

2020 CSCSB Audit Summary Report*

*(*Preliminary Report: Some FY19 Audits still pending and one outstanding agency response)*

Members of the State Contracting Standards Board conducted an audit of thirteen state agencies via their authority under Section 4e-6 C.G.S of FY 2019. Summarized below are the aggregates and general finding of those audits.

Audits were conducted on a self-reporting basis, with follow-up done by Board members as necessary. Due to the limited resources of the Board, the focus of the audit was quite narrow and collected information on total numbers and general types of contracts. Even still, the information gleaned can still provide important information on the trends of state procurement and areas of improvement, both for the selected agencies and the Contracting Standards Board.

The thirteen agencies audited are as follows:

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| 1. Agricultural Experiment Station | 7. Dept. of Labor |
| 2. Connecticut Insurance Department | 8. Dept. of Public Health |
| 3. Dept. of Aging and Disability Services | 9. Dept. of Revenue Services |
| 4. Dept. of Administrative Services-BEST | 10. Division of Criminal Justice |
| 5. Dept. of Energy and Environmental Protection | 11. Office of Health Strategy |
| 6. Dept. of Emergency Services and Public Protection | 12. Office of Policy and Management |
| | 13. Workers' Compensation Commission |

The self-audit questionnaire identified:

The questionnaire inquired about the number and type of open agency contracts for FY2019. Figure 1 displays a summary of open contracts for FY2019 as gathered from the agencies. From the twelve agencies that responded to the questionnaire at the time of this report, a total of 820 open contracts were reported. Of those open contracts, 304 were competitively procured, representing an average of 37% competitive procurement rate for these specifically audited agencies. While the Board's authority is not explicitly clear on interagency agreements (MOAs and MOUs), in the case where procured services may be being shared or moved between agencies (State contracts), the Board should investigate to ensure that proper transparency and accountability standards are being met.

The questionnaire inquired about staffing and training. All but one agency, employed a Procurement Officer at the time of report. The status of the PO at the agency ranged from as needed

to full-time. Other staff assigned to procurement at each agency ranged in levels from one to nine full-time employees. There were differences in the training of the agency procurement personnel across agencies. Three agencies responded that procurement staff received formal training outside the agency, formal in-house training, on the job training, and mentoring. On the job training was the most common type of training, others included OPM, DAS and AG training. Agencies reported that there should be more training. Some training suggestions included providing training as OPM policies are updated; hands on training; bring back Procurement training that was previously conducted by the SCSB; CORE-CT training and annual cross agency training. One used the Harvard Government Performance Lab to establish RFP language to encourage cross-agency collaboration and outcomes-oriented contracting.

The questionnaire inquired about accountability, transparency, and results-based outcomes. Three agencies had no policy and/or were working on policy to establish clear policies as required by Section 4e-14 C.G.S. Of note, one agency looked to the SCSB for this guidance. Five agencies had written policies for how vendors are chosen competitively, and two agencies responded that the agency specifically follows federal or state guidelines (related DAS or AG office contracting and procurement policy). The use of master contracts, which one agency solely uses, relies on DAS accountability and results-based outcome documentation. All reporting agencies responded to using BizNet to post all solicitations, and all completed contracts.

The questionnaire inquired about a three-year plan that anticipates procurement and contracting needs and if this document has been updated or reconciled. Half of responding agencies had not completed or were working on completing a three-year procurement and contracting needs plan at time of report. Three agencies specifically mentioned that their proposed three-year plan had been submitted to OPM, others mentioned conducting or updating such a plan.

The questionnaire inquired about ways the agency conducted evaluations, controlled quality, and monitored outcomes of contracts. Four agencies reported no evaluation process being conducted at the end of contract period (including one agency that solely use MOUs & MOAs contacts). Other agencies reported some type of evaluation conducted by the program managers that included confirming statements of work and budget with contractors monthly. Only, three agencies specifically reported using OPM Contractor Evaluation form. Two agencies reported that it had no control for factors that would impact contract quality. Other agencies reported some type of process for agency staff or program manager to keep contact with program staff to identify issues and provide oversight. One agency reported they will continue working to improve this process.

The questionnaire inquired about ways agencies track the contractor's administrative and other overhead costs. Five agencies reported having a policy in place that limits administrative and other overhead costs. One agency reported tracking administrative costs through contractor budgets and expenditure reports, but no control or limit was mentioned. Four agencies reported not tracking the contractor's administrative and other overhead costs.

The questionnaire inquired about ways the agency tracked and maintained recommendations for improving contract's performance. Four agencies did not track and maintain recommendations for improving the contract's performance. Other agencies reported maintaining recommendations

after completing the evaluation process. One agency specifically mentioned collecting recommendations related to contractor performance, but there was no formal tracking process in place.

Due to the limited scope of the self-audit questionnaire and Board resources, no analysis of the value of the contracts nor their term-length is available. These two pieces of information and other improvements to the audit questionnaire can be an area of further inquiry from Board staff.

Figure 1: Section 1 – Summary of Agency Contracts for FY2019

Agency	Total # of Contracts	# Competitive Procurement	%	# Non Comp.	# Sole Source	# Small Purchase	# Privatization	# post 2014	# w/ CBA	# CEE	#POS/PSA	# program waivers	# MOA	# MOU
Agricultural Experiment Station	76	1	1%	0	2	0	0	0	0	0	0	0	0	16
Connecticut Insurance Department	45	41	91%	19	0	19	0	0	0	0	22	0	1	3
Dept. of Aging and Disability Services	311	77	25%	234	4	0	0	0	0	0	307	0	4	0
Dept. of Administrative Services-BEST	0	0	0%	0	0	0	0	0	0	0	0	0	0	2
Dept. of Energy and Environmental Protection	42	2	5%	40	0	0	0	0	0	0	21	0	0	21
Dept. of Emergency Services and Public Protection	30	0	0%	0	27	0	0	0	0	0	27	0	0	0
Dept. of Labor	33	1	3%	32	0	0	0	0	0	0	1	0	25	0
Dept. of Public Health			0%											
Dept. of Revenue Services	72	37	51%	35	0	35	1	1	0	0	1	0	0	0
Division of Criminal Justice	61	58	95%	3	0	3	0	0	0	0	2	0	1	0
Office of Health Strategy	49	44	90%	5	5	0	0	0	0	0	49	0	11	0
Office of Policy and Management	61	25	41%	36	5	4	0	0	0	0	8	0	19	17
Workers' Compensation Commission	40	18		0	1	21	0	0	0	0	1	0	3	0
Total	820	304	37%	404	44	82	1	1	0	0	439	0	64	59