



Georgia Department of Audits and Accounts Performance Audit Division

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Why we did this review

The House Appropriations Committee asked that we review the Georgia Department of Transportation's (GDOT) process for soliciting and evaluating bids for capital projects. Based on the request, we evaluated: how contracts for capital projects are procured; whether the bid solicitation and evaluation processes are efficient, and what options are available to allow contractors to appeal when their bids are rejected.

About Capital Projects

Established in fiscal year 2012, the capital projects budget program includes funding for: new construction of state roads and bridges; improvements to, or replacement of, existing roads and bridges; and project management and oversight for local projects. These construction activities are procured through a traditional, low-bid process, or an innovative process, also known as design-build.

Between fiscal years 2015 and 2019, the total annual expenditures for capital projects ranged from a low of \$1.5 billion to a high of \$2.3 billion. During the same period, GDOT awarded 1,237 contracts. Of these 1,215 (98%) were awarded through the traditional procurement process while 22 (2%) were awarded through the design-build process.

Georgia Department of Transportation

Requested Information on Capital Project Procurement

What we found

The Georgia Department of Transportation (GDOT) operates its traditional and design-build process for procuring capital projects in accordance with state and federal standards and both procurement processes are applied consistently. We also determined that GDOT has controls in place to ensure that awards are reasonable, vendors are removed from consideration when appropriate, and vendors are not removed arbitrarily.

GDOT is responsible for procuring capital projects, which include new construction of state roads and bridges and certain improvements to, or replacement of, existing roads and bridges. While GDOT operates several procurement processes, this review focuses on two: the traditional low-bid method, which is the most common, and the design-build method, which provides flexibility and additional opportunities for innovation when necessary.

From fiscal year 2015 to 2019, GDOT awarded 1,237 contracts for capital projects that were valued at approximately \$6.1 billion.¹ Of the 1,237 awards, 1,028 (83%) included federal funds and 209 (17%) included only state and/or local funds. In fiscal year 2019, GDOT awarded over \$1.3 billion in contracts to 78 different vendors.

The Federal Highway Administration (FHWA) oversees transportation projects funded, wholly or in part, with federal-aid highway funds, and establishes the procurement requirements for these projects. While projects that do not include federal funds are

¹ During the same period, local governments awarded 409 contracts, valued at approximately \$581 million. GDOT can authorize local governments to manage their own projects; while overseen by GDOT, these projects were outside the scope of this review.

not governed by federal law, GDOT has chosen to apply the same standards and processes to all projects, regardless of funding.

While there are differences in the two procurement methods reviewed, both: advertise the project for a specified time, require vendors be prequalified before bidding on a project, and open bids on a designated day. Also, for both procurement methods, GDOT staff conduct site visits, gather input from program staff, and identify materials and services. Engineers and estimators then use this information in conjunction with an analysis of cost data from current and past projects to develop a cost estimate, which is used to assess bids. Additionally, GDOT obtains approvals from, and sends reports to, FHWA throughout the process as required.

Traditional procurements accounted for 98% (1,215 of 1,237) of the awards made from fiscal year 2015 to 2019. During fiscal year 2019, 273 projects were advertised, and 968 bids were received in response. In order to be deemed the lowest-responsive bidder, and eligible for award, the bid must meet all requirements of the proposal and be evaluated as reasonable. Of the 968 bids received, 9 (0.9%) were deemed non-responsive and removed from further consideration. All were rejected in accordance with standards and properly documented. Of the nine, five vendors did not include the required information with their submission. GDOT determined there was too much risk associated with awarding a contract to the remaining four vendors, based on several different standards. We also found that contracts were awarded in a timely manner. During fiscal year 2019, GDOT took an average of 42 calendar days to move from advertisement to award; of this time, 28 calendar days were for advertising.

Design-build procurements accounted for 2% (22 of 1,237) of the awards made from fiscal years 2015 to 2019. During fiscal years 2018 and 2019, ten projects were advertised. Of the 53 respondents for these projects, 9 were eliminated from consideration. In each case, the decision was in accordance with standards and properly documented; eight were eliminated because they did not score high enough compared to the others and one was eliminated due to a conflict of interest.

Our review also assessed options regarding an appeal process. Currently, the traditional process does not include one; however, there are several points within the design-build process for vendors to request a meeting with GDOT. Vendors can also request a de-briefing at the end of the design-build process to obtain feedback on their submission; additionally, they may request that GDOT reconsider the award decision. According to staff, no vendor has requested reconsideration of the award. Based on the assessment of the procurement processes, we did not identify a specific need for change. As noted above, there were few instances of bids being removed from consideration and controls were present to ensure advertisement and evaluation were conducted consistently. If GDOT were to implement an appeal process for the traditional method, or change the current design-build process, FHWA would have to approve the changes.

Finally, GDOT does not operate a different procurement process for federally funded and non-federally funded projects. While GDOT could change advertising timelines or eliminate certain requirements if it were to operate a separate process, these changes carry risks and we did not identify improved efficiencies that would warrant such changes.

What we recommend

This report is intended to answer questions posed by the House Appropriations Committee and to help inform policy decisions.

Summary of Response: In its response, GDOT agreed with the findings in the report.

Table of Contents

Purpose of the Special Examination	1
Background	1
GDOT Governance and Organization	1
Capital Projects	3
Procurement of Capital Projects	3
Funding	10
Activity Data	11
Requested Information	13
Finding 1: GDOT's traditional procurement process provides reasonable assurance that the lowest responsive bidder is awarded the contract.	13
Finding 2: GDOT's design-build process is a reasonable procurement option for capital projects when innovation and flexibility are needed.	17
Finding 3: No issues were identified with the procurement system that would suggest an appeals process is necessary; however, GDOT could determine it beneficial to do so.	19
Finding 4: Any potential changes to the traditional procurement process must be balanced with ensuring proper stewardship, fairness to vendors and a recognition of best practices.	20
Appendices	23
Appendix A: Objectives, Scope, and Methodology	23
Appendix B: GDOT Organizational Chart	26
Appendix C: Design-Build Vendor Selection Methods	27

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Purpose of the Special Examination

This review of the Georgia Department of Transportation's (GDOT) process for procuring capital projects was conducted at the request of the House Appropriations Committee. We limited our review to the projects procured by GDOT and the methods used to procure them.² Our examination focuses on the following:

1. How does GDOT procure contracts for capital projects?
2. Could GDOT's bid solicitation process be made more efficient?
3. Could GDOT's bid evaluation process be made more efficient?
4. What options could be considered to allow contractors to protest bids rejected for contracts funded by the capital projects program?

A description of the objectives, scope, and methodology used in this review is included in [Appendix A](#). A draft of the report was provided to GDOT for its review, and pertinent responses were incorporated into the report.

Background

GDOT Governance and Organization

The Georgia Department of Transportation (GDOT) is responsible for planning, designing, constructing, maintaining, and improving Georgia's roads and bridges. According to O.C.G.A. 32-2-2, GDOT manages all state and federal funds for transportation. The department is overseen by a 14-member board, which appoints the commissioner, approves long-range transportation plans, oversees the administration of construction contracts, and authorizes lease agreements. The Director of Planning, who is appointed by the Governor, oversees the development of long-range transportation plans and programs. GDOT's Commissioner maintains responsibility for day-to-day operations (see [Appendix B](#) for GDOT's organizational structure).

Capital projects
are those funded
to construct and
maintain roads
and bridges.

As part of its responsibilities for constructing, maintaining and improving roads and bridges, GDOT procures construction services for capital projects from private vendors. The processes for procuring these services is the focus of this review.

GDOT's Chief Engineer oversees procurement functions and, with the exception of the Division of Planning, supervises the offices responsible for performing functions related to the procurement of capital projects. These offices and their responsibilities are described below (see [Exhibit 1](#)).

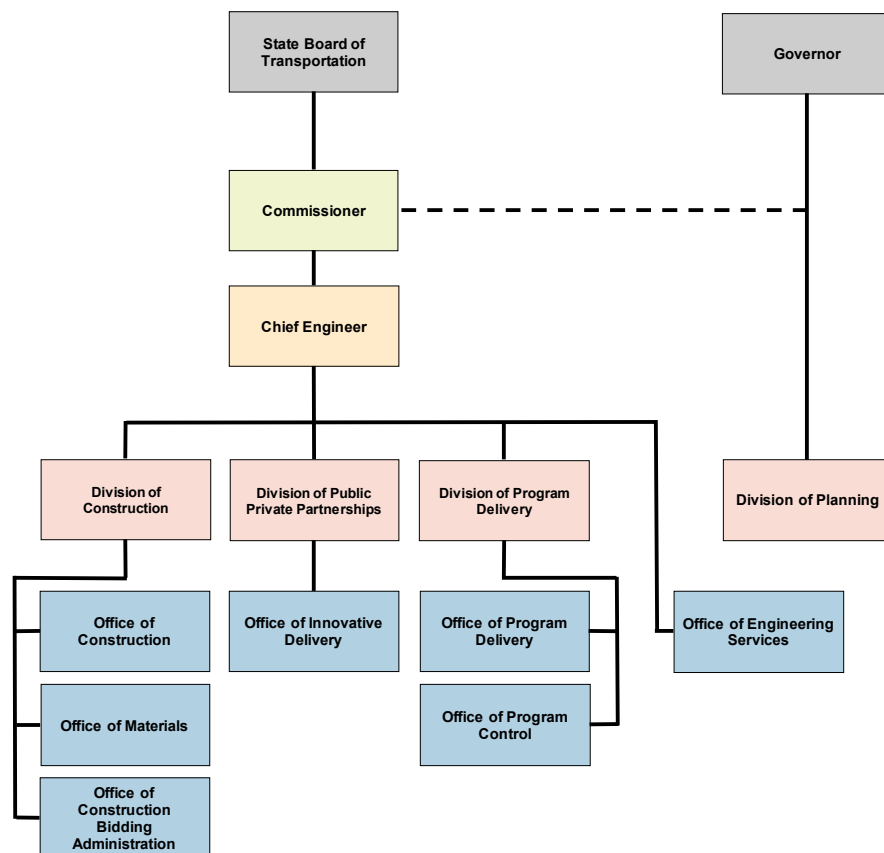
- The **Division of Planning** distributes funding among all transportation projects. It develops initial cost estimates and recommends years for implementation based on funding availability and project readiness. Planning Division staff may also recommend the procurement method for individual projects.
- The **Division of Program Delivery** includes the Program Delivery Office, which ensures all design and planning items are completed as required prior

