

Columbia County

Procurement

FEBRUARY 2018



OFFICE OF THE NEW YORK STATE COMPTROLLER
Thomas P. DiNapoli, State Comptroller

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Report Highlights

Columbia County

Audit Objective

Determine whether Columbia County (County) procured goods and services in accordance with General Municipal Law (GML) and the County’s procurement policy.

Noteworthy Achievements

- The County has adopted a procurement policy that includes the bidding requirements of GML and procedures for goods and services GML does not require to be competitively bid.
- The County procured goods and services in accordance with GML and the County’s procurement policy.

There are no recommendations as a result of this audit.

County officials accepted our findings.

Background

The County is governed by a Board consisting of 18 Town Supervisors and five Hudson City Supervisors. The County provides public works, public safety, economic assistance, health, parks and other related government services to County residents.

Quick Facts

Area	648 square miles
Full-Time Employees	629
2017 Budget	\$142.4 million
Goods and Services Procured During the Audit Period	\$145.5 million

Audit Period

January 1, 2016 – July 17, 2017

Procurement

How Should a County Procure Goods and Services?

New York State General Municipal Law (GML) states that goods and services must be procured in a manner to ensure the prudent and economical use of public funds, in the best interest of residents, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost or best value basis. With certain exceptions¹ counties are generally required to advertise for competitive bids when procurements exceed certain dollar thresholds.² Counties must adopt their own policies and procedures for goods and services not required by law to be competitively bid. These procurement policies and procedures should provide guidance to officials and employees involved in the purchasing process and help ensure that competition is sought in a reasonable and cost effective manner.

The County Has Procured Goods and Services In Accordance With General Municipal Law and the County's Procurement Policy

The County has adopted a comprehensive procurement policy that describes the process to be followed when procuring goods and services. The policy includes GML bidding requirements and detailed procedures for obtaining goods and services that are not required to be competitively bid.

The County procured approximately \$145.5 million in goods and services from 2,539 vendors during the audit period. We selected a judgmental sample of payments totaling approximately \$8.6 million to 100 vendors who were paid a total of \$43.9 million. The 100 payments included 50 payments totaling \$6.8 million requiring bids, 15 payments totaling \$1.6 million requiring requests for proposals (RFPs), and 35 payments totaling \$180,000 requiring written or verbal quotes. We requested the payment vouchers for each of the 100 payments and examined the backup documentation to determine whether payments were properly approved. We also requested bid, quote and RFP documentation for each voucher and reviewed the documentation to determine whether the purchase met the requirements of GML and the County's procurement policy. Other than minor discrepancies that we discussed with County officials, all payments examined were properly approved and met the criteria in GML and the County's procurement policy.

Conclusion

We commend County officials for effectively managing the procurement process. Effectively managing the procurement process ensures the prudent and economical use of public funds.

1 Purchases made through the New York State Office of General Services, purchases made through certain county and federal contracts, purchases made using certain contracts let by other states or political subdivisions, emergency purchases, professional services and purchase from legitimate sole source.

2 Currently \$20,000 for purchases and \$35,000 for public works

Appendix A: Response From County Officials



Matt B. Murell
Chairman

Richard Keaveney
Deputy Chairman

Ronald Knott
Deputy Chairman

Columbia County Board of Supervisors

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Hudson, New York 12534

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Kelly S. Baccaro
Clerk

Angela L. Rothermel
Deputy Clerk

January 23, 2018

Ms. Tenneh Blamah, CPA
Chief Examiner
Office of the State Comptroller
Division of Local Government and School Accountability
33 Airport Center Drive, Suite 103
New Windsor, NY 12553

Dear Ms. Blamah,

Columbia County accepts the findings of the Columbia County Procurement Report of Examination 2017M-249.

Columbia County will continue to effectively manage the procurement process to ensure the prudent and economical use of public funds.

Sincerely,

Matt B. Murell
Chairman

Appendix B: Audit Methodology and Standards

We conducted this audit pursuant to Article V, Section 1 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the New York State General Municipal Law. To achieve the audit objective and obtain valid audit evidence, we performed the following audit procedures:

- We interviewed County officials to gain an understanding of the County's policies and procedures to procure goods and services.
- We reviewed the County's procurement policy to determine compliance with General Municipal Law and best business practices.
- We judgmentally selected 100 vendors by selecting the 100 vendors who received the highest total dollar amounts during the audit period. We judgmentally selected 100 payment vouchers from those vendors by selecting one voucher for each vendor to determine whether approvals were in accordance with GML and the County's procurement policy.
- We reviewed bid files, RFP files and quotes for the selected vouchers to determine whether they complied with GML and the County's procurement policy.

We conducted this performance audit in accordance with GAGAS (generally accepted government auditing standards). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Unless otherwise indicated in this report, samples for testing were selected based on professional judgment, as it was not the intent to project the results onto the entire population. Where applicable, information is presented concerning the value and/or size of the relevant population and the sample selected for examination.

Appendix C: Resources and Services

Regional Office Directory

www.osc.state.ny.us/localgov/regional_directory.pdf

Cost-Saving Ideas – Resources, advice and assistance on cost-saving ideas

www.osc.state.ny.us/localgov/costsavings/index.htm

Fiscal Stress Monitoring – Resources for local government officials experiencing fiscal problems

www.osc.state.ny.us/localgov/fiscalmonitoring/index.htm

Local Government Management Guides – Series of publications that include technical information and suggested practices for local government management

www.osc.state.ny.us/localgov/pubs/listacctg.htm#lmgm

Planning and Budgeting Guides – Resources for developing multiyear financial, capital, strategic and other plans

www.osc.state.ny.us/localgov/planbudget/index.htm

Protecting Sensitive Data and Other Local Government Assets – A non-technical cybersecurity guide for local government leaders

www.osc.state.ny.us/localgov/lgli/pdf/cybersecurityguide.pdf

Required Reporting – Information and resources for reports and forms that are filed with the Office of the State Comptroller

www.osc.state.ny.us/localgov/finreporting/index.htm

Research Reports/Publications – Reports on major policy issues facing local governments and State policy-makers

www.osc.state.ny.us/localgov/researchpubs/index.htm

Training – Resources for local government officials on in-person and online training opportunities on a wide range of topics

www.osc.state.ny.us/localgov/academy/index.htm

Contact

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