**

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Questionnaire for Evaluating Internal Control,

Efficiency and Effectiveness of

Governmental Agency Procurement Operations

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Governmental Agency: **Entity Name Here**

Date of Review: **mm/dd/yyyy**

Official(s) Questioned: **Name(s) of Procurement Official(s)**

Reviewer: **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

|  | **Answer**  **Y/N/NA** | **Basis for Answer**  **Inq/Obs/Test** |
| --- | --- | --- |
| **AUTHORITY, RESPONSIBILITY & ORGANIZATION** |  |  |
| 1. Authority & Responsibility |  |  |
| 1. Is there written authority from the governing board or commission placing procurement authority with one official or department? |  |  |
| 1. Does this authority apply for all for general areas of procurement: |  |  |
| a - Goods and Services |  |  |
| b - Consulting Services (including professional services not addressed in d below) |  |  |
| c - Information Technology |  |  |
| d - Construction and Related Professional Services |  |  |
| 1. If this authority does not apply to all four areas, are there adequate alternative procedures in effect for the clear assignment of responsibility for each area of procurement?   (Describe below or in a separate memo if necessary) |  |  |
| 1. Does the procurement division’s authority extend also to control over warehousing and surplus property management? |  |  |
| 1. Does the agency have an approved internal Procurement Operating Procedures manual? |  |  |
|  |  |  |
| 1. Organization |  |  |
| 1. Is there a current organizational chart clearly showing all personnel authorized to procure in the four areas of procurement? |  |  |
| 1. Are all duties of procurement personnel clearly defined in writing? |  |  |
| 1. Are department functions supervised, controlled, and/or monitored to the extent necessary to deter collusive activities between procurement personnel and contractor personnel in the agency procurement process by: |  |  |
| 1. Procurement management? |  |  |
| 1. Internal Audit |  |  |
| 1. Are procurement personnel adequately covered under a fidelity bond? |  |  |
| Does coverage include Tort Liability? |  |  |
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| **GENERAL COMPLIANCE WITH THE**  **SC CONSOLIDATED PROCUREMENT CODE** |  |  |
| 1. Does the agency’s internal Procurement Operating Procedures Manual: |  |  |
| 1. Describe the overall purchasing goals and objectives? |  |  |
| 1. Specify the authority of the procurement department in all aspects of acquisition, contract administration, quality assurance, and surplus property transfer and disposal? |  |  |
| 1. Specifically set out all aspects of purchasing delegated to other departments, and the manner in which such activities are to be monitored and controlled by the procurement department? |  |  |
| 1. Cover a code or standard of conduct governing the performance of procurement officials and personnel as well as contractors and their agents? |  |  |
| 1. When was the manual last updated?   *mm/dd/yyyy* |  |  |
| 1. Have all agency personnel involved in the procurement process been adequately trained to procure in accordance with the SC Consolidated Procurement Code (Code) and related regulations? |  |  |
| 1. Are periodic spot checks made by procurement management to determine if procurements made outside of the Central Purchasing Office are being made in compliance with the Code provisions? |  |  |
| 1. Are periodic spot checks made by internal or external auditors to determine if procurements are being made in compliance with Code provisions? |  |  |
| 1. Sole Source Procurements (§11-35-1560) |  |  |
| 1. Who has the authority to make this Determination and Finding?   Title/Name*:* |  |  |
| 1. Who maintains the file?   Title/Name*:* |  |  |
| 1. Where is the file located?   Dept./Rm No.*:* |  |  |
| 1. Emergency Procurements (§11-35-1570) |  |  |
| 1. Who has the authority to make this Determination and Finding?   Title/Name*:* |  |  |
| 1. Who maintains the file?   Title/Name*:* |  |  |
| 1. Where is the file located?   Dept./Rm No.*:* |  |  |
| 1. Types and Forms of Contracts (§11-35-2010) |  |  |
| 1. Who has the authority to make this Determination and Finding?   Title/Name*:* |  |  |
| 1. Who maintains the file?   Title/Name*:* |  |  |
| 1. Where is the file located?   Dept./Rm No.*:* |  |  |
| 1. Multi-term Contracts, Determinations Prior to Use [§11-35-2030 (2)] |  |  |
| 1. Who has the authority to make this Determination and Finding?   Title/Name*:* |  |  |
| 1. Who maintains the file?   Title/Name*:* |  |  |
| 1. Where is the file located?   Dept./Rm No.*:* |  |  |
| 1. Are proper records of all contracts made under §11-35-1560 (Sole Source) and §11-35-1570 (Emergency) being maintained and reported quarterly to DPS as required by §11-35-2440? |  |  |
| Who is responsible for these reports?  Title/Name*:* |  |  |
| 1. Is the agency properly reporting: |  |  |