² Local governments can request and receive permission to procure projects directly. These were not included in the scope of this review.

to procurement, and the Program Control Office, which maintains schedules for all GDOT projects. Program Control also adjusts project schedules to ensure compliance with the funding level authorized during each fiscal year.

- The **Division of Construction's** three offices procure and oversee construction projects. The Office of Construction Bidding Administration (CBA) oversees capital projects through the traditional procurement process. The Office of Construction conducts compliance audits and investigations and addresses citizen concerns. The Office of Materials tests materials used in construction and maintenance activities.
- The **Division of Public Private Partnerships** manages GDOT's innovative methods of procurement, which include the public-private partnerships (P3) and the design-build methods.³ Its Office of Innovative Delivery (OID) manages the design-build procurement method.
- The **Office of Engineering Services (OES)** calculates cost-based estimates for projects prior to opening bids and assists in the analysis of vendor cost proposals.

Exhibit 1 Multiple Offices and Divisions are Involved in GDOT Procurements¹



¹ These offices perform the procurement related activities discussed in this review.
Source: GDOT documents

³ This review does not include P3. As of the end of fiscal year 2019, two P3 contracts had been awarded – the 285/400 interchange and the Northwest Corridor project.

Capital Projects

In fiscal year 2012, the General Assembly established capital maintenance and capital construction as budget programs. These two budget programs, along with local roads assistance administration, make up the capital projects program which funds new construction of state roads and bridges as well as certain improvements to, or replacement of, existing roads and bridges. It also includes funding for local enhancement projects used for alternative transportation; these funds cannot be spent on roads and bridges.

The capital projects budget program does not include funding for routine maintenance, landscaping, weigh stations, and rest areas. These functions are performed by GDOT's routine maintenance program and are procured through a separate process. Administrative costs associated with procuring and managing capital projects are also funded outside this capital projects budget program.

Procurement of Capital Projects

GDOT procures capital projects through two methods: traditional and innovative. The traditional method is the most common, requiring the vendor to provide construction services according to GDOT's design. The innovative method requires the vendor to provide design and construction services, which offers additional flexibility when a project needs to be accelerated, requires an innovative design, or is in response to an emergency. As noted earlier, there are two options under the innovative method; this review focused on the design-build method. GDOT staff determine when to use the traditional or design-build method.

The Federal Highway Administration (FHWA) oversees transportation projects funded, wholly or in part, with federal-aid highway funds. Federal law established requirements for procuring capital projects that use federal funding, regardless of procurement method. FHWA also approves state procurement policies. While projects that do not include federal funds are not governed by federal law, GDOT applies the same standards to all projects, regardless of funding. **Exhibit 2** shows the source of the requirements.

While there are differences between the traditional and design-build methods, in both GDOT: advertises the project for a specified time, develops project cost estimates, requires vendors be prequalified before bidding on a project, and opens bids on a designated day. Additionally, approvals are obtained from and reports are sent to FHWA as required throughout the process. Specifics on how both processes operate are discussed in the following sections and an overview of the processes are provided in **Exhibits 3 and 4**.

Exhibit 2

Federal Laws and Regulations Govern Procurement Activities and State Law Overlaps in Some Areas

	Requirements for All Processes ¹	Federal	State ²
Prepare Proposal	Approve all policies and procedures ³	X	
	Ensure opportunities for Disadvantaged Business Enterprises to participate	X	
	Identify all documents required to be submitted to be responsive	X	X
	Develop an engineer's estimate for each proposal	X	
	Approval to advertise proposal ³	X	X
Solicit Bids	Proposals must be advertised for three weeks	X	X ⁵
	Obtain approval to amend proposal during advertisement period ³	X	
	Ensure all vendors receive any amendment to proposal during advertisement	X	
	Requires vendors be prequalified ⁴		X
Evaluate Bids	Use engineer's estimate to evaluate bids	X	
	Calculate vendors maximum capacity		X
	Do not consider geographic location of vendor in evaluation	X	
	Do not target vendors of a certain size	X	
	Award all contracts by public bid	X	X
	Obtain approval to award contract ³	X	
	Award to the lowest responsive bidder	X	
Execute Contracts	Justify decision to reject all bids ³	X	
	Provide tabulation of all bids	X	
Approval to begin construction phase ³		X	
Applicable to Design-Build Process Only			
	Obtain approval of Request for Proposal document	X	
	Establish necessary advertisement length and bid solicitation schedule	X	
	Keep record of any oral presentations	X	
	Ensure information provided to one vendor is provided to all	X	
	Award all contracts in accordance with the Request for Proposal	X	X

¹ The requirements listed represent the primary steps in the procurement processes. Other requirements apply as well.

² GDOT has developed policies and procedures to operationalize the state and federal laws and regulations.

³ FHWA is the federal approving authority; depending on the required approval, it may be provided by the GDOT Board or the GDOT Commissioner.

⁴ Vendors submit a financial statement, information on their organization, work performed and statement of equipment.

⁵ State law requires that proposals be advertised for two weeks.

Source: Federal and state laws and regulations

Traditional Method

The traditional method is designed to ensure an award is made to the lowest-responsible bidder. An individual capital project is ready to move to procurement once all preconstruction activities are complete and the Office of Construction Bidding Administration (CBA) receives the final construction plans and reports.⁴ While CBA manages the procurement, the Office of Engineering Services (OES) prepares the cost estimate, which is based on actual and historical costs, to be used to evaluate bids. During the procurement, bids are evaluated by two committees:

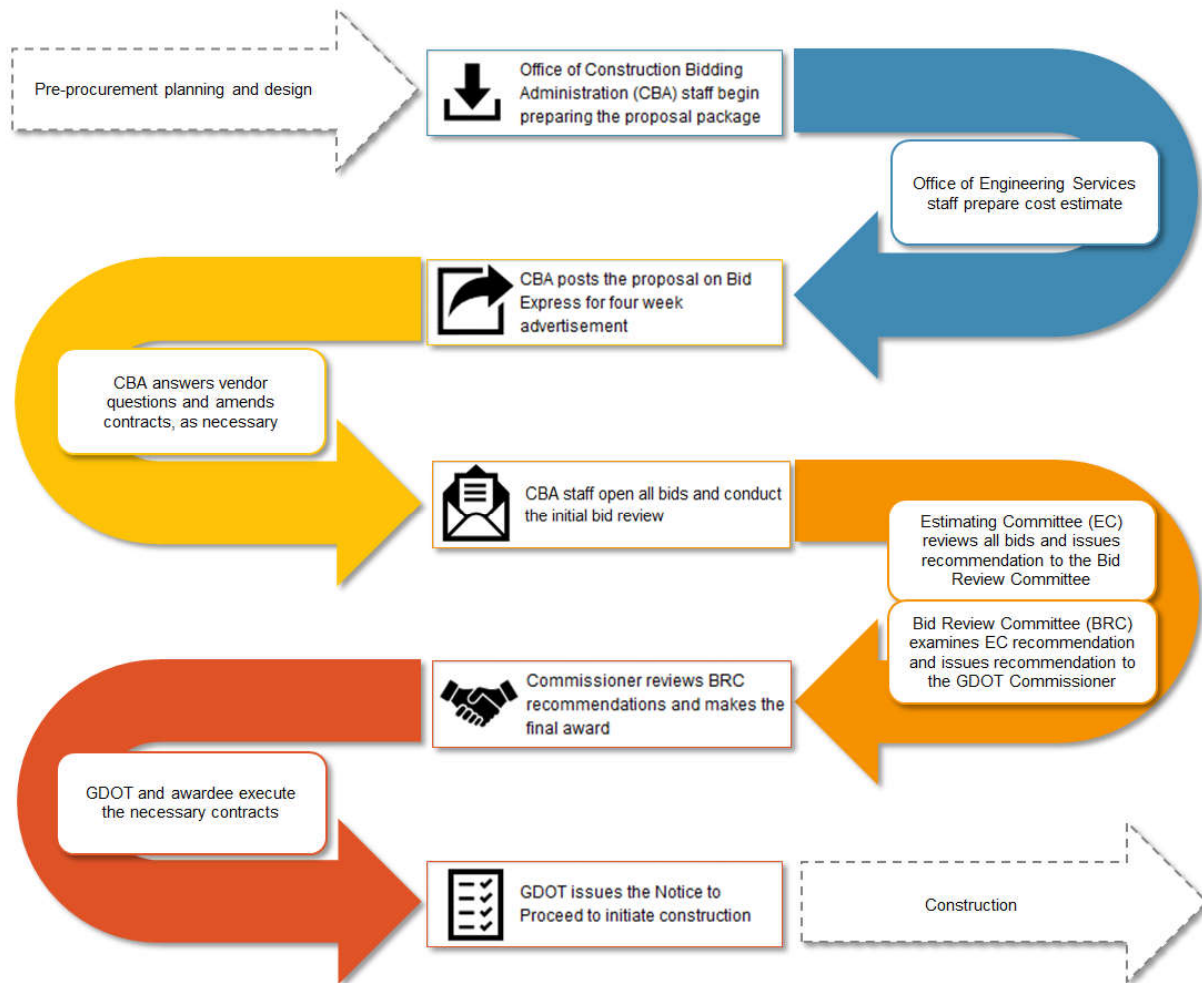
- Estimating Committee - comprised of the State Construction Engineer, State Project Review Engineer, State Maintenance Engineer, the State Transportation Office Engineer, the Chief Estimator, and other members as approved by the Chief Engineer.
- Bid Review Committee - comprised of the Chief Engineer, the Deputy Commissioner, and the Division Directors of Construction, Engineering, and Permits and Operations.

