Public Procurement Monitoring in the Washington, DC Metro Region

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Why Care About Public Procurement?

Large sums of money involved

- Estimates of total US state/local public procurement spend run to around $700 billion annually

Relatively high risk of corruption/fraud

- Globally, it has been estimated that 20 – 25% of total public procurement spend is lost to corruption/fraud

Not just a problem in developing countries

- CityTime scandal in NY - $600 million cost to city taxpayers
- WMATA $14 million no-bid contract
- Chicago red light camera scandal - $2 million in bribes paid
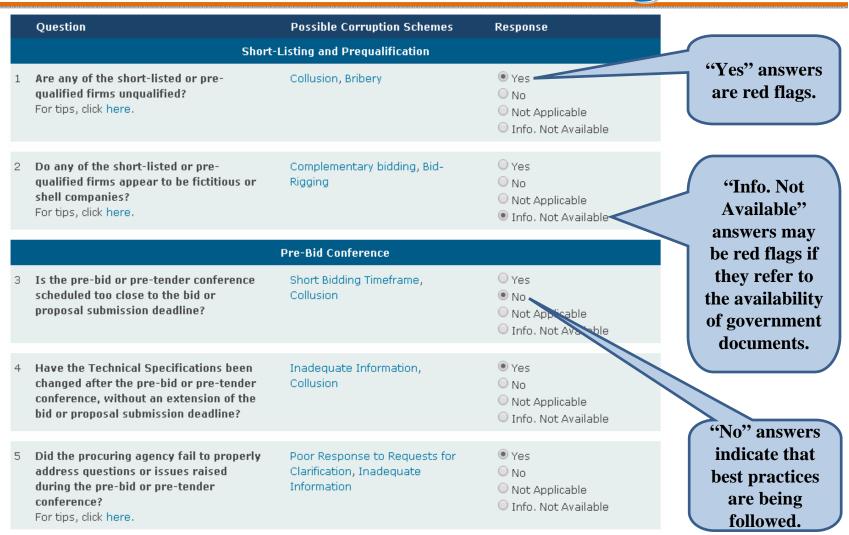
What is Procurement Monitoring?

Third party observation, tracking, or oversight of the public procurement process

- "Social witness" program where a citizen representative sits on the bid evaluation committee

- "Macro" monitoring where outside groups analyze procurement award and spending patterns

- "Micro" monitoring where outside groups track individual public procurements for warning signs of corruption and/or fraud

TI – USA's Civil Society Procurement Monitoring Tool

- Divides the procurement process up into discrete phases: planning, bidding, evaluation, implementation

- Interactive checklist of questions that track international best practices

- Allows user to identify "red flags" or warning signs of corruption and/or fraud

- When multiple procurements are monitored, allows users to diagnose strengths and weaknesses of public procurement systems

TI – USA's Civil Society Procurement Monitoring Tool

Question	Possible Corruption Schemes	Response
Short-Listing and Prequalification		
1 Are any of the short-listed or pre-qualified firms unqualified? For tips, click here.	Collusion, Bribery	◉ Yes ○ No ○ Not Applicable ○ Info. Not Available
2 Do any of the short-listed or pre-qualified firms appear to be fictitious or shell companies? For tips, click here.	Complementary bidding, Bid-Rigging	○ Yes ○ No ○ Not Applicable ◉ Info. Not Available
Pre-Bid Conference		
3 Is the pre-bid or pre-tender conference scheduled too close to the bid or proposal submission deadline?	Short Bidding Timeframe, Collusion	○ Yes ◉ No ○ Not Applicable ○ Info. Not Available
4 Have the Technical Specifications been changed after the pre-bid or pre-tender conference, without an extension of the bid or proposal submission deadline?	Inadequate Information, Collusion	◉ Yes ○ No ○ Not Applicable ○ Info. Not Available
5 Did the procuring agency fail to properly address questions or issues raised during the pre-bid or pre-tender conference? For tips, click here.	Poor Response to Requests for Clarification, Inadequate Information	◉ Yes ○ No ○ Not Applicable ○ Info. Not Available

"Yes" answers are red flags.

"Info. Not Available" answers may be red flags if they refer to the availability of government documents.

"No" answers indicate that best practices are being followed.

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Procurement Monitoring in DC, MD, and VA

- Partnership with American University's School of International Service
- Project ran from January – April 2015
- 21 procurements monitored
  - 8 in Washington, DC
  - 6 in Prince George's County, MD
  - 7 in Arlington, VA
- Bidding and evaluation phases monitored

What We Examined

- E-procurement websites
  - Transparency
  - Ease of use
- Procurement regulations
  - Anti-corruption provisions
  - Conflict of interest provisions
  - Sole-sourcing provisions
- FOIA procedures

Website Transparency

What information would we like to see?

- Bidding documents with technical specifications and evaluation criteria
- Key elements of all bids
- Bid evaluation documents
- Award decisions
- Complaints
- Contracts and contract modifications
- Contract delivery evaluation reports and audits

More Information Available Here

Virginia's [eVA](#) Website Has Several Advantages

- **Centralization**
  - Used by all state agencies
  - Used by 676 local public bodies (including Arlington and Arlington PS)

- **Ease of use**
  - Searchability
  - Video tutorial

- **Transparency (although uneven)**

- **Archives (although not complete)**

Washington's E-procurement Could Be More Centralized

- ## Centralization
  - [Main website](#) run by OCP
  - But other agency specific-websites – DCPS, Gen Services, Parks & Recreation, etc.

- ## Ease of use
  - Not searchable
  - Does have explanatory transparency section

- ## Transparency
  - Does not group all documents relating to a single procurement

- ## Archives (although not complete)

Prince George's E-procurement Could Be More Centralized

- **Centralization**
  - [Main website](#) run by Contract Administration and Procurement Division
  - But other agency specific-websites – PGPS, Public Library, etc.

- **Ease of use**
  - Not searchable
  - Does not have transparency section

- **Transparency**
  - Does not group all documents relating to a single procurement

- **Archives**
  - Does not make contracts available