

MEDICAL UNIVERSITY OF SOUTH CAROLINA

PROCUREMENT AUDIT REPORT

JULY 1, 2006 – JUNE 30, 2009

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April 30, 2010

Mr. R. Voight Shealy
Materials Management Officer
Procurement Services Division
1201 Main Street, Suite 600
Columbia, South Carolina 29201

Dear Voight:

We have examined the procurement policies and procedures of the Medical University of South Carolina for the period July 1, 2006 through June 30, 2009. As part of our examination, we studied and evaluated the system of internal control over procurement transactions to the extent we considered necessary.

The evaluation established a basis for reliance upon the system of internal control to assure adherence to the Consolidated Procurement Code, State regulations and the procurement policy of the Medical University of South Carolina. Additionally, the evaluation determined the nature, timing and extent of other auditing procedures necessary for developing an opinion on the adequacy, efficiency and effectiveness of the procurement system.

The administration of the Medical University of South Carolina is responsible for establishing and maintaining a system of internal control over procurement transactions. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of

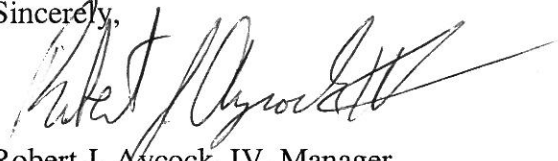
control procedures. The objectives of a system of internal controls are to provide management with reasonable, but not absolute, assurance of the integrity of the procurement process, that affected assets are safeguarded against loss from unauthorized use or disposition and those transactions are executed in accordance with management's authorization and are recorded properly.

Because of inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation of the system of internal controls over procurement transactions, as well as our overall examination of procurement policies and procedures, were conducted with professional care. However, because of the nature of audit testing, they would not necessarily disclose all weaknesses in the system.

The examination did, however, disclose conditions enumerated in this report which we believe need correction or improvement. Corrective action based on the recommendations described in these findings will in all material respects place the Medical University of South Carolina in compliance with the Consolidated Procurement Code and ensuing regulations.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert J. Aycock, IV", written in a cursive style.

Robert J. Aycock, IV, Manager
Audit and Certification

INTRODUCTION

We conducted an examination of the internal procurement operating policies and procedures of Medical University of South Carolina, hereinafter referred to as the University. We conducted our on-site review from October 20, 2009 through December 16, 2009 covering the audit period July 1, 2006 through June 30, 2009. We conducted our audit under authority granted in Section 11-35-1230(1) of the South Carolina Consolidated Procurement Code and Section 19-445.2020 of the accompanying regulations.

The examination was directed principally to determine whether, in all material respects, the procurement system's internal controls were adequate and the procurement procedures, as outlined in the Internal Procurement Operating Procedures Manual, were in compliance with the South Carolina Consolidated Procurement Code and its ensuing regulations.

On June 21, 2006 the State Budget and Control Board granted the University the following procurement certifications:

<u>PROCUREMENT AREAS</u>	<u>CERTIFICATION LIMITS</u>
Supplies and Services	\$ 500,000 per commitment
Consultant Services	\$ 125,000 per commitment
Information Technology	\$ 500,000 per commitment
Construction Contract Award	\$ 500,000 per commitment
Construction Contract Change Order	\$ 250,000 per change order
Architect/Engineer Contract Amendment	\$ 25,000 per amendment

We performed our audit to determine if recertification is warranted. Additionally, the University requested the following increased certifications:

<u>PROCUREMENT AREAS</u>	<u>CERTIFICATION LIMITS</u>
Supplies and Services	\$1,000,000 per commitment
Consultant Services	\$ 500,000 per commitment
Information Technology	\$1,000,000 per commitment
Construction Contract Award	\$ 500,000 per commitment
Construction Contract Change Order	\$ 250,000 per change order
Architect/Engineer Contract Amendment	\$ 25,000 per amendment

SCOPE

We conducted our examination in accordance with Generally Accepted Auditing Standards as they apply to compliance audits. Our examination encompassed a detailed analysis of the internal procurement operating procedures of the University and its related policies and procedures manual to the extent we deemed necessary to formulate an opinion on the adequacy of the system to properly handle procurement transactions.