Each month, multiple capital project proposals are advertised through Bid Express, a web-based system. In fiscal year 2019, an average of 23 project proposals were advertised each month, ranging from 5 in February to 57 in June. CBA adheres to a strict sequence of steps to advertise proposals that culminates with the opening of bids, usually scheduled for the third Friday of the month. The opening is followed by another strict sequence of steps to evaluate the bids. **Exhibit 3** provides an overview of the process.

During the four-week advertising period, CBA answers questions submitted by vendors and amends proposals, as necessary. Once the advertising period closes, CBA opens the bids and conducts an initial review to identify responsive bids that constitute the apparent bidders list, which is posted to Bid Express.

⁴ Pre-construction activities include acquiring right-of-way, acquiring necessary environmental permits, and relocating utilities, among others.

Exhibit 3 The Traditional Method Includes Multiple Steps and Participants



Source: DOAA review of federal and state law and GDOT documents

The Estimating Committee continues the bid evaluation by reviewing pricing. It reviews all apparent bids for reasonable conformance to the engineer's estimate.⁵ It then compares the lowest apparent bid to the others to identify and determine justifications for differences. The committee may identify problems with unit prices that raise questions about reasonableness. For example, the committee may determine a bid is "unbalanced" because the individual bid items do not reasonably reflect actual costs. In such cases, the committee deems the bid non-responsive and evaluates the next lowest bid. The committee automatically recommends that GDOT reject any bids more than 10% over the engineer's estimate. Following its review, the committee

⁵ Apparent bids and bidders are those that have met requirements to continue in the procurement process and are posted on GDOT's procurement website.

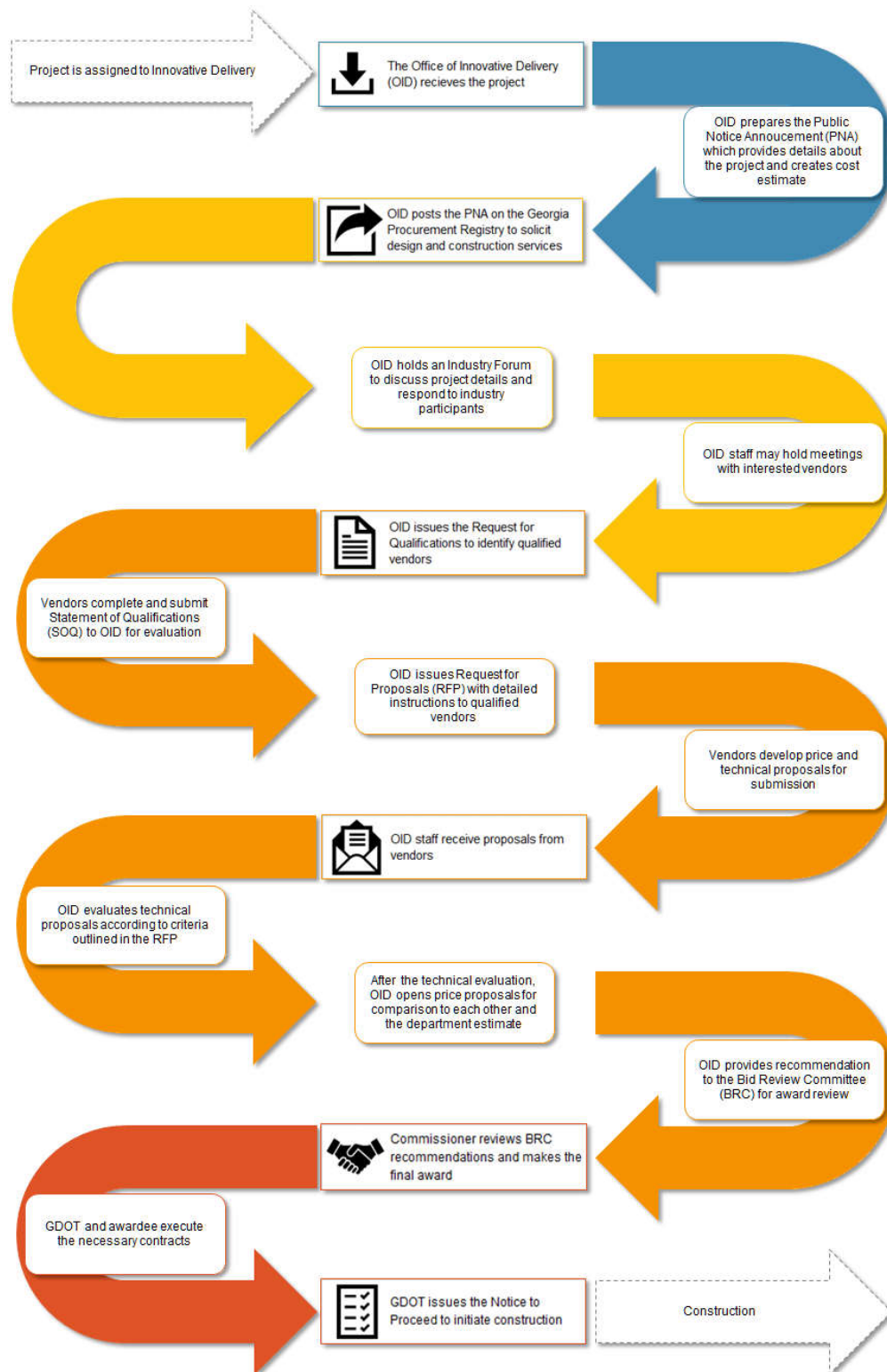
recommends to the Bid Review Committee that the contract be awarded to the apparent low bidder, rejected, or deferred.⁶

The Bid Review Committee reviews the Estimating Committee's recommendation. It also reviews various bid comparison reports and may request information from CBA, OES, and associated program staff. The Bid Review Committee considers project urgency, safety, and market conditions in addition to the cost considerations when conducting its review. For example, the Bid Review Committee may recommend award to the lowest bidder, even if that bid is more than 10% over the engineer's estimate, if it determined safety considerations outweighed the cost considerations. The Bid Review Committee recommends to the GDOT Commissioner that the contract be awarded, rejected, or deferred.

When completion time is of particular importance, GDOT can require vendors submit a time estimate to be evaluated in addition to the unit-based pricing. These cost+time proposals require vendors to provide the usual unit pricing for the construction, as well as the number of days estimated to complete the project. The number of days is multiplied by GDOT's cost-per-day for that project to arrive at a time cost. The total unit price and time costs are totaled for each bid and used to determine the lowest bid among all vendors. The State Construction Office recommends when to use cost+time proposals for the Chief Engineer to approve. According to GDOT staff, cost+time can be used for any type of project but is primarily used for widening projects.

⁶ The decision to defer may be made to allow additional time for permitting, right-of-way acquisition or utility issues to be addressed.

Exhibit 4 The Design-Build Process Includes Multiple Steps and Participants



Source: DOAA review of federal and state law and GDOT documents

Innovative Method – Design-Build Method

The design-build procurement method allows GDOT to obtain both design and construction services under a single contract ([Exhibit 4](#) provides an overview of the process). GDOT reports that this method, which speeds up the project delivery schedule by overlapping the design and construction phases, can be effective for projects that require acceleration, have complex construction issues, have opportunities for innovation, or occur due to an emergency. This method also transfers more of the project's risk to the vendor.

Under design-build, vendors submit a technical design proposal and a price proposal. GDOT evaluates them separately, which allows it to balance the quality of the design with the price. These procurements are executed as they arise; there is not a routine monthly advertisement as there is with the traditional process.

OID manages the design-build process, which begins when it receives a project concept. As with the traditional method, OES develops an engineer's estimate which serves as a point of comparison for all price proposals. However, there are three ways vendors can be selected: best value, one-phase low bid, or two-phase low bid.⁷ These tools differ in the way vendors are invited to continue in the process and the scoring weight applied to the price and the design proposals (see [Appendix C](#) for further discussion of the selection methods). While OID operates the advertising process, the Bid Review Committee evaluates the bid results and approves or rejects the final award recommendation.