| 1. All surplus property not in public use held for sale (§11-35-3820)? |  |  |
| 1. Quarterly trade-in sales [§11-35-3830 (3)]? |  |  |
| 1. Has the agency developed a Minority Business Enterprise (MBE) Utilization Plan as required by §11-35-3240 and has the agency submitted annual reports on minority business required by §11-35-5260? |  |  |
| 1. Has the agency developed a master plan for information technology procurements (IT Plan) as required by Regulation 19-445.2115 and has this IT Plan been approved by the Division of Technology Operations/IT Planning and Administration Section? |  |  |
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| **PROCUREMENT TRANSACTION CONTROL** |  |  |
| 1. All procurements |  |  |
| 1. Is the procurement department entirely independent of: |  |  |
| 1. The accounting department? |  |  |
| 1. The receiving and shipping departments? |  |  |
| 1. Are all purchases initiated only on the basis of an approved purchase requisitions? |  |  |
| 1. Are all purchases, except those allowed by Direct Payment, or Direct Expenditure Voucher (DEV), under the CG’s PO Policy, required by Agency policy, to be routed through the procurement department? |  |  |
| 1. Do all purchases by the Procurement Dept. require a purchase order be sent to the vendors? |  |  |
| 1. Is the number sequence of purchase orders accounted for (if other than SCEIS)? |  |  |
| 1. Does the purchase order show terms, quantities, unit-of-measure, and prices? |  |  |
| 1. Is there sufficient documentation to cross reference requisitions, solicitation, contract, and purchase orders files? |  |  |
| 1. Are purchase order prices confirmed and approved: |  |  |
| 1. By responsible official in the procurement department? |  |  |
| 1. If not, by any other responsible official?   Title/Name*:* |  |  |
| 1. Is the quantity and condition of goods received determined at the time of receipt by someone independent of the procurement department? |  |  |
| 1. Are goods receipts prepared by receiving department? |  |  |
| 1. Is the accounting department notified promptly of purchased goods returned to the vendor? |  |  |
| 1. Are unmatched goods receipts/receiving reports reviewed periodically and investigated for proper recording? |  |  |
| 1. Is there an adequate system for the recording and checking of partial deliveries applicable to a purchase order? |  |  |
| 1. Does the invoice/voucher preparation and approval process include a documented matching of the invoice to the purchase order and goods receipt as to description, quantity, price, and terms? |  |  |
| 1. Are invoices/vouchers approved for payment by an authorized official? |  |  |
| 1. Are purchase order modifications and contract change orders documented in writing using approved forms, etc., and approved by an appropriate official? |  |  |
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| 1. Other than Goods and Services |  |  |
| 1. Are all information technology procurements routed to DTO for approval prior to processing?   This is normally accomplished with the IT Plan. |  |  |
| 1. Are all architect/engineer and construction procurements reported properly to and approved by the State Engineer? |  |  |
| 1. Are construction related expenditures accurately distinguished from those for routine repairs in accordance with the Manual for Planning and Execution of State Permanent Improvements? |  |  |
| 1. Are all permanent improvement projects reported and approved by the Commission on Higher Education, the Joint Bond Review Committee and the State Fiscal Accountability Authority? |  |  |
| 1. If information technology procurements and construction and related services procurements are handled by personnel outside of the procurement department, is review and approval of the transaction by the procurement department for compliance with the Code required? |  |  |
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| **PLANNING AND SCHEDULING ACQUISITIONS** |  |  |
| 1. Is the procurement department included in all top level planning affecting future procurement practices or needs? |  |  |
| 1. Is the agency’s procurement system integrated with its financial management or ERP system to accumulate such data as product code, quantity purchased, and unit prices per transaction? |  |  |
| 1. Does the procurement department have a documented procedure to select the appropriate procurement method for each solicitation? |  |  |
| 1. Does the procurement department make lease versus purchase comparisons in acquiring equipment, such as vehicles? |  |  |
| 1. Does the procurement department: |  |  |
| 1. Monitor frequency and volume of purchases of the same or similar items to see whether a contract might be cheaper? |  |  |
| 1. Monitor different department’s purchase requests for the same or similar items to see whether consolidation may achieve economies? |  |  |
| 1. Have written procedures to govern how such potential is to be identified? |  |  |