We selected samples for the period July 1, 2006 through June 30, 2009 of procurement transactions for compliance testing and performed other audit procedures that we considered necessary to formulate this opinion. Specifically, the scope of our audit included, but was not limited to, a review of the following:

- (1) Procurement transactions for the period July 1, 2006 through June 30, 2009 as follows:
 - a) One hundred and nine payments each exceeding \$2,500 with exceptions noted in Section II of the report
 - b) A purchase order block sample review for the period January 2, 2009 through June 30, 2009 to check against the use of order splitting and favored vendors with no exceptions
 - c) Procurement card transactions for February and March 2009 with exceptions noted in Section III of the report
- (2) Eleven construction contracts with four being Indefinite Delivery Contracts and seven Architect/Engineer and Related Professional Service Contracts with four being Indefinite Delivery Contracts for compliance with the Manual for Planning and Execution of State Permanent Improvements – Part II with exceptions noted in Section IV of the report.
- (3) All sole source, emergency, and trade-in sale procurements for the period October 1, 2005 through June 30, 2009, with exceptions noted in Section I of the report

- (4) Minority Business Enterprise Plans and reports with the following activity reported to the Governor's Office of Small and Minority Business Assistance:

<u>Fiscal Year</u>	<u>Goal</u>	<u>Actual</u>
FY06-07	\$647,813	\$ 487,284
FY07-08	\$575,241	\$ 707,157
FY08-09	\$604,032	\$1,579,904

- (5) Approval of the most recent Information Technology Plan with no exceptions
- (6) Internal procurement procedures manual with no exceptions
- (7) Surplus property disposition procedures with no exceptions
- (8) Ratification of unauthorized procurements with no exceptions
- (9) File documentation and evidence of competition with no exceptions
- (10) Other tests performed as deemed necessary with no exceptions

SUMMARY OF RESULTS

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A.	<u>Missing Sole Source and Emergency Documentation</u>	
	No documentation could be located for 50 sole source procurements having a total value of \$2,329,579. No documentation could be located for 17 emergency procurements having a total value of \$897,798.	8
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The University supported a procurement with downloaded internet catalog pricing instead of making solicitations of competition. 14

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The bidding schedules of two solicitations did not provide a place for bidders to claim end product preferences. 14

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Our review of procurement card activity identified 12 procurements artificially divided into 26 transactions to circumvent competition requirements. No competition was solicited. 15

IV. Indefinite Delivery Contracts

We noted an indefinite delivery contract (IDC) which required competitive quotes but none were made. On another IDC for architectural/engineering (A/E) services, the A/E did not comply with the conditions set forth in the contract by failing to itemize invoices for services performed. 15

RESULTS OF EXAMINATION

I. Sole Source, Emergency and Trade-in Sale Procurements

Our review of sole source, emergency, and trade-in sale procurements reported to the Materials Management Office (MMO) for the period October 1, 2005 through June 30, 2009, identified the following issues.

A. Missing Sole Source and Emergency Documentation

Of the 1,564 sole source procurements totaling \$135,055,989 reported to MMO for the period October 1, 2005 through June 30, 2009, no documentation could be located for 50 procurements having a total value of \$2,329,579. See Attachment 1 for further details.

Of the 50 missing sole source procurements, 42 with a value of \$1,921,741, were managed by the same procurement officer. This procurement officer had been located at the University's Physical Plant. Approximately eighteen months prior to our audit, the University relocated the procurement officer to the main Procurement Office. We were told records were lost in this relocation.

Additionally, no documentation could be located for 8 other sole source procurements valued at \$407,838 managed by all other procurement officers.

Of the 74 emergency procurements totaling \$5,365,175 reported to MMO for the period October 1, 2005 through June 30, 2009, no documentation could be located for 17 procurements having a total value of \$897,798. See Attachment 2 for further details.