The design-build advertising process is multi-step; it begins with a Public Notice Announcement, in the Georgia Procurement Registry, and an industry forum. During the forum, staff discuss issues such as the project's delivery goals, scope, potential risks, as well as GDOT's role in the project, the responsibilities of the vendor team, and the information to be submitted in response to the Request for Qualifications (RFQ). The RFQ specifies the minimum qualification requirements for the project, to which interested vendors respond with a statement of qualifications. Based on the statement of qualifications, and depending on the vendor selection method, all vendors continue in the process or certain vendors are selected to continue (see [Appendix C](#)). Those vendors continuing in the process are sent a Request for Proposals (RFP) which contains the project scope and instructions. In response, vendors submit a technical and price proposal for evaluation.

For each project, OID convenes a technical review committee made up of members with required expertise and develops evaluation criteria specific to the project. The committee evaluates the technical proposal according to the established criteria and completes the evaluation forms within the specified timeframes. As with the traditional method, there is a designated day for opening price proposals; however, OID does not open and review price proposals until after the technical evaluation is complete. It compiles information from the technical evaluation and the price proposal review and sends a summary of its findings to the Bid Review Committee.

⁷ Two-phase low bid has two options for selecting proposers to participate in the RFP phase. Under the *shortlist method*, OID evaluates qualifications and ranks proposers to invite the most highly qualified to submit a proposal. In the *all qualified method*, OID evaluates qualifications and allows all proposers who met the minimum standards to submit a proposal.

Using this information, the Bid Review Committee decides whether to award the project.

During the review process, vendors have two opportunities to request feedback from GDOT. If the vendor is screened out following the statement of qualifications review, it has 30 days to request written feedback on its statement of qualifications. Unselected vendors have the same option to request written feedback following the award announcement. In both instances, after reviewing the feedback, the vendor may request a meeting with GDOT to discuss the information further. Instructions for requesting such a meeting are included in the RFQ and RFP.

Funding

The capital projects program is funded with federal, state, and other funds (see Exhibit 5) and covers all costs associated with construction including engineering, right-of-way acquisition, and construction. The state receives cost reimbursements from the Federal-Aid Highway Program for approved construction projects. State funds are received from the state's motor fuel taxes appropriated solely for use on Georgia's roads and bridges. Other funds are received from local governments, Transportation Investment Act funds, and bonds. These funds are collected for projects that require local governments to provide matching funds and come from local sales tax, SPLOST, TSPLOST, and other sources.

Exhibit 5 Capital Projects Program has Expended Approximately \$2 Billion Annually Fiscal Years 2015-2019

	Fiscal Year				
	2015	2016 ¹	2017	2018	2019
Revenue					
State Motor Fuel Taxes	\$278,300,087	\$788,922,054	\$898,520,820	\$937,270,808	\$1,004,825,441
Federal ²	1,200,127,001	1,200,127,001	1,208,708,616	1,208,708,616	1,195,708,616
Other ²	<u>56,246,237</u>	<u>56,246,237</u>	<u>56,246,237</u>	<u>56,246,237</u>	<u>61,651,004</u>
Total Revenue	\$1,534,673,325	\$2,045,295,292	\$2,163,475,673	\$2,202,225,661	\$2,262,185,061
Expenditures³					
Capital Construction	\$1,232,489,892	\$1,566,534,944	\$1,453,114,390	\$1,636,931,400	\$1,682,998,526
Capital Maintenance	119,045,072	431,951,621	644,007,140	408,777,446	492,202,080
Local Roads	94,323,974	45,312,418	68,086,606	45,544,677	22,321,612
Transportation Investment Act	<u>93,726,398</u>	<u>150,895,111</u>	<u>122,677,750</u>	<u>24,434,942</u>	<u>48,462,969</u>
Total Expenditures	\$1,539,585,337	\$2,194,694,094	\$2,287,885,887	\$2,115,688,466	\$2,245,985,188

¹ In fiscal year 2015, the General Assembly passed the Transportation Funding Act to increase funds available for transportation; the increase is reflected beginning in fiscal year 2016 revenue.

² According to GDOT staff, federal and other revenue is based on prior year amounts which may be adjusted throughout the year based on actual expenditures.

³ The difference between revenues and expenditures is due to the multi-year length of projects.

Source: GDOT financial reports

Activity Data

Between July 2015 and June 2019, GDOT oversaw 1,737 capital project procurements, including those managed by GDOT and those managed by local governments (see **Exhibit 6**). GDOT managed 76% of the procurements with an estimated value of \$7.2 billion while local governments managed the remaining 24% with an estimated value of \$582 million.⁸

The 1,737 procurements resulted in 1,646 contracts being awarded over the five-year period. The remaining 91 (5%) procurements ended with the projects being withdrawn prior to bids being received or all bids being rejected. Of 1,646 contracts awarded, 78% (1,276 of 1,646) included federal funds, while 22% (370 of 1,646) included only state and/or local funds.

GDOT-Managed Procurements

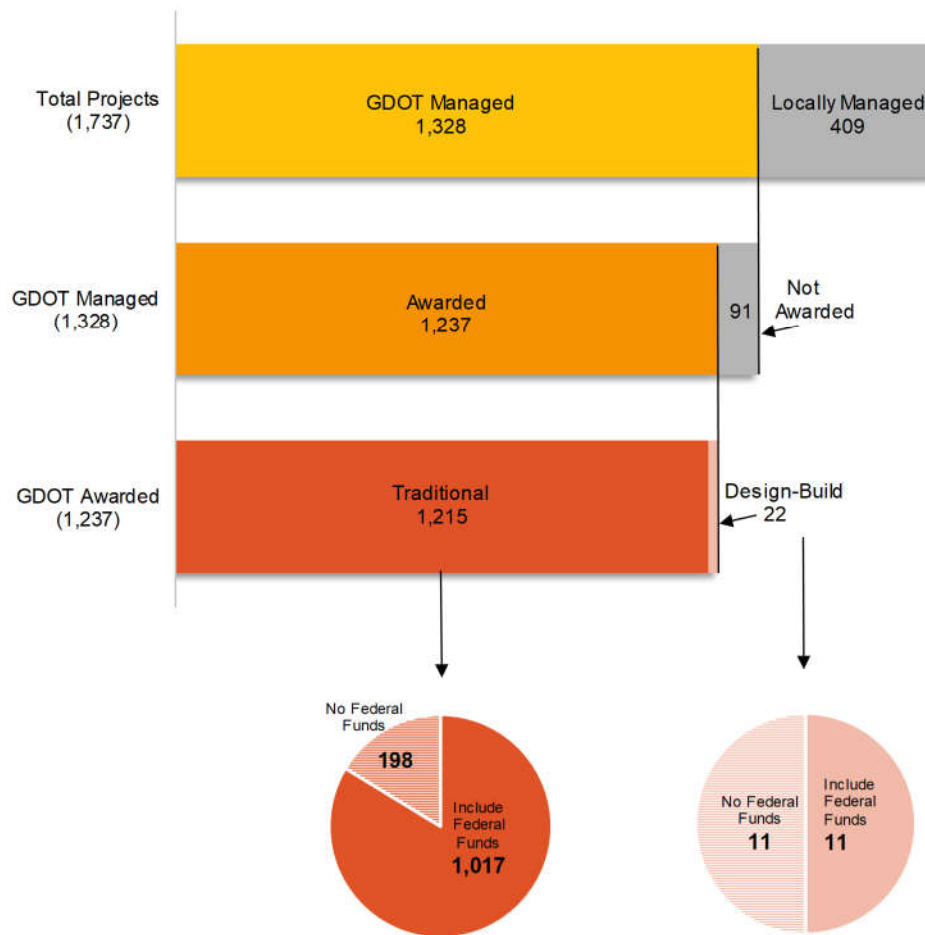
From fiscal year 2015 to 2019, GDOT managed 1,328 projects. Of these, 93% (1,237) resulted in awarded contracts. The remaining 91 ended with projects being withdrawn or all bids rejected.

As shown in **Exhibit 6**, of the 1,237 contracts awarded, 98% (1,215) were traditional procurements and 2% (22) were design-build procurements. Most projects included federal funds.

In fiscal year 2019, GDOT awarded 260 contracts through the traditional method and 3 through the design-build method. The contracts procured through the traditional method had an award value of \$1.2 billion while those procured through the design-build process had an award value of \$112 million.

⁸ These locally procured contracts were not part of the scope of this review.

Exhibit 6
GDOT Managed and Awarded the Majority of Procurements
Fiscal Years 2015-2019



Source: DOAA analysis of GDOT data

Requested Information

Finding 1: **GDOT's traditional procurement process provides reasonable assurance that the lowest responsive bidder is awarded the contract.**

To be "responsive" a vendor's submission must meet all bidding requirements as specified in the proposal and be determined to be reasonable according to the standards.

Our review found that the traditional procurement process requires GDOT staff to apply their professional judgment but includes controls to ensure this judgement is guided by standards, consistently applied, and confirmed by multiple parties. To assess the process and determine whether it provides adequate safeguards against abuse, we confirmed it is: designed in accordance with federal and state laws, rules and regulations; applied consistently; completed in a timely manner; and, resulted in awards within a reasonable range of the engineer's estimate. In cases where bids were removed from consideration or projects were withdrawn, we verified there was a reasonable explanation for the action taken and confirmed that the action was appropriate.

