
Emergency Procurement

**Presentation to the Senate Environment, Health, and
Environmental Affairs Committee**

By the

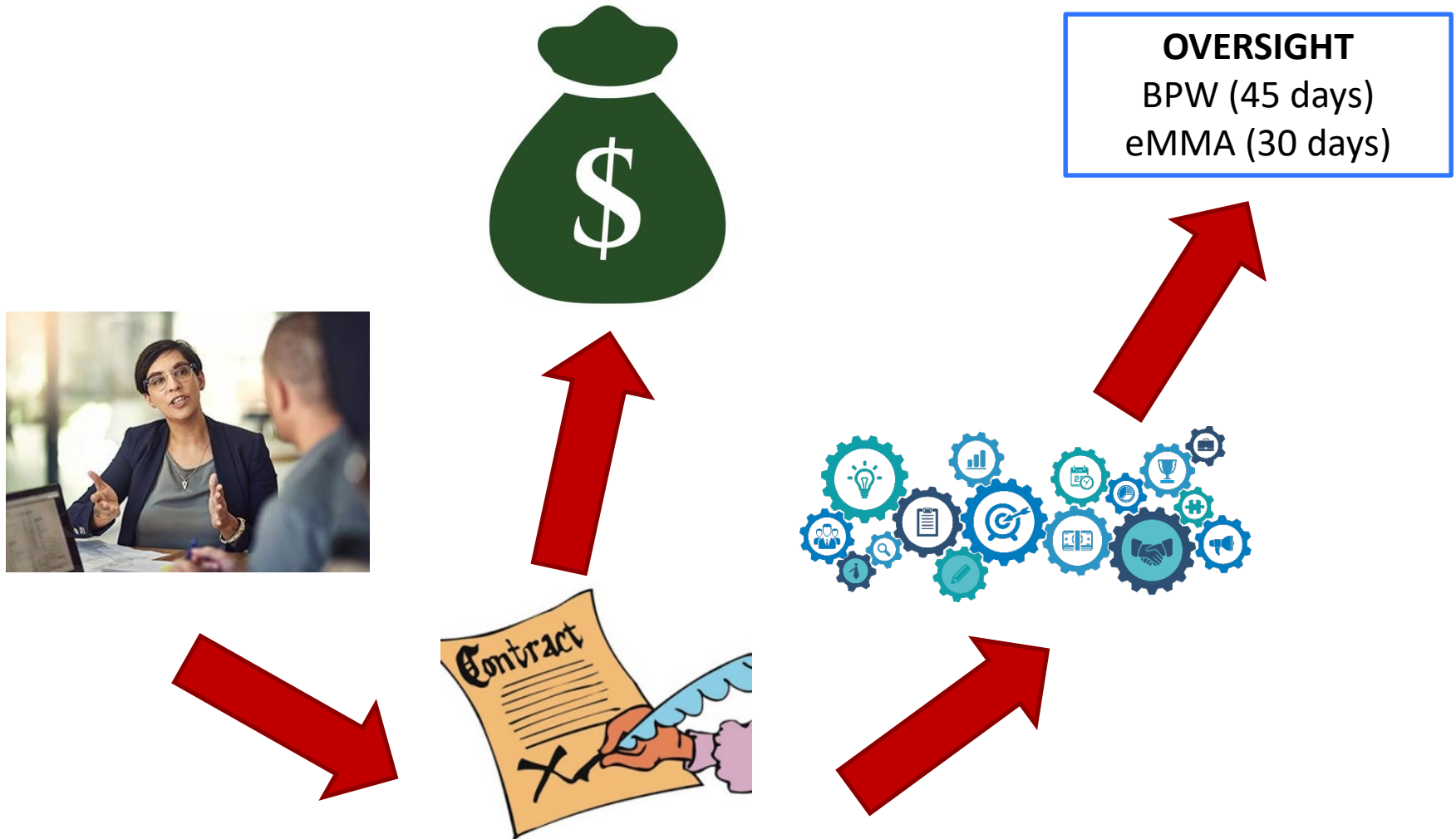
Office of Program Evaluation and Government Accountability



March 4, 2021



Emergency Procurement Process



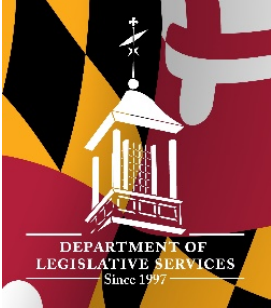


Section A: Overview of Emergency Procurements (Fiscal 2013 through 2020)

