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OSIG NEWS

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OSIG Finds eVA Does Not Meet Procurement Needs of Commonwealth's Institutions of Higher Education

The Virginia Office of the State Inspector General (OSIG) has published its performance audit report on the Virginia Department of General Services' (DGS) eVA eProcurement Bureau (eVA), which outlines findings and recommendations for improvement. eVA serves as Virginia's online electronic procurement system used by state agencies, institutions of higher education and local governments.

"eVA was selected for audit based on OSIG's work plan, which identifies areas for potential improvement in effectiveness, efficiency and economy of operations," said State Inspector General Michael C. Westfall. "The objectives of the audit included determining if the eProcurement Bureau had defined goals and, if so, was meeting those goals, as well as if eVA fees are being applied fairly and effectively." The audit scope covered July 1, 2016, through December 31, 2017.

What OSIG found

While Higher Education accounts for more than 49 percent of eVA fees paid by state entities during fiscal year 2017, surveys of and interviews with procurement professionals at several Tier II and Tier III universities indicate eVA does not meet all of their e-procurement needs and they have elected to use alternate systems to complete their purchasing needs.

OSIG also found that eVA's vendor registration process needs improvement. Without formalized policies and procedures, DGS staff run the risk of taking inconsistent approaches to registrations. OSIG also found a lack of clarity in the eVA fee schedule and a need for more defined and distinct performance measures for the process.

What OSIG recommended

OSIG recommended that DGS staff include Higher Education when new procurement platforms are discussed and take into account Higher Education and other state agencies' specific procurement needs. OSIG also recommended that the eVA policies and procedures manual be updated to ensure that the vendor registration process is clear and conducted in a timely manner, and that vendors are more stringently vetted to confirm they are authorized to conduct business in the Commonwealth.

OSIG also recommended that DGS improve transparency of eVA fee amounts.

“DGS’ published eVA fee schedule does not detail all factors used to calculate assessed fees,” said Westfall. “OSIG performed a recalculation of the fees using data obtained directly from eVA and the published fee schedule, which resulted in a material difference from DGS’ calculations for fiscal year 2017 fee amounts.”

The Code of Virginia does not require DGS to establish goals for the eVA program; OSIG recommended that DGS add defined and trackable performance measures. OSIG also recommended that the bureau improve communication with users when any updates are made to the system.

DGS management plans to implement corrective actions through June 2021. Read the Virginia Department of General Services: eVA eProcurement Bureau performance audit report [here](#).

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Established in 2012, the Virginia Office of the State Inspector General (OSIG) manages the State Fraud, Waste and Abuse Hotline; conducts investigations and performance audits of state agencies; provides training and standards for the commonwealth’s internal audit divisions; and conducts inspections and reviews of Department of Behavioral Health and Developmental Services-run facilities and programs.