The traditional process is structured, requiring vendors to provide pricing against a list of materials and services specified by GDOT. The review of bids consists of an assessment of the reasonableness of costs as related to the engineer's estimate and the completion of required documents. The process also requires the contract be awarded to the lowest, responsive bidder. The following sections detail our findings in each of the areas reviewed.

Process designed according to federal and state standards

GDOT's process is designed in accordance with federal and state laws and regulations (see Exhibit 2 in the Background for more detail). FHWA ensures compliance with federal regulations for federal-aid funded construction projects. It authorizes funding and approves award decisions as well as conducts annual assessments to verify GDOT's compliance with all requirements. According to FHWA staff, it has not found problems with GDOT's procurement functions. From fiscal year 2015 to 2019, 1,017 (84%) of the 1,215 contracts awarded through the traditional process contained federal funds and were, therefore, subject to FHWA oversight.

Finally, GDOT has established internal policies to operationalize state and federal laws. As described in the background, policy requires an engineer's estimate for each project and establishes the Estimating Committee and the Bid Review Committee, their membership and responsibilities for reviewing bids, and the timeframes for reporting to the Board on contracts for advertisement and award.

Process applied consistently

Our review found that GDOT applies the traditional process consistently. The bid solicitation and evaluation processes are structured. Additionally, the Estimating Committee, Bid Review Committee, and Commissioner are involved in the same manner for every contract review. Our review found that projects are not arbitrarily cancelled, few bids are removed from consideration, bids that do not meet requirements are not retained, the lowest responsible bidder is awarded the contract, and contracts are awarded to a variety of vendors. These points are discussed in the following bullets.

- Advertised projects are not cancelled arbitrarily. GDOT may withdraw a project prior to accepting bids; it can also elect to reject all bids if it determines they are all too high compared to the engineer's estimate. Most contracts advertised in fiscal year 2019 resulted in an award. Of the 273 contracts advertised, 9 (3.3%) were not awarded because GDOT determined that all bids submitted were too high as compared to the engineer's estimate (see next page for further discussion of the engineer's estimate). In addition, three were withdrawn during the advertisement period prior to receiving bids.
- Few bids are removed from consideration. We found no evidence that GDOT eliminates proposals from consideration unnecessarily or retains proposals inappropriately. Of the 968 bids received in fiscal year 2019, 9 (0.9%) were deemed non-responsive and removed from further consideration. Each was rejected in accordance with provisions outlined in the bidding requirements. Of the nine, five did not include all required documentation. GDOT determined there was too much risk associated with awarding a contract to the remaining four vendors, based on several different standards. One was behind schedule on existing GDOT work, one vendor bid on multiple options instead of choosing one as required, and the remaining two provided unit prices that were found to be unbalanced.

Effective fiscal year 2019, GDOT extended the submission deadline for the Georgia Security and Immigration Compliance Act Affidavit, which verifies work eligibility.⁹ Prior to the extension, the form had to be submitted the day before bids were opened; now, the form is due on the business day following bid opening. In fiscal year 2018, GDOT identified 24 bids as non-responsive because forms were not submitted by the deadline. In fiscal year 2019, only one of the nine non-responsive bids was due to the late submission of this form.

- Bids are not retained inappropriately. We reviewed documentation for 12 projects, which included 59 bids, advertised for award in fiscal year 2019.¹⁰ The bids submitted for each contract complied with the requirements to be considered for award. We did not identify any deviations from the procurement process. In each case, the apparent lowest bid contained the required documentation.
- Lowest responsive bidder was awarded the contract. In fiscal year 2019, the lowest-responsive bidder was always awarded the contract. Of the nine bids that were deemed non-responsive, three would have been the low-bidder had they been retained. The differences between these bids and the ones ultimately awarded totaled \$1.8 million (ranging from \$29,696 to \$1.7 million) on contracts valued at over \$61 million (a total of 3% difference).

As noted earlier, to be responsive, the vendor must meet all requirements set forth in the proposal. This includes submitting required documentation, meeting qualification standards, and being evaluated as a reasonable bid. The non-responsive determination was documented in the files and consistent with the applicable standards.

⁹ GDOT extended the deadline for submitting the form after the General Assembly passed Senate Bill 445 requiring the form prior to the award of any contract.

¹⁰ This was not a statistically valid sample and, therefore, cannot be extrapolated to the whole population.

- Multiple vendors have won contracts. GDOT awarded \$1.2 billion through the traditional method to 78 different contractors in fiscal year 2019. The median award per contractor was approximately \$5.4 million, ranging from \$222,248 to \$221 million. Ten contractors accounted for \$744 million (64%) in awards.

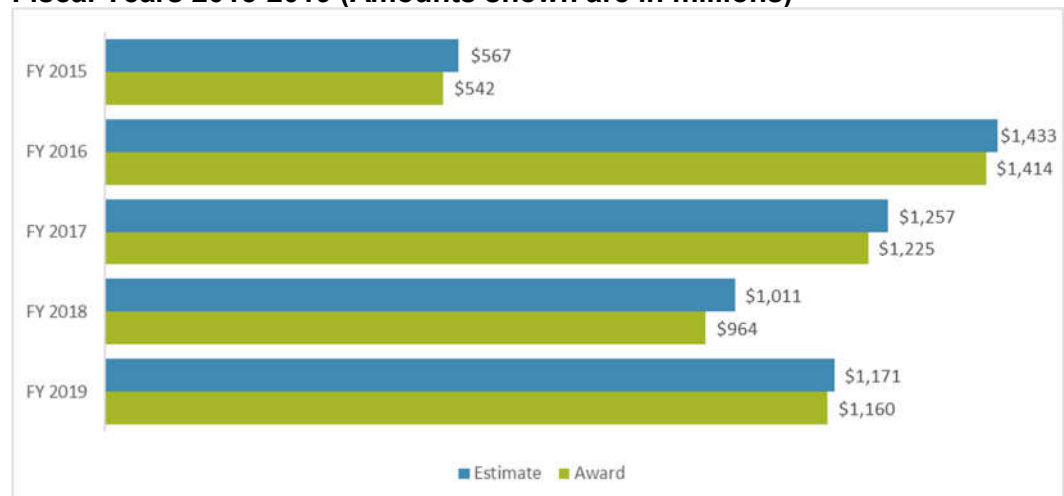
Awards are reasonable compared to estimates

The contract awards are generally within an acceptable range of the engineer's estimate. To develop the engineer's estimate, OES staff conduct site visits and, with input from program staff, determine the materials and services required to execute the project design. OES engineers and estimators then analyze cost data from both current and historical projects to develop the engineer's estimate which reflects the total project costs. The engineer's estimate is reviewed and approved by several layers of management. GDOT sets an annual target ratio for the engineer's estimate to award amount of +/-3%.

In fiscal year 2019, GDOT rejected all bids for 9 (3.3%) of the 273 advertised contracts because the bids were greater than 110% of the engineer's estimate.¹¹ As shown in Exhibit 7, over the period reviewed, estimates have generally been in line with actual awards, with annual totals for estimates ranging from 0.9% to 4.7% higher than the value of the total contracts awarded. In fiscal year 2019, awards were approximately \$1.2 billion, which was \$11 million less than the estimated amount.

Exhibit 7

Award Value for Contracts is Less than Estimated Cost Fiscal Years 2015-2019 (Amounts shown are in millions)



Source: DOAA analysis of GDOT data

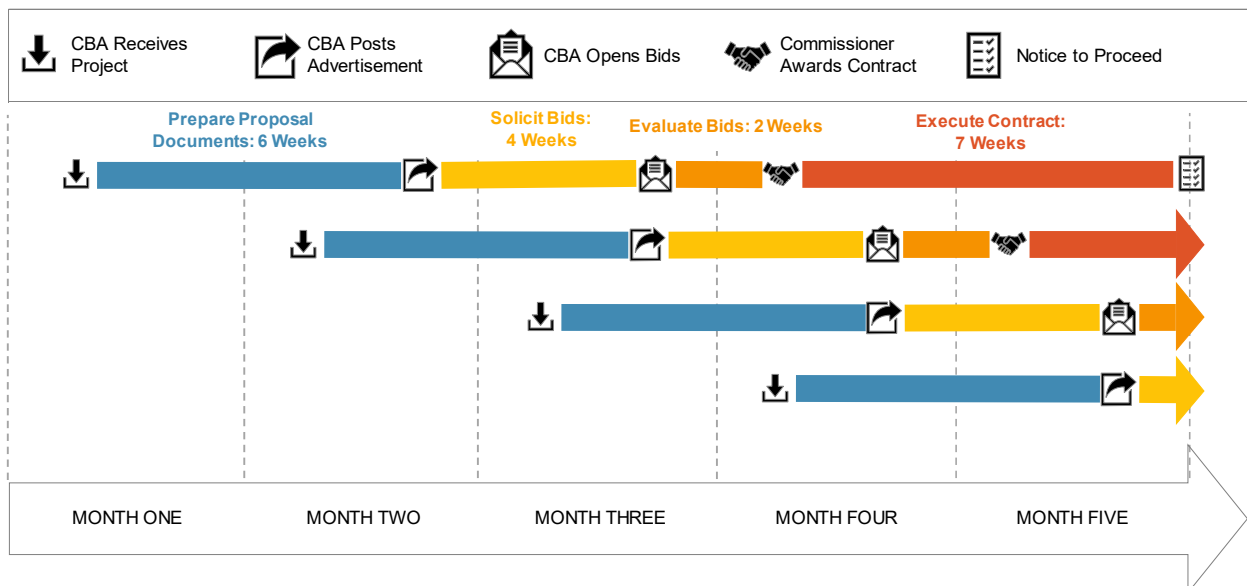
¹¹ When all apparent bids are greater than 110% of the engineer's estimate, GDOT evaluates the bids, project plans, and proposal to determine whether to award or revise the project and schedule a new advertisement.