Per section 11-35-2430 of the South Carolina Consolidated Procurement Code, "All procurement records of governmental bodies shall be retained and disposed of in accordance with records retention guidelines and schedules approved by the Department of Archives and History after consultation with the Attorney General." Regulation 19-445.2005(B), states, "Each governmental body must maintain procurement files sufficient to satisfy the requirements of external audit."

Absent documentation to support the \$2,329,579 in sole sources and \$897,798 in emergencies, these procurements, by law, must be considered exceptions.

We recommend the University safeguard its records to prevent loss and to adhere to record retention guidelines and schedules approved by the Department of Archives and History.

B. Missing Drug-Free Workplace Certifications

During our review of sole source procurements, we identified 14 procurements valued at \$2,586,369 in which Drug-Free Workplace Certifications were not obtained. See Attachment 3 for further details.

Per Section 44-107-30 of the Drug-Free Workplace Act, “No person, other than an individual, may receive a domestic grant or be awarded a domestic contract for the procurement of goods, construction, or services for a stated or estimated value of fifty thousand dollars or more from any state agency unless the person has certified to the using agency that it will provide a drug-free workplace...”

We recommend the University obtain signed Drug-free Workplace Certifications from vendors on all future procurements of \$50,000 or more as required by the Act.

II. Supplies and Services Procurements

A. Unjustified Bid Withdrawals

We noted two instances where the University allowed low bidders to withdraw their bids in violation of the Procurement Code.

<u>PO Number</u>	<u>PO Date</u>	<u>Description</u>	<u>Amount</u>
PO641587	12/06/06	Floor Installation	\$182,908
PP664883	11/21/08	Copper Roof Replacement	\$183,714

The vendor providing the lowest bid in the amount of \$104,000 on solicitation 4749-09-29-06-2139N for floor installation (PO641587) submitted an email to the University requesting to withdraw its bid after bid opening due to scheduling issues and profit and loss concerns. The vendor stated, “There is no question we could successfully perform work but after review with (University staff) on actual scheduling I don’t [*sic*] it would be effective on a P&L basis with the small amount of floor available each time.” The University issued a purchase order to the next low bidder in the amount of \$182,908 costing an additional \$78,908. The vendor’s written request to withdraw his bid does not document that an error was made nor does it document that the bid will cause substantial loss. In fact the email does not state that the bid will cause any loss. Further, the University failed to prepare a written determination of appropriateness to permit the bid withdrawal. The undocumented decision to allow withdrawal cost the University an additional \$78,908.

The low bidder for copper roof replacement (PP664883) offered a bid of \$140,000. The University allowed the bidder to withdraw its bid immediately after bid opening. A note in file indicated the bidder claimed to have made a material mistake. The file did not document how the bidder’s offer was clearly an error that would cause substantial loss nor did the file contain a written determination of appropriateness to permit the bid withdrawal.

Per Regulation 19-445.2085(A), “A bidder or offeror must submit in writing a request to either correct or withdraw a bid to the procurement officer. Each written request must document the fact that the bidder’s or offeror’s mistake is clearly an error that will cause him substantial loss. All decisions to permit the correction or withdrawal of bids shall be supported by a written determination of appropriateness made by the chief procurement officers or head of a purchasing agency, or the designee of either.” We were provided no written determinations approved by either a chief procurement officer or the University President authorizing withdrawal of these two bids.

We recommend the University comply with the requirements relating to the correction or withdrawal of bids by vendors in Regulation 19-445-2085(A) so a careful review of the decision can be made and documented. A written determination approved by an official with the requisite authority is required to allow a bidder to withdraw any bid.

B. Procurements Not Competed

Several procurements were not supported by solicitations of competition.

<u>PO Number</u>	<u>PO Date</u>	<u>Description</u>	<u>Amount</u>
MF080065	11/05/07	Subscription Fee to On-line Database for Lab Animal Care	\$ 8,400
PO644524	10/17/07	Mouse/Rat Serology Assessment Profile	\$ 3,943
PO662300	06/16/09	Lab Animal Services Study	\$36,843

The procurement file for a subscription to an on-line database for lab animal care did not contain evidence of solicitations of competition. For Mouse/Rat Serology Assessment Profile and Lab Animal Services Study, the University applied a procurement code exemption for veterinary services customarily obtained on a fee basis rather than by competitive solicitations to each of the procurements. We do not consider mouse/rat serology assessment and lab animal services study to qualify as veterinary services.

