From: Ruud, Andy (SAO)
To: Steve Austin
Cc: Darren White; Michelle Courtney; Brillantes, Heide (SAO); Jones, Travis (SAO)
Subject: RE: AFG - Federal Procurement Requirements
Date: Monday, December 20, 2021 10:00:33 AM
Attachments: image001.png
image003.png

Hi Steve,
Thank you for your response. Regarding the information we received from the Fire Chief, our email below documented our conclusions based on the documentation already provided by the Fire Chief. Based on the documentation, we were unable to conclude as to whether the following was performed (see original email below for more detail):

- Independent Cost/Price Analysis
- Evaluation of bidding and procurement procedures to ensure compliance with the most restrictive of Federal, State, and Local requirements
- Most qualified vendor was chosen
- Interlocal agreement was signed with PPA

Please let me know if there is further documentation that we have not yet received that show compliance with each requirement. Additionally, please let me know if you have any questions or if you would like to set up a meeting to go over these items in more detail.
Also, thank you for the clarification regarding suspension and debarment. We will ensure that our documentation reflects a records retention issue instead.
Thank you,

Andy Ruud
Assistant State Auditor
Office of the Washington State Auditor
www.sao.wa.gov

From: Steve Austin <saustin@clarkston-wa.com>
Sent: Friday, December 17, 2021 10:04 AM
To: Ruud, Andy (SAO) <andy.ruud@sao.wa.gov>
Cc: Darren White <firechief@clarkston-wa.com>; Michelle Courtney <mcourtney@clarkston-wa.com>; Brillantes, Heide (SAO) <brillantesh@sao.wa.gov>; Jones, Travis (SAO) <jonest@sao.wa.gov>
Subject: RE: AFG - Federal Procurement Requirements

External Email

Andy –
I've talked with Darren on the below issues. I believe he sent some information that he was provided by the lead agencies. If we need to reach out to them again, let us know.
On the suspension and debarment – I know that this was checked. I confirmed with the Fire Department before vendor checks were processed that the vendors were eligible for payment because of the federal funding. (i.e. not suspended or debarred) I was given confirmation verbally that they had been checked for suspension and debarment and were eligible. I understand this is not

documented, but the statement that the City did not verify is incorrect.
Steve

From: Ruud, Andy (SAO) <andy.ruud@sao.wa.gov>
Sent: Thursday, December 2, 2021 11:58 AM
To: Steve Austin <saustin@clarkston-wa.com>
Cc: Darren White <firechief@clarkston-wa.com>; Michelle Courtney <mcourtney@clarkston-wa.com>; Brillantes, Heide (SAO) <brillantesh@sao.wa.gov>; Jones, Travis (SAO) <jonest@sao.wa.gov>
Subject: AFG - Federal Procurement Requirements

Good morning Steve,

As noted in our last meeting, we contacted our single audit specialists team to request additional guidance specific to the City's procurement activities funded by the AFG grant. The procurement requirements applicable to the AFG grant are attached.

Per our review of procurement activities, we noted the following preliminary issues:

- **Written procurement procedures:** Because the City used purchase cooperatives for purchases made with Federal Awards, we would expect that the City's procurement policy addresses specific piggybacking requirements.

- **Written Standards of Conduct Policy that include Conflict of Interest:** The City's conflict of interest policy allows for public employees to accept gifts of up to $20 in value. The City does not have a policy in place that disallows officers, employees, and agents to solicit or accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts.

- **Procurement:** The City used the piggyback procurement method to purchase Handheld Radios (from the Washington State Department of Enterprise Services) and SCBAs from the (Public Procurement Authority). We noted the following issues:

    - We cannot confirm whether a cost/price analysis was performed. The City did not retain documentation to confirm the lead public agencies (Washington State Department of Enterprise Services and Public Procurement Authority) performed a cost/price analysis as part of their procurement process. In addition, if the City cannot obtain proof that the lead public agencies performed this analysis, the City must conduct their own independent cost/price analysis and retain records of this analysis, which the City did not.
    - We cannot confirm whether the City conducted their own evaluation of the bidding documentation obtained from the lead public agencies (Washington State Department of Enterprise Services and Public Procurement Authority) to ensure procurement procedures conducted by the lead public agencies were in compliance with the most restrictive of federal, WA State, or local procurement requirements applicable to the City. The City did not retain documentation/proof of this evaluation.
    - Per documentation obtained by the City, we cannot confirm whether the Public Procurement Authority chose the most qualified vendor. The only proposal provided was the proposal from LN Curtis & Sons.
    - For the SCBA purchase with LN Curtis & Sons, the City signed an interlocal agreement with NPPgov. However, NPPgov was not the Lead Public Agency. Instead, the City

should have entered into an interlocal agreement with the Public Procurement Authority (PPA) which was the Lead Public Agency.

- **Suspension and Debarment:** The City did not verify the vendors were not suspended or debarred from participating in federal programs.

Is the City able to obtain and provide us with additional documentation from the lead public agencies to support their procurement activities? At this time, we do not have the (1) cost/price analysis from both lead public agencies, and (2) all proposals from the Public Procurement Authority. Please let me know if there is any documentation that we have not received that would show that these requirements were in fact met or whether you agree with the preliminary conclusions reached.

Thank you,

Andy Ruud
Assistant State Auditor
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