Procurement process is timely

The time GDOT takes to move a project through solicitation and evaluation is reasonable. In fiscal year 2019, it took an average of 42 calendar days from the day a proposal was advertised to the day a contract was awarded. As shown in **Exhibit 8**, on average, the advertisement period took 28 days and evaluation took approximately 14 days. GDOT's process allows activities for various stages of the procurement process to occur concurrently. As a result, when GDOT is preparing to open the bids for the current month's proposals, it is also posting next month's proposals for advertising, finalizing contracts awarded in the prior month, and receiving packages for the next proposals to be prepared prior to advertisement.

GDOT's construction bidding standards require staff to award contracts within 50 calendar days after the opening of the bids. That timeframe can be extended if specified in the proposal or if the successful bidder agrees, in writing, to a longer time period.

Exhibit 8 Multiple Procurement Phases are Operating During Each Month



¹ The solicitation and evaluation timeframes are average times for actual procurements reviewed; the remaining timeframes are based on GDOT documents and state regulations.

Source: DOAA analysis of GDOT documents and state regulations

Finding 2: GDOT's design-build process is a reasonable procurement option for capital projects when innovation and flexibility are needed.

In a design-build contract, GDOT obtains both design and construction services in a single contract.

According to GDOT staff, using the design-build method helps accelerate the project delivery schedule by overlapping the design and construction phases, offers an effective tool for completing complex projects, and offers flexibility for projects that require innovation or arise from an emergency. To assess the process and determine whether it provides adequate safeguards against abuse, we confirmed that GDOT: designed it in accordance with federal and state laws, rules, and regulations; applies it consistently; and, that it results in awards within a reasonable range of the engineer's estimate. In cases where bids were removed from consideration, we verified there was a reasonable explanation for the action taken and confirmed that the action was appropriate. Given that flexibility in dealing with vendors was cited as an advantage to the design-build process, we also determined what mechanisms exist to communicate with vendors before, during, or after the procurement. It should be noted that there are three options for selecting vendors in design-build (see [Appendix C](#) for additional description of these methods), which dictate some of the process steps.

Process designed according to federal and state standards

GDOT's process for procuring design-build contracts operates under the same legal structure as the traditional process. As with the traditional process, federal law and regulations govern any project that includes federal funds. Of the 10 contracts awarded during fiscal years 2018 and 2019, 6 were subject to FHWA oversight because they included federal funds. However, as with the traditional method, GDOT has opted to apply the same standards to all projects regardless of funding source.

Process applied consistently

Design-build procurements are intended to be unique; however, there are certain steps common to all. We reviewed documentation for the 10 design-build projects advertised in fiscal years 2018 and 2019 and found that GDOT executed the required steps appropriately. In all cases, GDOT prepared criteria to guide the evaluation, completed an assessment to ensure vendors met qualifications, used the Request for Clarification appropriately, issued Requests for Proposals (RFPs), reviewed the technical proposal, and then reviewed the price proposal and evaluated it against the engineer's estimate.

Additionally, GDOT removed few vendors from consideration and did not arbitrarily cancel advertised contracts. We found processes in place to ensure the lowest responsible bidder was awarded the contract.

- Few bidders are removed from consideration. During fiscal years 2018 and 2019, GDOT received 53 statements of qualifications for the ten contracts advertised. Of the 53 respondents, 9 (17%) were not selected to continue to the next phase of the procurement process for the following reasons:
 - One proposer was deemed non-responsive because its submission indicated use of a firm GDOT identified as having a conflict of interest.

- Eight proposers were not selected to advance to the next phase because they scored low compared to others.
- Advertised projects are not cancelled arbitrarily. None of the 10 contracts advertised during fiscal years 2018 and 2019 were cancelled.
- Lowest responsible bidder was awarded the contract. Of the 10 contracts awarded in fiscal years 2018 and 2019, all were awarded to the lowest-responsible bidder.

Additional flexibility provides for communication with vendors

The design-build procurement process provides opportunities for formal communication between GDOT and proposers at various points during the procurement process.

Prior to issuing the Request for Qualifications, GDOT may hold an industry forum to provide industry groups with project specific information, including scope, schedule, potential risks, environmental concerns, and procurement process, as well as obtain industry feedback. During this meeting, staff discuss GDOT's role in the project, the responsibilities of the design-build team, and the information vendors are required to provide in response to the Request for Qualifications.

GDOT can also communicate one-on-one with proposers after the industry forum and while evaluating their qualifications and proposals. For one of the vendor selection methods (see **Appendix C** for a description of the best value selection method), vendors have the option to request a one-on-one meeting with GDOT staff to obtain technical information; this option is open to all vendors seeking an award under this selection method. According to GDOT these meetings are considered feedback to determine whether an amendment or clarification is needed to the RFP. Additionally, during the review process, if any aspect of a proposer's submittal (statement of qualification or technical proposal) is unclear, GDOT prepares a Request for Clarification letter, which the proposer responds to in writing by the specified deadline.

Finally, vendors that are not selected to continue, or those that are not awarded the contract, have the option of requesting a debriefing with OI staff. These meetings allow vendors insight into why their proposal was not selected and the process for requesting such a meeting is outlined in the RFQ and RFP. Unselected vendors have five days after receiving a written notice of non-responsiveness to make a written request for GDOT to reconsider the non-responsiveness determination. The request must state the reasons the proposer believes the determination is in error and include supporting documentation. GDOT is required to respond, or provide an estimated timeframe for response, within three business days. According to GDOT staff, it receives an average of two requests for debriefings per procurement; however, it has not received any requests for reconsideration.

Finding 3: No issues were identified with the procurement system that would suggest an appeals process is necessary; however, GDOT could determine it beneficial to do so.

GDOT does not currently have an appeal process for the traditional procurement method and to implement one would require FHWA approval. While the traditional method does not have an appeals component, the design-build method provides vendors an opportunity to request GDOT reconsider its award decision.

Our review did not identify issues that indicated an appeals process was required or would further ensure effectiveness and efficiency of the procurement process. Specifics related to the two procurement processes are discussed below.

- Traditional method: Our review found few instances of bids being removed from consideration, and the decisions to do so were appropriately documented and consistent with standards (see **Finding 1** for details on the rejected bids). Additionally, the traditional process is a low-bid process that requires vendors provide pricing against a list of goods and services. We found the bids were generally close to one another and, over the five-year period, averaged within an acceptable range of the engineer's estimate. Annually, total awards ranged from 1% to 5% lower than the total estimates. Additionally, we found controls in place to ensure advertisements and evaluations were conducted consistently, without favoritism to individual vendors.

Evaluations require GDOT staff to apply professional judgement and assess the risk of accepting the bid. Regardless of whether an appeals process is in place or not, GDOT staff will continue to apply judgment when evaluating bids.

- Design-Build method: Our review found that, during fiscal years 2018 and 2019, few proposals were removed from consideration and the decisions to do so were appropriately documented (see **Finding 2** for details on the rejected bids). Additionally, vendors have several opportunities to request a debriefing meeting with GDOT staff to understand the decision. The vendor also has an option to request GDOT reconsider its decision. According to staff, no vendor has requested the decision be reconsidered.

When asked about an appeals process, the Georgia Highway Contractors Association indicated two areas where it believed additional communication could be useful. It stated that when the one and only bid is rejected, it would prefer GDOT work with the vendor to revisit the bid instead of rejecting the bid. It also noted that contractors have different methods for estimating time to complete a project (which is required when submitting a proposal for a cost+time project) and they would like the opportunity to explain their calculation to GDOT. It should be noted that negotiating with vendors, once bids are opened, is expressly prohibited under federal regulations.