Additionally, MUSC provided us with a letter dated July 12, 1991, approving specific veterinary supplies as exempt. We see no correlation between the exemption and serology and lab testing services.

Section 11-35-1550(2)(b) of the Procurement Code requires competitive solicitations of written quotes from a minimum of three qualified sources of supply for procurements over \$2,500 up to \$10,000. Section 11-35-1550(2)(c) requires written solicitations of written quotes, bids or proposals and advertising in the South Carolina Business Opportunities for procurements over \$10,000 up to \$50,000.

We recommend the University comply with the competitive requirements of the Procurement Code as required by the statute.

C. Unjustified Procurement Method

The University procured software system implementation and training using request for proposals (RFP). The award amounted to \$54,659 on purchase order PO660081 issued on June 5, 2008. The procurement file did not contain a written determination to support the use of a RFP for this procurement. Section 11-35-1530(1) of the Procurement Code states in part, “if a purchasing agency determines in writing that the use of competitive sealed bidding is either not practicable or not advantageous to the State, a contract may be entered into by competitive sealed proposals...”

We recommend the University comply with the requirement for a written determination supporting the use of competitive sealed proposals over competitive sealed bidding.

D. Unauthorized Charges Made Against Blanket Purchase Agreement

The University used a blanket purchase agreement for purposes other than those established in the agreement.

<u>PO Number</u>	<u>PO Date</u>	<u>Description</u>	<u>Amount</u>
BF090029	02/05/09	Blanket Agreement for Camera Repairs	\$20,000

The University established the agreement to repair cameras that were no longer under warranty. Actual charges made against the agreement included storage card access, crash bar conversions, maglocks, door repairs, and card reader replacements. Regulation 19-445.2100(B)(3)(a) requires for blanket purchase agreements that a statement be included for what the supplier shall furnish such as supplies, services, or information technology.

We recommend the use of blanket purchase agreements by the University be limited to the purpose stated in the agreement.

E. Inappropriate Use of Exemption

A software maintenance agreement procured under a Board-granted exemption for software license renewals did not meet the criteria established for the exemption because the original software license was not competitively procured, but procured through a sole source.

<u>PO Number</u>	<u>PO Date</u>	<u>Description</u>	<u>Amount</u>
MG100006	6/24/09	Maintenance Support	, \$16,523

The Board exempted from the purchasing procedures of the Procurement Code license agreements for computer software after such software has been competitively bid as required by the Procurement Code.

On April 22, 2008, the chief procurement officer (CPO) for information technology issued guidance¹ on this exemption. Excerpts from that document state:

If the software was procured through a competitive solicitation, then the renewal of that license is exempt.... However, not all software on state term contract is competitively procured. Some is acquired under a sole source executed by the Chief Procurement Officer. In these cases, the exemption would not apply to renewal of either the license or maintenance.

The fact that the CPO or an agency procured software through a sole source would not matter. The exemption would not apply in either case since the procurement would not be competitively made.

We recommend the University follow the CPO guidance in using this exemption.

¹ The full text of the CPO guidance is available on the web at:
http://www.mmo.sc.gov/MMO/webfiles/MMO_POL_GD/Exemption_78_Clarification.pdf

F. Procurement with Inadequate Competition

The University supported the following procurement with internet quotes instead of making solicitations of competition.

<u>PO Number</u>	<u>PO Date</u>	<u>Description</u>	<u>Amount</u>
PO635994NT	10/23/07	EKG machines	\$9,580

Section 11-35-1550 (2)(b) requires solicitations of competition from a minimum of three qualified vendors for procurements from \$2,500 to \$10,000. Downloading of pricing from the internet with no direct contact with vendors does not meet the definition of a solicitation.

While searching the internet for prospective contractors is a valid initial approach, we recommend direct communication with vendors when soliciting quotes to obtain the best available pricing for the State.

