

# Procurement Review Guide

CURRENT REVIEW PERIOD COVERED:	_____	to	_____
PRIOR REVIEW PERIOD:	_____	to	_____

ENTITY MONITORED:	_____
NAME OF MONITOR:	_____
START DATE on-site:	_____
EXIT DATE on-site:	_____
DATE WORKPAPERS SUBMITTED FOR REVIEW:	_____
Supervisor Review:	_____
REPORT ISSUE DATE:	_____

# Table of Contents

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## Section II – Financial Monitoring

### Local Procurement Review

	<b>Page</b>
Objectives, Review and Procedures	3
Exhibit 1 – Local Policies and Procedures	
Exhibit 2 – Micro Purchases Analysis	4
Exhibit 3 – Small Purchases Analysis	5
Exhibit 4 – Competitive Proposals Analysis	6-8
Exhibit 5 – Sealed Bid Analysis	9
Exhibit 6 – Sole Source Analysis	10
Exhibit 7 – Copy of Signed Contract and any Contract Modification	
Exhibit 8 – Post Review Survey	11-13
Exhibit 9 – Entrance/Exit Conference	14
Exhibit 10 – Monitor’s Narrative	
Exhibit 11 – Copy of Final Report	

## **Objectives**

To determine if:

- ❖ Procurement policies and procedures are comprehensive and address relevant topics referenced in One-Stop Comprehensive Financial Management Technical Assistance Guide (TAG)
- ❖ Procurement actions follow stated policies and procedures
- ❖ Procurement activities are properly supported and documented
- ❖ Contracts contain provisions per the TAG
- ❖ Procurement follows guidelines per OMB 2 CFR 200

## **Review**

- Prior Procurement monitoring workpapers and reports, including follow up reports.
- One-Stop Comprehensive Financial Management Technical Assistance Guide (TAG) – Chapters 10, 12 and 13.
- Office of Management and Budget (OMB) 2 CFR 200 Procurement sections; see 2 CFR 200.318-326
- Technical Advisory #17-3 Renovation Costs and Equipment Acquisitions Utilizing Workforce Innovation and Opportunity Act (WIOA) Funds
- Technical Advisory #17-01 One-Stop Operator Competitive Selection

**Procedures:** Please note: If in lieu of paper documentation, the agency maintains electronic copies in accordance with their policies and procedures, this is acceptable.

1. Contact entity to arrange an on-site visit. If an entrance conference is held, note details of meeting on Exhibit 8.
2. Review the entity's procurement policies and procedures for compliance with the OMB procurement section. Include a copy of procurement policies and procedures (responsibilities, required actions, dollar limits, etc.) of the subrecipient. Label as Exhibit 1.
3. From the cutoff of the last Procurement Review, examine entity's records and select and analyze a representative sample of procurement transactions involving the micro purchase, small purchase, competitive proposal, sealed bid and sole source methods on Exhibits 2-5.  
Note: The RFP Sample must include, at minimum, procurement of Service Providers, such as Youth, Adult and DLW, along with the One-Stop System Operator. A copy of each RFP must be part of the workpapers.
4. Select a sample of contracts entered into during the review period. Include copies and label as Exhibit 6 (will be needed to answer Question 11 in Post Review Survey).
5. Based on your observations, discussions with staff, review of the entity's policies and procedures, contents of contract files and the contract's terms and conditions and the sampling and analysis of procurement transactions, complete the Post Review Survey (Exhibit 7).
6. Arrange and conduct an exit conference; note details of meeting on Exhibit 8.
7. Prepare a narrative summarizing your monitoring visit and detail all exceptions found. Note any technical assistance provided, corrective action recommended and/or issues requiring immediate attention; label as Exhibit 9.
8. Prepare and issue report. Include copy and label as Exhibit 10.
9. Follow-up on any weaknesses within 30 days of issuance of the report if corrective action is required.
10. Write up results of the follow up and issue a letter on status of the entity's corrective action. Include the write up as a supplement to Exhibit 10.

**Micro Purchase Analysis**

Description of goods/services and purpose:

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Number of quotes obtained:

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Quotes obtained via:

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Basis for selection:

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Awardee:

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Costs of goods/services:

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**In the spaces provided below answer “Yes”, “No” or “N/A” to the following questions for each of the sampled small purchases above.**

Were the quotes from qualified sources?

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Was a price analysis performed?

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Does the purchase meet federal and state/local standards (whichever is most restrictive)?

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Were multiple "like" procurements made that in aggregate would exceed federal/state/local standards?

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Were the purchase procedures and selection basis properly documented?

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Were purchases distributed among qualified Suppliers if competitive price comparisons were not obtained?

