



FACT SHEET

Audits and Investigations

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Information Technology Procurement Audit

BACKGROUND

Audits and Investigations completed an audit of the Information Technology (IT) procurement process to determine if Caltrans follows proper procurement practices for IT purchases and to determine if the procurement process is efficient and effective. Department of General Services has delegated to Caltrans' Division of Procurement and Contracts (DPAC) the authority for statewide acquisition of IT goods and services to meet Caltrans objectives. DPAC IT Acquisitions Unit is responsible for processing a variety of IT procurement, including purchase orders for goods and/or services, as well as service contracts by performing solicitations on behalf of the purchase requestor. Procurements are processed by DPAC's IT Acquisitions Unit after the IT Certification Unit certifies the purchase request, in compliance with statutory, regulatory and policy requirements.

KEY FINDINGS

The audit disclosed that Caltrans has in general, established policies and internal controls with respect to IT procurement. However, our audit identified the following areas for improvement:

- IT Procurement process can be more efficient
- Internal Controls over the IT Procurement process can be improved
- Procurement compliance can be improved

KEY RECOMMENDATIONS

We recommend the following:

- IT change the process to require district IT staff who request the procurement to also create the electronic purchase request.
- DPAC work with IT to update the Acquisition Manual:
 - To assist the requestor in creating an accurate and complete statement of work.
 - To inform requestors of the procurement timelines.
- IT management require IT personnel involved in the procurement process to sign the conflict of interest statement and retain the signed statement.
- DPAC to complete their procurement desk procedure manual for their IT Acquisition Unit to ensure the procurement files are complete.
- DPAC ensure the IT analysts receive training on how to properly apply the small business preference.
- DPAC and IT work together in clarifying their roles and responsibilities in determining what procurement is IT related.
- DPAC continue to utilize the tool developed during our audit to detect and prevent inappropriate procurements.

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