GDOT or the General Assembly could determine that an appeals process provides additional value to the process and decide to implement one. During fiscal year 2019, GDOT drafted appeals procedures that would allow vendors to appeal traditional procurement decisions in response to a proposed bill. However, GDOT did not implement the appeals process when the bill failed to pass. The draft procedures would have established a process for responsive apparent low bidders to request reconsideration of their rejected proposals. The appeals process could take up to 10

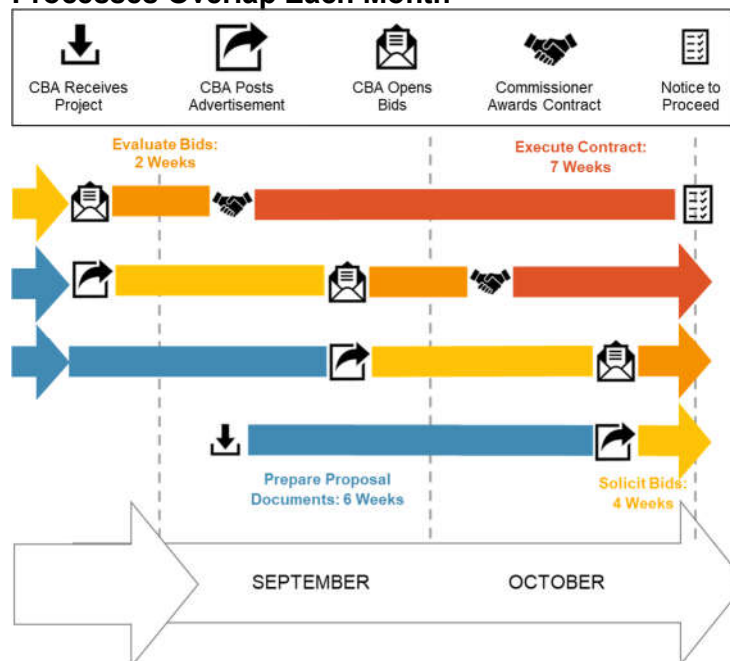
days. The bidder would be required to submit relevant documentation for GDOT's consideration. The award would be deferred until GDOT reaches a decision. As noted earlier, any changes to the process would have to be approved by FHWA.

Interviews with representatives from six other states did not identify one accepted practice across the group.¹² Three of the six allow vendors to file a protest or a lawsuit if they are alleging that the state's transportation agency violated a law in making the award. Two other states allow vendors to request information on why their bids were rejected. As noted earlier, GDOT also provides information on why bids were rejected, and, according to staff, vendors may also file a lawsuit.

Finding 4: Any potential changes to the traditional procurement process must be balanced with ensuring proper stewardship, fairness to vendors and a recognition of best practices.

GDOT's current traditional procurement process provides a roadmap for vendors to know when bids are due and evaluated, as well as when apparent bidders are announced, which allows them to plan accordingly. The process operates on a monthly basis, with defined advertising, review, and award timelines. It is also efficient in that staff simultaneously perform tasks related to multiple procurements each month. As shown in Exhibit 9, in one month, staff may post the advertisement for a procurement, download bids received for another procurement, finalize the contracts awarded in a prior month, and prepare the following month's advertisement.

Exhibit 9
Processes Overlap Each Month



¹ Solicitation and evaluation timeframes are average times for actual procurements reviewed; remaining timeframes are based on GDOT documents and state regulations.

Source: DOAA analysis of GDOT documents and state regulations

¹² Five southeastern states were contacted: Alabama, Florida, North Carolina, South Carolina, Tennessee. Additionally, Wisconsin was contacted at GDOT's recommendation.

As discussed in the following bullets, GDOT could consider operating a separate process for projects that do not receive federal funding, and/or changing its advertising timeline. However, each of these options carries certain risks (see **Exhibit 10**). Any decision to change the process should be researched fully and GDOT should ensure that the positive attributes of the current system are retained.

- Separate process for projects that do not include federal funds: While GDOT currently operates one traditional procurement process regardless of funding type, it could establish a separate process for projects that do not include federal funds. Theoretically, this could speed up procurements and increase flexibility for state and/or locally funded projects.

In fiscal year 2019, approximately 21% (55 of 260) of the contracts awarded through the traditional process did not include federal funds; therefore, the federal requirements did not have to be applied. These contracts accounted for 38% (\$444 million of \$1.2 billion) of the total value of awards.

As detailed in **Finding 1** and shown in **Exhibit 2**, certain requirements currently in place would not have to be applied. However, GDOT would still have to establish procedures to ensure proper stewardship of state funds, fairness to vendors, and employment of best practices when awarding contracts.

It should be noted that none of the six states we contacted had a separate process in place for projects that did not include federal funds. All operated one procurement process regardless of funding source.

- Reduced advertising time: GDOT currently advertises projects for approximately four weeks. For projects that do not receive federal funds, the advertising time could be reduced to two weeks in accordance with state law. However, this change reduces the time vendors have to prepare their proposals. Additionally, GDOT would have to operate multiple procurement schedules to accommodate shorter advertising periods. As a result, vendors that generally bid on multiple projects (federally and state/local funded) would have to track multiple procurement milestones.

Our review of six other states found that only Florida has a shorter advertising timeframe than Georgia. It advertises some projects for 21 days; however, timeframes vary from 21 to 60 days depending on the type of project.

It should be noted that federal law requires a three-week advertising period. GDOT could choose to reduce the advertising period to three weeks for all projects; however, the same considerations related to the staggered process currently in place would have to be addressed.

Exhibit 10

Potential Changes to Requirements for Traditional Procurements that do not Utilize Federal Funds Would Need to Include Consideration of Risks

Federal Requirement	Considerations
Consideration of geographic location of vendors as a criterion for award is prohibited unless specifically exempted.	<p>GDOT could restrict award to Georgia contractors to increase award to local vendors.</p> <p>Doing so may not result in the lowest bid being awarded the contract.</p>
Contracts must be awarded to the lowest reliable bidder.	<p>GDOT could opt to award to other than the low bid.</p> <p>Doing so introduces risk for manipulation that would require additional internal controls be established.</p>
Advertisement must identify requirements bidder must meet to be deemed responsive.	<p>Project advertisement could be simplified.</p> <p>Vendors would potentially have less information to inform their bid.</p>
Any unbalanced bid must be evaluated thoroughly and the decision to award or reject supported by written justification.	<p>GDOT could eliminate the evaluation of whether a bid is balanced from its review and potentially shorten the review time.</p> <p>Evaluating for unbalancing provides a protection against vendors seeking to reduce their borrowing cost by essentially obtaining an “advance” from the state. It also protects against vendors providing unreasonably low bids in order to win the contract, only to increase the costs through overages.</p>
Negotiation with contractors is not permitted after bid opening.	<p>Conducting negotiations may give more vendors opportunity for award.</p> <p>Negotiation introduces a level of risk that decisions are not made objectively, and controls would have to be implemented to provide proper assurances. Additionally, doing so may increase the time necessary to select a contractor.</p>

Source: DOAA analysis

Appendix A: Objectives, Scope, and Methodology

Objectives

This report examines the Georgia Department of Transportation's (GDOT) procurement of capital projects. Specifically, our examination set out to determine the following:

1. How does GDOT procure contracts for capital projects?
2. Could GDOT's bid solicitation process be made more efficient?
3. Could GDOT's bid evaluation process be made more efficient?
4. What options could be considered to allow contractors to protest bids rejected for contracts funded by the capital projects program?

Scope

This special examination generally covered activity related to the Division of Construction and the Office of Innovative Delivery that occurred during fiscal years 2015 – 2019. Information used in this report was obtained by reviewing relevant laws, rules, the Code of Federal Regulations, agency documents, project advertisements, and award announcements. We interviewed program staff from the Division of Construction, Office of Innovative Delivery, and Office of Engineering Services, administrative managers, engineers, and other staff involved in the contracting process. We analyzed activity data and reports from GDOT's website and Bid Express. We also reviewed information from DOAA's 2016 report examining GDOT's project selection and prioritization process.

The audit team conducted site visits at the department's headquarters in Atlanta. During these site visits, the audit team observed the Office of Construction Bidding Administration's staff perform key procurement tasks typically completed during the month. Staff performed these tasks during estimating committee meetings, posting of advertisements, bid opening, initial review of bids, and the bid review committee meeting.

We obtained bid data from GDOT's project management system for all capital construction projects advertised during fiscal years 2015-2019. We examined the reliability of the data by comparing it with annual reports and procurement results published online on Bid Express, which is a web-based service GDOT uses to store and manage information pertaining to capital projects. We assessed the controls over the bid data and determined that the data was sufficiently reliable for our analyses. While we concluded that the information was sufficiently reliable for the purposes of our review, we did not independently verify the data. We used the data to conduct various analyses to determine the number, type, procurement methods, funding, vendor selection methods, cost estimate, and award amount for contracts funded through the capital projects program. During our analyses, we identified issues with the accuracy and completeness of the data. In most instances, we were able to obtain information from GDOT to correct the issues. However, in one instance, we decided to exclude two records pertaining to local projects from our analysis after we obtained documentation indicating the records were for a period outside of the scope of this review. Excluding these records does not impact any of the findings as the focus of this review was not local projects and we limited our use of data for local projects to the background.

Government auditing standards require that we also report the scope of our work on internal control that is significant within the context of the audit objectives. All of our objectives address aspects of GDOT's capital project procurement internal control structure. Specific information related to the scope of our internal control work is described by objective in the methodology section below.

Methodology

To determine how GDOT procures contracts for capital projects, we reviewed federal and state laws and regulations specifying the state's responsibility for procuring capital construction projects and funding sources. We interviewed agency staff to identify the department's methods for procuring capital projects, how the procurement method is selected, and the staff responsible for performing procurement tasks. We analyzed bid data for all contracts advertised during fiscal years 2015-2019 to determine the number, type, responsibility, procurement method, funding, vendor selection methods, estimate cost, and award amount for contracts funded through the capital projects program. This information supports the **Background** section and all **Findings**.