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| **COMPETITION** |  |  |
| 1. Does the agency have a written policy which requires and encourages the procurement department to use competitive procedures for acquiring all possible goods and services other than those specifically exempted from the Consolidated Procurement Code? |  |  |
| 1. Does the procurement department: |  |  |
| 1. Participate in contracting for the services exempted from normal competitive solicitations? |  |  |
| 1. Prescribe procedures followed in such contracting? |  |  |
| 1. Review the procurements made for compliance with such procedures? |  |  |
| 1. In securing formal bids for contract purchases, does the procurement department: |  |  |
| 1. Prepare or have the authority to review and approve invitations for bids? |  |  |
| 1. Maintain and update a separate list of certified minority business enterprises? |  |  |
| 1. Maintain and update a list of prospective bidders? |  |  |
| 1. Have written criteria governing the addition, deletion, and reinstatement of bidders and vendors, and the potential of bidders to perform under the terms and conditions of the proposed procurement? |  |  |
| 1. Have written procedure governing the receipt, control, opening, and evaluation of bids? |  |  |
| 1. Is there a policy stipulating the conditions under which blanket purchase orders may be used? |  |  |
| 1. Is there a provision defining the special procedures to be followed when competitive procedure are not used: |  |  |
| 1. In emergency procurements? |  |  |
| 1. Where there is no responsible competition, or sole source procurements? |  |  |
| 1. For small purchases? |  |  |
| 1. Is there a formal program for identifying suppliers not previously solicited? |  |  |
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| **STANDARDIZATION & SPECIFICATIONS** |  |  |
| 1. Does the procurement department attempt to standardize items commonly used by two or more departments: |  |  |
| 1. Is there a central stockroom from which all departments are required to draw supplies? |  |  |
| 1. Is there a catalog of items available from the stockroom? |  |  |
| 1. Where specifications are prepared for special items or series by departments does the procurement department have the power to review, modify, and approve them? |  |  |
| 1. Are brand names avoided or expressly stated to be only descriptive (identifying salient features) and not restrictive? |  |  |
| 1. Are performance specifications rather than descriptive specifications used? |  |  |
| 1. Does the procurement department use qualified product lists of acceptable brands as an alternative to developing its own specifications and is there written criteria covering procedures for placing and removing products and brands from these lists? |  |  |
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| **INSPECTION AND TESTING** |  |  |
| 1. Does the procurement department have the authority to establish and oversee a program of inspection of deliveries to ensure that items delivered meet specifications? |  |  |
| 1. Are there written instructions governing receipt and inspection of deliveries? |  |  |
| 1. Are there written procedures covering the handling of user and/or contractor complaints? |  |  |
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| **PROPERTY MANAGEMENT** |  |  |
| 1. Does the agency ensure that: |  |  |
| 1. Expendable property is properly controlled? |  |  |
| 1. Non-expendable property is: |  |  |
| 1. Identified? |  |  |
| 1. Assigned for accountability to specific units of the agency? |  |  |
| 1. Recorded in perpetual inventory records when purchased? |  |  |
| 1. Periodic inventories of expendable and non-expendable property are taken? |  |  |
| 1. Who supervises the property management, surplus and scrap programs?   Title/Name*:* |  |  |
| 1. Are surplus items reported to Surplus Property within 90 days in accordance with Reg. 19-445.2150? |  |  |
| 1. Are other departments informed of available surplus? |  |  |
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| **PROFESSIONAL DEVELOPMENT** |  |  |
| 1. Does the agency encourage procurement officials and technical staffs: |  |  |
| 1. To keep current with professional trends (e.g., affiliate with professional purchasing associations)? |  |  |
| 1. To secure formal training and education as a supplement to their job-acquired knowledge? |  |  |
| 1. Does the agency provide support for (1) and (2) above by providing funding? |  |  |
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| **AUDIT & EVALUATION** |  |  |
| 1. Does the internal audit department review the procurement system to evaluate the effectiveness or economy with which it is making purchases?   If so, when was the last one completed? |  |  |
| 1. Are annual performance goals established for the procurement unit? |  |  |
| If so, how is performance evaluated? |  |  |
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