G. Preference Allowances not Provided on Bidding Schedules

The bidding schedules of two solicitations did not provide a place for bidders to claim end product preferences as instructed on the second page of the solicitations.

<u>PO Number</u>	<u>PO Date</u>	<u>Description</u>	<u>Amount</u>
FA642902	6/19/08	Camera System and DVR's	\$117,181
FA652121	5/29/07	Durasteel Building	\$45,831

The solicitations referenced section 11-35-1524 of the Procurement Code, which provides a preference to vendors offering South Carolina end-products or United States end-products, among other preferences, as long as the vendor checks the appropriate space on the bidding schedule and signs the offer. However, the University did not include the appropriate space on the bidding schedules.

We recommend that qualifying solicitations include a designated space on the bidding schedules for vendors to claim preferences.

III. Artificially Divided Procurement Card Transactions

We obtained procurement card statements for February and March, 2009 to review all procurement card activity for compliance to the University's Procurement Card Procedures Manual. Our review of procurement card activity identified 12 procurements artificially divided into 26 transactions to circumvent competition requirements. No competition was solicited. See Attachment 4 for details.

Per the University's Purchasing Card Procurement Manual, page 4, "Multiple transactions to the same vendor on the same day when the combined total of orders exceed the purchasing card transaction limit of \$2,500 are considered splitting purchases. Several transactions to one vendor in a day greater than \$2,500 is [*sic*] absolutely not allowed."

Per 11-35-1550(2)(b) of the Procurement Code, "Solicitation of written quotes from a minimum of three qualified sources of supply must be made and documentation of the quotes attached to the purchase requisition for a small purchase over two thousand five hundred dollars but not in excess of ten thousand dollars." The statute also states, "Procurement requirements must not be artificially divided...."

We recommend the University more closely review procurement card activity to prevent artificially divided transactions that circumvent competition requirements.

IV. Indefinite Delivery Contracts

We noted an indefinite delivery contract (IDC) which required competitive quotes but none were made.

<u>PO Number</u>	<u>Date</u>	<u>Description</u>	<u>Amount</u>
PP664527	05/02/08	Bee Street MRI	\$141,056

The total price for all work to be performed (including modifications to the delivery order) was \$150,893.53. Of this amount, \$104,725.00 (69.4%) was not covered by the cost guide unit prices used for contract pricing. Because more than 20% of the work was not covered by the cost guide unit pricing, competitive quotes should have been solicited from multiple IDC contractors.

Per Section 9.2.3(B) of the Manual for Planning and Execution of State Permanent Improvements - Part II (Revised 2008), "If an agency proposes to issue a delivery order when more than 20% of the work is not covered by the cost data guide, the agency must solicit competitive quotes on the work from multiple IDC contractors."

We recommend the University adhere to the requirements established in the Manual for Planning and Execution of State Permanent Improvements - Part II regarding the use of cost data guides by contractors.

On another IDC for architectural/engineering (A/E) services, invoices submitted to the University by the A/E reflected a lump sum amount as allowed in Section 9.1.2(A) of the Manual for Planning and Execution of State Permanent Improvements -Part II (Revised 2008). However, the A/E did not comply with the conditions set forth in the contract by failing to itemize invoices for services performed.

<u>PO Number</u>	<u>Date</u>	<u>Description</u>	<u>Amount</u>
PP664146	10/25/07	Roofing/Waterproofing Consulting Service	\$25,725

A section of the contract titled Procurements Relating to Professional Services/Payments states in part, "Dates, hours, type of work, hourly rate, and specific location of work shall be itemized on all invoices."

We recommend the University ensure that future contracts established between the University and A/Es which require invoices to reflect date, hours, type of work, hourly rate, and specific location of work performed be adhered to by the A/E when submitting invoices for payment.

CONCLUSION

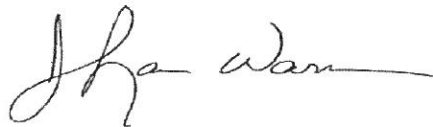
We must state our concern over the number of missing sole source and emergency procurement documents. The University should re-evaluate how it files documents.