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Comments:

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Small Purchase Analysis

Description of goods/services and purpose:

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Number of quotes obtained:

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Quotes obtained via:

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Basis for selection:

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Costs of goods/services:

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**In the spaces provided below answer “Yes”, “No” or “N/A” to the following questions for each of the sampled small purchases above.**

Were the quotes from qualified sources?

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Was a price analysis performed?

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Does the purchase meet federal and state/local standards (whichever is most restrictive)?

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Were multiple "like" procurements made that in aggregate would exceed federal/state/local standards?

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Were the purchase procedures and selection basis properly documented?

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Comments:

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Competitive Proposal Analysis

NOTE: Use one Exhibit 4 schedule for each procurement analyzed for Competitive Proposals.

Description of goods/services procured. A copy of the RFP, RFQ or RFI is required as part of the workpapers.

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Number of proposals received and from who and amounts:

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Number of contracts awarded:

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Awardee(s) and amounts(s):

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Basis for selecting of awardee(s):

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In the spaces provided below answer "Yes", "No" or "N/A" to the following questions for each of the sampled competitive proposals above and explain if no or N/A is listed.

Was RFP adequately publicized? How?

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Was an adequate response time provided?  
State timeframe:

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Did the Local Area Board approve of the RFP issuance and amount of funding?  
(If Yes, provide a copy of the meeting minutes in the workpapers and state the date of approval here.)

---

Did the Board have members abstain who pose a potential conflict of interest with the approval process? How was this documented?

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Describe how potential conflicts of interest for the staff to the board, fiscal agent or grant recipient organizations and their individual employees are addressed during the approval process of the procurement action.

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**Competitive Proposal Analysis Cont'd**

Did the RFP require a line-item budget? \_\_\_\_\_

Did the RFP contain significant evaluation factors? \_\_\_\_\_

What were the factors used? \_\_\_\_\_

Was there a rating system to evaluate proposals? \_\_\_\_\_

Type of rating system used? \_\_\_\_\_

Per your analysis, is there a sufficient number of RFPs received from qualified sources? How many? \_\_\_\_\_

Was there a review and scoring of proposals by a WDB appointed review committee? \_\_\_\_\_

Did that committee present the recommendation to the Full WDB Board for vote/approval?  
(If YES, provide a copy of the meeting minutes in the workpapers and state the date of approval here.) \_\_\_\_\_

Do the meeting minutes assure the vote occurred without any conflicts of interest of meeting attendees? \_\_\_\_\_

Was a cost/price analysis performed? \_\_\_\_\_

How was the analysis performed? \_\_\_\_\_

Had the awardee(s) been identified as a high-risk organization? \_\_\_\_\_

If NO, how was this determined? \_\_\_\_\_

If YES, has the entity adequately documented their justification for awarding this contract? What was the justification? \_\_\_\_\_

**Competitive Proposal Analysis Cont'd**

Is the contract's statement of work consistent with the RFP's requirements?

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What is the statement of work identified?

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Was each step of the procurement process documented?

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How was it documented? List all steps in the process from the issuing of the RFP to the executed contract and what you observed when reviewing.

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If the contract is for multiple cycles within the RFP, is there wording that indicates that future funding is subject to funding availability?

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Does the RFP describe for contract renewals a fair and proportionate method of how increases or decreases of federal award amounts will be handled? (describe here).

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How many renewal cycles are listed in the RFP and contract?

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Do the terms of the contract and contract renewals align with the RFP language?

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Was Profit part of the Contract Negotiation process? If yes, how was profit determined to be reasonable?

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Comments:

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**Sealed Bid Analysis**

Description of goods/services and purpose: \_\_\_\_\_

Number of bids received, list name of bidders and amounts: \_\_\_\_\_

Basis for selection: \_\_\_\_\_

Awardee: \_\_\_\_\_

Cost of goods/services: \_\_\_\_\_

**In the spaces provided below answer “Yes”, “No” or “N/A” to the following questions for each of the sampled sealed bids above.**

Were the invitations for bid (IFB) advertised in a timely manner? \_\_\_\_\_

Did the IFBs include specifications defining the goods/services? \_\_\_\_\_

Were the bids opened publicly at a time and place specified in the IFB? \_\_\_\_\_

Were there two or more responsible bidders? \_\_\_\_\_

Were bids rejected on the basis of sound documented business reasons? \_\_\_\_\_

Was a cost/price analysis performed? \_\_\_\_\_

Comments:  
\_\_\_\_\_  
\_\_\_\_\_

**Sole Source Analysis**

Description of goods/services and purpose:

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Number of respondents to the solicitation. List names of respondents and amounts:

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Awardee:

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Cost of goods/services:

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**In the spaces provided below answer “Yes”, “No” or “N/A” to the following questions for each of the sampled sole sources above and explain.**

Were the goods/services only available from a single source?

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How was this determined?

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Was urgency a factor?

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After solicitation, was only one response received?