To determine GDOT's bid solicitation process for capital projects, its appropriateness, and whether it is consistently applied as designed, we reviewed federal and state laws, regulations, agency rules, policies and procedures, and process manuals outlining bidder eligibility and bid solicitation requirements. We interviewed program staff regarding the department's process for determining project costs, advertising capital projects, and determining bidder eligibility. We also reviewed agency documents and forms used for prequalifying contractors, preparing project cost estimates, and advertising capital projects for bid. We also obtained and analyzed data for capital projects advertised for bid during fiscal years 2018 and 2019. This information supports **Findings 1, 2, and 4**.

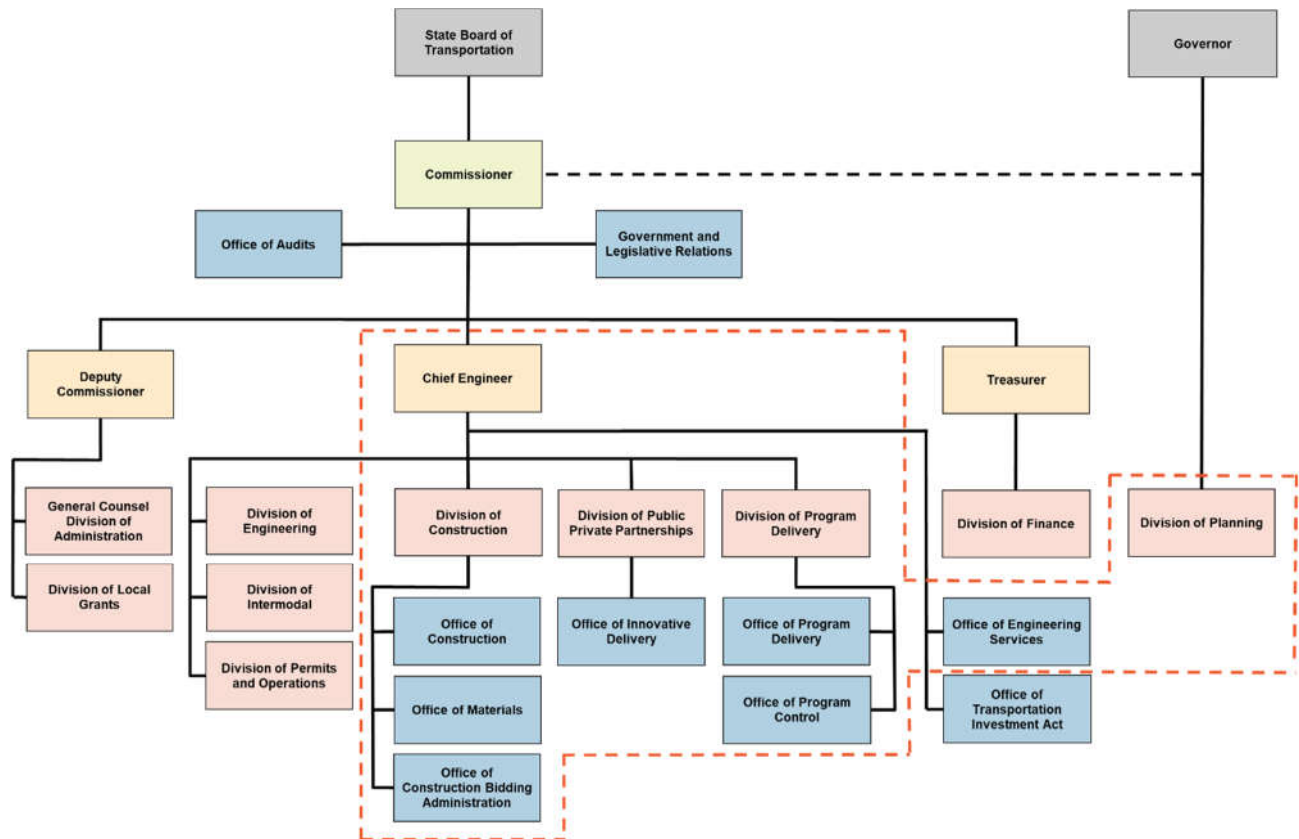
To determine GDOT's bid evaluation process for capital projects, its appropriateness, and whether it is consistently applied as designed, we reviewed federal and state laws, regulations, agency rules, policies and procedures, and process manuals outlining bid evaluation requirements. We interviewed program staff about the department's process for evaluating bids for capital projects, communicating with vendors, and selecting contractors. We attended estimating and bid review committee meetings and reviewed meetings documents and correspondence communicating recommendations and decisions regarding whether to award contracts. We also analyzed agency documents and various bid reports, including bid tabulations, bid summaries, and other information summarizing results.

We also analyzed data for capital projects the department advertised during fiscal years 2018 and 2019 to identify projects awarded. For the traditional procurement method, we conducted a file review by selecting a random sample of contracts advertised for bid during fiscal year 2019 and obtaining bid documents for all bids GDOT received for the selected contracts. This was not a statistically valid sample and, therefore, cannot be extrapolated to the whole population. For the design-build procurement method, we conducted a file review of all contracts advertised during fiscal years 2018 and 2019 and obtained documentation of GDOT's review and award decisions. We compared the documentation with GDOT's bid evaluation procedures to verify the department's compliance with and consistency in its application of the requirements when determining responsiveness and making award decisions. This information supports **Findings 1, 2, and 4**.

To identify options that could be considered to allow contractors to protest bids rejected for contracts funded by the capital projects program, we reviewed federal and state laws, agency rules, policies and procedures, and process manuals governing the procurement process. We examined legislation the General Assembly introduced during the 2019 session and agency documentation specifying how the department anticipated implementing the provisions of the proposed legislation. We conducted interviews with agency officials, Federal Highway Administration staff, and transportation construction industry stakeholders about options for appeals. We also interviewed staff and obtained information from transportation agencies in six selected states regarding their appeals processes for contractors. The states were: Alabama, Florida, North Carolina, South Carolina, Tennessee, and Wisconsin. Five of the states were selected because they are in the southeast, as is Georgia; Wisconsin was contacted at GDOT's recommendation. This information supports **Finding 3**.

We conducted this special examination in accordance with 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 objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix B: GDOT Organizational Chart



NOTE: The red box indicates divisions and offices involved in the processes discussed in this review.

Source: GDOT documents

Appendix C: Design-Build Vendor Selection Methods

SELECTION METHOD	DESCRIPTION
Best Value	<p>OID issues a request for qualifications containing the minimum requirements and desired qualifications. Proposers respond by submitting a statement of qualifications. OID's technical review committee evaluates and ranks the statements of qualifications to establish a list of up to five of the most qualified proposers.</p> <p>OID issues a Request for Proposals (RFP) to the qualified proposers. Proposers prepare and submit a detailed technical and price proposal. The technical review committee evaluates and scores the technical proposal based on the established criteria. The selection review committee calculates each proposer's total technical score based on the weighted formula specified in the RFP.</p> <p>On the date designated for opening bids, OID opens the price proposal of responsive proposers and determines the best value by adding each proposer's weighted technical proposal score to the weighted price proposal score. OID provides a written procurement summary of its findings to the bid review committee for consideration.</p> <p>Once approved, GDOT awards the contract to the responsive proposer with the highest combined score.</p>
One-Phase Low Bid	<p>OID issues an RFP and proposers submit a qualifications package and price proposal according to the requirements set forth in the RFP.</p> <p>The technical review committee evaluates the qualifications package on a pass/fail basis.</p> <p>OID examines the price proposal of responsive proposers on the day designated for opening bids. OID provides a written procurement summary of its findings to the bid review committee for consideration.</p> <p>Once approved, GDOT awards the contract to the proposer with the lowest qualified, responsive price proposal.</p>
Two-Phase Low Bid (All Qualified)	<p>OID issues a request for qualifications containing the minimum requirements and desired qualifications. Proposers submit a statement of qualifications, which is evaluated by the technical review committee.</p> <p>OID issues an RFP to all proposers that met the minimum qualifications. Proposers prepare and submit a detailed technical and price proposal. The technical review committee evaluates each technical proposal on a pass/fail basis. OID examines the price proposal of responsive proposers on the day designated for opening bids. OID provides a written procurement summary of its findings to the bid review committee for consideration.</p> <p>Once approved, GDOT awards the contract to the proposer with the lowest responsive price proposal.</p>
Two-Phase Low Bid (Shortlist)	<p>OID issues a request for qualifications containing the minimum requirements and desired qualifications and proposers respond by submitting a statement of qualifications. OID evaluates and ranks the statements of qualifications to identify up to five of the most qualified proposers.</p> <p>OID issues an RFP to the most qualified proposers. Proposers prepare and submit a detailed technical and price proposal. The technical review committee evaluates each technical proposal on a pass/fail basis.</p> <p>OID examines the price proposal on the day designated for opening bids. OID prepares and submits a written procurement summary of its findings to the bid review committee for consideration.</p> <p>Once approved, GDOT awards the contract to the proposer with the lowest responsive price proposal.</p>

Source: GDOT documents

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The Performance Audit Division was established in 1971 to conduct in-depth reviews of state-funded programs. Our reviews determine if programs are meeting goals and objectives; measure program results and effectiveness; identify alternate methods to meet goals; evaluate efficiency of resource allocation; assess compliance with laws and regulations; and provide credible management information to decision makers. For more information, contact us at (404)656-2180 or visit our website at www.audits.ga.gov.