As enumerated in our transmittal letter, corrective action based on the recommendations described in this report, we believe, will in all material respects place the Medical University of South Carolina in compliance with the Consolidated Procurement Code and ensuing regulations.

We are not recommending increased certification at this time. Under the authority described in Section 11-35-1210 of the South Carolina Consolidated Procurement Code, subject to the corrective action outlined in the report, we recommend the Medical University of South Carolina be recertified to make direct agency procurements at the current limits for three years as follows:

<u>PROCUREMENT AREAS</u>	<u>CERTIFICATION LIMITS</u>
Supplies and Services	*\$ 500,000 per commitment
Consultant Services	*\$ 125,000 per commitment
Information Technology	*\$ 500,000 per commitment
Construction Contract Award	\$ 500,000 per commitment
Construction Contract Change Order	\$ 250,000 per change order
Architect/Engineer Contract Amendment	\$ 25,000 per amendment

* Total potential purchase commitment whether single year or multi-term contracts are used.



J. Lane Warren, CFE, CBM
Audit Manager



Robert J. Aycock, IV, Manager
Audit and Certification



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June 1, 2010

Mr. R. Voight Shealy
Materials Management Officer
Procurement Services Division
1201 Main Street, Suite 600
Columbia, South Carolina 29201

Dear Mr. Shealy,

We wish to thank you for the information received in this report as well as the professional manner in which your auditors conducted themselves. The Medical University of South Carolina takes the findings reported in this audit seriously and pledges to address them properly.

MUSC agrees with the findings and acknowledges the inability to produce some backup documents for these type purchases. We have analyzed the findings and have discovered that almost all findings related to Sole Source and Emergency Procurements were the result of serious operational issues within one functional area and with regard to one procurement officer. These issues led to an inability to produce backup documentation for a certain period of time. We have since reviewed these purchases to ensure they met the criteria for being a sole source or emergency procurement.

MUSC has been aware of these problems for some time now. The current Procurement Director was hired on July 1, 2008. Almost immediately, the procurement officer in question was relocated away from the functional area and into the Procurement Office where they could be effectively supervised. Additionally, MUSC Purchasing began digitally scanning all Procurement Documents, eliminating the need to store paper documents. This move significantly reduced instances of lost documents and made the location of historical documents much faster and easier. Finally, it should be noted that the procurement officer in question has been counseled and will be retiring from the University within the next 90 days.

The results of this audit should attest to the effectiveness of the operational changes that were made. Of the Sole Source and Emergency Procurement findings, 99% of them occurred prior to July 1, 2008. Only 4 findings related to Supplies and Services Procurements occurred after July 1, 2008 and only 1 finding related to Indefinite Delivery Contracts occurred after July 1, 2008.

Thank you for bringing these issues to our attention and allowing us the opportunity to demonstrate our commitment to correcting them.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa P. Montgomery", is written over a light blue circular stamp.

Lisa P. Montgomery
Vice President
Finance and Administration

LPM:wj

MARK SANFORD, CHAIRMAN
GOVERNOR

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STATE TREASURER

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FRANK W. FUSCO
EXECUTIVE DIRECTOR

June 1, 2010

Mr. R. Voight Shealy
Materials Management Officer
Materials Management Office
1201 Main Street, Suite 600
Columbia, South Carolina 29201

Dear Voight:

We have reviewed the response from the Medical University of South Carolina to our audit report for the period of July 1, 2006 to June 30, 2009. Also we have followed the University's corrective action during and subsequent to our fieldwork. We are satisfied that the Medical University of South Carolina has corrected the problem areas and the internal controls over the procurement system are adequate.

Therefore, we recommend the Budget and Control Board grant the Medical University of South Carolina the certification limits noted in our report for a period of three years.