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Was the procurement method justified?

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How? Did the WDB Board vote on the Sole Source?

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Did this procurement require additional review or higher-level approval? From whom?

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Was this higher level of approval documented? How?

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Was a cost/price analysis performed?

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Comments:

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Post Review Survey

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
1. Does the entity have written procurement policies and procedures?	_____	_____	_____
If yes, do they address:			
a. Code of conduct?	_____	_____	_____
b. Conflict of interest?	_____	_____	_____
c. Maintenance and retention of documentation supporting procurement actions?	_____	_____	_____
d. Procurement Methods for:			
1. Micro purchase?	_____	_____	_____
2. Small Purchase?	_____	_____	_____
3. Competitive proposal?	_____	_____	_____
4. Professional Services?	_____	_____	_____
5. Sealed bid?	_____	_____	_____
6. Sole source? (Including higher level of approval?)	_____	_____	_____
7. Use of state and county bids?	_____	_____	_____
e. Formal process to settle and satisfy protests, disputes or claims?	_____	_____	_____
f. Leasing versus purchasing options? (OMB 2 CFR 200.318)	_____	_____	_____
g. Procurement of Recovered Materials? (OMB 2 CFR 200.322)	_____	_____	_____
2. During the review period, has the entity procured goods or services by any of the following methods:			
a. Micro purchase?	_____	_____	_____
b. Small purchase?	_____	_____	_____
c. Competitive proposal?	_____	_____	_____
d. Sealed bid?	_____	_____	_____
e. Sole source?	_____	_____	_____
3. During the review period, has the entity procured or awarded funds for the following goods or services:			
a. Direct Program Services (Adult, DLW & Youth)?	_____	_____	_____
b. Equipment?	_____	_____	_____

**Exhibit 8**

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
c. Professional services?	_____	_____	_____
d. One-Stop System Operator?	_____	_____	_____
e. Other (Identify)?	_____	_____	_____
<hr/>			
<hr/>			
4. Do procurement actions follow established policies and procedures?	_____	_____	_____
5. Has the entity obtained approval from NYSDOL for equipment/renovation costs/other that costs \$5,000 or more per unit?	_____	_____	_____
6. Have any contracts been automatically renewed? If YES, list who, why and for how much:	_____	_____	_____
<hr/>			
<hr/>			
7. Were any contracts awarded performance based? If YES, to who?	_____	_____	_____
a. Are benchmarks defined in the contract?	_____	_____	_____
b. Were benchmark payments detailed in the contract?	_____	_____	_____
8. Are the procurement requirements for the WIOA program as restrictive as other programs operated by the subrecipient?	_____	_____	_____
9. Is there a separate purchasing office responsible for the procuring of some or all goods and services? State what office:	_____	_____	_____
<hr/>			
10. Did contract files for training/service providers and/or One-Stop Operators contain the following documentation:			
a. A signed contract and/or documents supporting contract modifications? Provide a copy.	_____	_____	_____
b. Certificate of insurance or other evidence showing that insurance is in effect, including fidelity and performance bonds? Provide a copy.	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
c. Approved vouchers or invoices for payments and required documentation submitted with the invoices?	_____	_____	_____
d. Records pertaining to equipment purchased by the contractor? Property Management reviews? Provide a copy.	_____	_____	_____
e. Signed copies of lobbying, debarment, suspension, and drug- free workplace certifications? Provide a copy.	_____	_____	_____
<b>11. Did the contract’s terms and conditions contain the following clauses? (Note what page for each item.) Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards</b>			
a. Administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms?	_____	_____	_____
b. Termination for lack of performance, default, or for convenience?	_____	_____	_____
c. Financial and program reporting requirements?	_____	_____	_____
d. Access to records?	_____	_____	_____
e. Record retention?	_____	_____	_____
f. Debarment/suspension?	_____	_____	_____
g. Anti-lobbying activity?	_____	_____	_____
h. Drug free workplace?	_____	_____	_____
i. Equal Employment Opportunity?	_____	_____	_____
j. Copyrights?	_____	_____	_____
k. Patent rights?	_____	_____	_____
l. Davis Bacon and Anti-Kickback Act?	_____	_____	_____
m. Contract work hours and Safety Standards Act?	_____	_____	_____
n. Clean Air and Water Pollution Control Act?	_____	_____	_____
o. Solid Waste Disposal and Resource Conservation Act?	_____	_____	_____

Comments:

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**Entrance Conference**

**Date:** \_\_\_\_\_

**Attendees:**

Name	Job Title
_____	_____
_____	_____
_____	_____
_____	_____

**Subjects Discussed:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Exit Conference**

**Date:** \_\_\_\_\_

**Attendees:**

Name	Job Title
_____	_____
_____	_____
_____	_____
_____	_____

**Subjects Discussed:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_