



Office of the County Auditor

Internal Audit Division

Utah County Purchasing Audit

December 15, 2023

Rodney Mann, Utah County Auditor
100 East Center Street Suite 3611
Provo, UT 84606

Dear Mr. Mann:

The Internal Audit Division (“Division”) performed an audit of Utah County transactions for the period of July 1, 2023, through September 30, 2023. We performed the following procedures:

1. Tests for Request for Proposals (“RFPs”) were not performed because there were no RFPs during the test period.
2. Tests for Invitation to Bids (“ITBs”) were not performed because there were no ITBs during the test period.
3. Tested sole source request population for sufficient documentation.
4. Tested 20 purchase orders (“P.O.s”) equal to or less than \$5,000 for budget object code appropriateness and valid invoice amount.
5. Tested 20 P.O.s between \$5,000 and \$10,000 for budget object code appropriateness, valid invoice amount, and proper purchasing method.
6. Tested 20 P.O.s equal to \$10,000 and less than or equal to \$50,000 for budget object code appropriateness, valid invoice amount, and proper purchasing method.
7. Tested 20 P.O.s greater than \$50,000 for budget object code appropriateness, valid invoice amount, and proper purchasing method.

We did not discover any material violations of *Utah County Procurement Rules and Regulations*. We discovered one other matter and provide a recommendation that may improve the Sole Source procurement process. The Division appreciates the courtesy and assistance extended to us by Purchasing Division personnel during the audit process. We look forward to a continuing professional relationship.

Sincerely,

Utah County Internal Audit Division

CC: Jeremy Walker, Utah County Director of Financial Services
Robert Baxter, Utah County Purchasing Manager

Utah County Purchasing Audit **Finding(s) and Other Matter(s)**

Other Matter: Sole Source Request Form Completion

Condition

One Sole Source Request Form had one incomplete *Type of Supplier* field and one incomplete *Section A General Information* field.

Recommendation

We recommend the Purchasing Division implement a control to ensure that all Sole Source Request Form required fields are completed before the Purchasing Agent approves and signs the Sole Source Request Form. While acknowledging that the Sole Source Request Form has been recently edited for clarity, if management determines some fields are unnecessary for sole source approval consideration, we further recommend these fields be eliminated from the Sole Source Request Form.

Management Response

In addition to ensuring that all required fields are filled in on the Sole Source Request Form, we are updating the form to remove the W-9 information section. This section is redundant. We always require a W-9 for a vendor, so that information has either already been provided or will be provided separate from this form.

Utah County Purchasing Audit
Previous Audit Finding(s) and Other Matter(s)

2023 Q2 Purchasing Audit Other Matter: Sole Source Request Form Completion

Condition

Two of four Sole Source Request Forms had incomplete *Section A General Information* fields.

Recommendation

We recommend the Purchasing Division implement a control to ensure that all Sole Source Request Form required fields (including all *General Information* fields) are completed before the Purchasing Agent approves and signs the Sole Source Request Form. If management determines some fields are unnecessary for sole source approval consideration, we further recommend these fields be eliminated from the Sole Source Request Form.

Management Response

We agree with the recommendation. I plan to make a couple of minor changes to the form to make it more clear that questions 1-5 in Section A require a response. This should be accomplished by the end of September. As the approver of Sole Source requests, I will also ensure that all relevant fields are filled out, and return them to the requester if anything is missing.

Status

Incomplete.

2023 Q1 Purchasing Audit Other Matter: Sole Source Request Form Completion

Condition

One of two Sole Source Request Forms had incomplete *Requested by* fields (*Name, Dept, and Date*).

Recommendation

We recommend the Purchasing Division implement a control to ensure that all Sole Source Request Form required fields (including the *Requested by Name, Requested by Dept, and Date*) are completed before the Purchasing Agent approves and signs the Sole Source Request Form.

Management Response

We agree with the recommendation. Since I am the only person who signs the approvals for sole source (and possibly Tad in my absence), this is simply a matter of us ensuring that the requesting office has filled in all of the fields prior to approving the request. Going forward, we will ensure that all required fields are filled in prior to approval.

Status

Incomplete.

Utah County Purchasing Audit **Previous Audit Finding(s) and Other Matter(s)**

2022 Q4 Purchasing Audit Other Matter: RFP Evaluation and Contract Awarding Policy Amendment

Condition

Utah County policy does not currently explicitly require RFP evaluation committee recommendations reflect the firms with the top three final tabulated scores nor require the County Board of Commissioners to award a contract based on evaluation committee recommendations, although management has communicated that this is the current practice.

Recommendation

We recommend the Purchasing Division propose the County Board of Commissioners amend *Utah County Procurement Rules and Regulations* Sections 3-213(8) and 3-215(1) to clarify that:

- RFP evaluation committee recommendations made reflect the firms with the top three final tabulations; and
- The Commission awards the contract to one of the firms included within the evaluation committee's recommendations.

Management Response

We agree with this recommendation. We are currently working with GFOA to revise and improve our Purchasing Policy. We expect to incorporate this recommendation into the revised policy.

Status

Implementation in-progress.

2022 Q4 Purchasing Audit Other Matter: Procurement Thresholds Policy Amendment

Condition

Utah County policy does not currently regulate purchases of \$10,000 and \$50,000.

Recommendation

We recommend the Purchasing Division propose the County Board of Commissioners amend the dollar thresholds within the following sections of *Utah County Procurement Rules and Regulations* to:

- Section 3-302(1)(a)(i): greater than \$5,000 and less than \$10,000.
- Section 3-302(1)(a)(ii): equal to \$10,000 and less than or equal to \$50,000.
- Section 3-302(1)(a)(iii): greater than \$5,000 and less than or equal to \$50,000.

Management Response

We agree with this recommendation. We are currently working with GFOA to revise and improve our Purchasing Policy. We expect to incorporate this recommendation into the revised policy.

Status

Implementation in-progress.