Sincerely,

Robert J. Aycock, IV, Manager
Audit and Certification

RJA/gs

Total Copies Printed	11
Unit Cost	\$ 1.05
Total Cost	<u>\$11.55</u>

Attachment 1

Missing Sole Source Documentation-Buyer 1

Quarter	PO Number	Description	Amount
July/Sept06	PO641197	Repair/Labor Compressor	\$3,943
	PO641372	Upgrade-Switchgear Controls	7,250
	PO641438	Motor/Wheels/Blade	8,416
	PO641379	Materials and Labor	5,154
	PO641357	Chiller Maint. Ext.	116,532
	PO641400	Repair-Blower	20,000
Jan/Mar07	PO641649	Utilities Relocation	35,849
	PO641654	Bus Shelters	44,000
	PO641503	Refrigerant Plains	6,130
Apr/Jun07	PO641762	Install Temp Monitoring	119,095
	PO641790	Kit Trap Cooling Mod.	20,100
	PO641812	MeasureSupply/Exhaust Map	188,375
	PO641800	Cleanroom Retrofit	158,110
	PO641825	Remove/Replace Thermax	13,525
July/Sept07	PO641985	Installing Elevator/Cylinder	87,226
	PO664000	2 nd Floor Nurse Call Station	47,501
	PO641511	Perform Thermography	3,928
	PO641929	Repair Air Compressor #1	3,958
	PO641930	Repair Air compressor #2	3,958
	PO641798	Cleaning of Gen Tanks	18,700
	PO641987	Rent 50 ton AC Unit	28,512
Oct/Dec07	PO641551	Metasys Tie in	9,800
	PO664087	Glass Bead Clean	4,200
	PO641826	Repair Vacuum Pump	\$883
	PO664194	Off Contract Elevator Repair	100,000
	PO664099	Add 6 Foot Pedals to Sink	5,991
	PO664117	Test/Inspect Alarm Devices	240,000
	PO664160	Chair Base Replacement	11,000
	PO641989	Install Firm Alarm System	74,378
	PO664161	Expand Remote Monitor	31,684
	PO664122	Boiler Control System	77,970
PO664086	Hosp Fuel Tank Clean/Treat	60,955	
Apr/Jun08	PO664407	Service Hot Generator	2,818
	PO664537	Equipment Repair	2,566

Quarter	PO Number	Description	Amount
	PO664501	Off contract Water Treatment	100,000
	PP664160	C/O to PP664160	687
	PP664570	SCE&G	21,159
	PP664577	No Desc. Provided	9,308
	PO641834	Repairs to Gens 1,2,3	43,267
	PO664557	Maint Strom Thurm. Equip	47,533
	PO664558	Maint Equip Strom Research	62,280
	PO664456	Boiler Repair as Needed	75,000
Total:			\$1,921,741
			(42)

Missing Sole Source Documentation-All Other Buyers

Quarter	PO Number	Description	Amount
Apr/Jun06	PO630117	E-Research Edu. Licenses	\$12,000
	PO630111	SE Training	3,350
July/Sept06	PO630125	Server/Production Site	27,500
Oct/Dec06	PO630130	Process Management	100,000
Jan/Mar07	PO630141	Training/Training	5,141
Apr/Jun07	PO630151	Anti-Spam Software	129,830
July/Sept06	MF070069	Maint. (12 Months)	\$129,912
	PO646085	Housing Assessment	105
Total:			\$407,838
			(8)
Grand Total:			\$2,329,579
			(50)

Attachment 2

Missing Emergency Procurement Documentation

<u>Quarter</u>	<u>PO Number</u>	<u>Description</u>	<u>Amount</u>
Jan/Mar07	641525A	Radiator	3,340
	641736	Rent Air Compressor	25,000
	641755	Install Condensate Pump	5,000
Apr/Jun07	641726	Extended Water System	97,395
	641753	Replace Underground Elec.	45,000
	641756	Waterproof Air Handler Flo	8,995
	641879	Remove Water from BSB	42,788
	641888	Chiller Cont. Extension	123,210
Oct/Dec07	90165	Repair Sidewalk	4,250
	MG080003	9 Month Ext-Interim Elev.	406,314
	641786	Rental-Generator	3,796
	664015	Repair AH#1 Steam Line	2,765
	664038	Weld Piping for AH Repairs	3,625
	664045	6 Month Ext-Water Treat.	97,395
	664056	Repair Pump #1 CMH	2,633
	664077	Remove Water-1 st /3 rd Floor	6,292
	664098	Portable Fuel Storage	20,000
Jan/Mar08	664254	Floor Repair under AH	75,000
Total:			\$972,798
			(18)

Attachment 3

Missing Drug-Free Workplace Documentation

<u>Quarter</u>	<u>PO Number</u>	<u>Description</u>	<u>Amount</u>
Oct/Dec05	PO654032	Elevator Repair	\$249,000
Jan/Mar06	PO641184	Water Treatment	97,395
	PO635467	Diverset Compounds Format	97,200
	PO641144	Elevator Repair	472,200
	PO641089	Install/Upgrade Meter System	88,860
Apr/Jun06	PO641288	Labor Engineering and Comm.	87,857
	PO641294	200 Ton Chiller	94,187
	PO641301	570 Ton Chiller	161,342
	PO633450	Prof. Services Agreement	50,000
July/Sept07	PO641904	Boiler Maint. Parts/Labor	50,000
	PO633660	Op. Cost-Enterprise Health	250,000
July/Sept08	LG120014	MICR/DP75 MICR	463,328
	PO664566	MetaSys Off Contract	350,000
	PO664720	Boiler Service	75,000
Total:			\$2,586,369
			(14)

Attachment 4

Artificially Divided Procurement Card Transactions

<u>Statement Date</u>	<u>Purchase Date</u>	<u>Amount</u>	<u>Description</u>
February 2009	12/11/08	\$1,115.33	Printing of 24 hour neonatal patient record
	12/11/08	<u>2,341.19</u>	Printing of 24 hour critical care patient care
		\$3,456.52	
February 2009	1/22/09	\$1,577.46	Printing of 24 hour neonatal patient record
	1/22/09	<u>2,341.18</u>	Printing of 24 hour critical care patient care
		\$3,918.64	
February 2009	1/15/09	\$2,265.64	Bus 86 repair – front axle, steering
	1/15/09	<u>1,237.56</u>	Bus 86 repair – rear brakes
		\$3,503.20	
February 2009	1/29/09	\$1,396.48	Test answer sheets
	1/30/09	<u>1,396.48</u>	Test answer sheets
		\$2,792.96	
February 2009	10/20/08	\$1,685.00	Peptide synthesis/conjugation
	10/21/08	<u>1,805.00</u>	Peptide synthesis/conjugation
		\$3,490.00	
February 2009	1/13/09	\$1,148.00	Parts for stock – 2 channel loop detector
	1/13/09	<u>2,096.25</u>	Parts for stock – display board
		\$3,244.25	
February 2009	1/21/09	\$2,267.87	Cannula
	1/21/09	<u>754.12</u>	Cannula
		\$3,021.99	
February 2009	2/9/09	\$2,500.00	Plaques and letters for recognition wall
	2/9/09	<u>2,444.95</u>	Plaques and letters for recognition wall
		\$4,944.95	
February 2009	1/15/09	\$2,476.50	Lab supplies – gloves, gowns, masks, caps, shoe covers,
	1/15/09	<u>2,381.65</u>	Lab supplies – gowns
	1/21/09	<u>2,481.30</u>	Lab supplies – gloves
		\$7,339.45	

Statement Date	Purchase Date	Amount	Description
March 2009	3/9/09	\$2,500.00	Model 9650 IP phones
	3/18/09	2,499.00	Model 9650 IP phones
	3/20/09	<u>2,499.99</u>	Model 4610 VOIP phones
		\$7,498.99	
March 2009	3/18/09	\$1,255.56	Cleaning supplies – waste pipe cleaner
	3/18/09	<u>1,383.19</u>	Cleaning supplies – gloves, disinfectant, glass cleaner, vacuum bags
		\$2,638.75	
March 2009	3/6/09	\$2,283.50	PCI interface connection & retractable lever
	3/6/09	<u>2,225.50</u>	PCI interface connection & smart control interface module
		\$4,509.00	