Emergency Procurement-related Agenda Items Accepted by BPW Fiscal 2013-2020

<u>Year</u>	<u># of Emergency Procurement-related Agenda Items</u>	<u>%</u>	<u>Total \$ Awarded Via Emergency Procurement</u>	<u>% of the Overall \$ Awarded 2013-2020</u>	<u>Median Value of the Emergency Procurement Award Amounts</u>
2013	56	10%	\$37,513,565	9%	\$119,080
2014	63	11%	59,986,146	14%	172,600
2015	49	9%	21,503,518	5%	157,227
2016	79	14%	35,473,883	8%	86,665
2017	65	12%	21,168,420	5%	78,758
2018	80	15%	24,052,543	6%	122,250
2019	74	13%	156,558,000	36%	151,529
2020*	83	15%	76,913,225	18%	200,000
Total	549		\$433,169,300		\$132,000

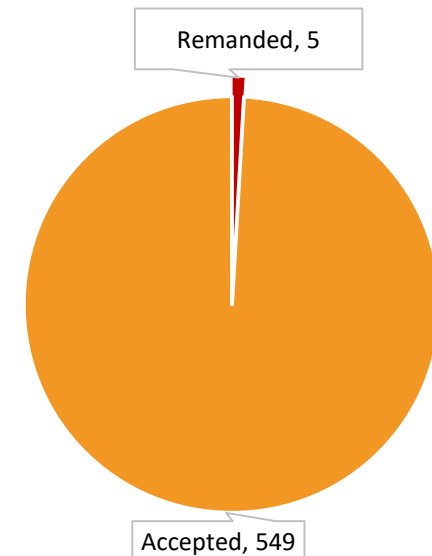
Section B: Oversight and Accountability of Emergency Procurements



- **Current oversight mechanisms have limited ability to prevent agencies from awarding emergency procurements in non-emergency situations.**

- Agencies approve and execute emergency procurement contracts prior to BPW review, and BPW accepts these awards over 99% of the time.

Emergency Procurement Agenda Items



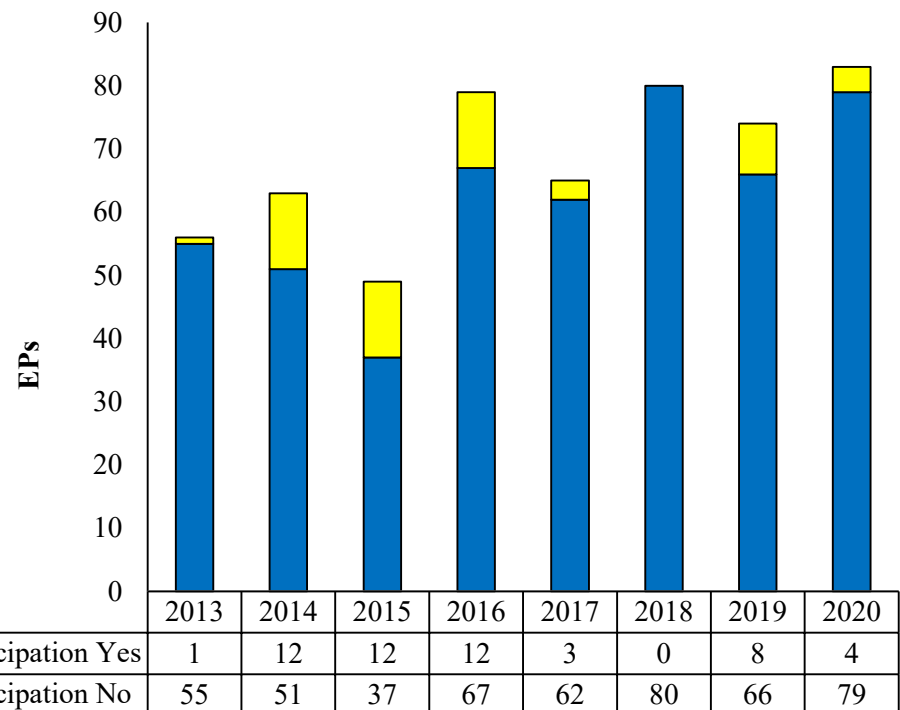


Section C: Policy Goals for Procurement

Emergency procurement contract awards tend to have lower MBE participation rates and less competition in bidding, as compared to State procurement contracts generally.

- Of the 549 emergency procurements reviewed in this evaluation, only 52 (9%) had any MBE participation listed.

Emergency Procurements Accepted by BPW
Categorized by MBE Status
Fiscal 2013-2020

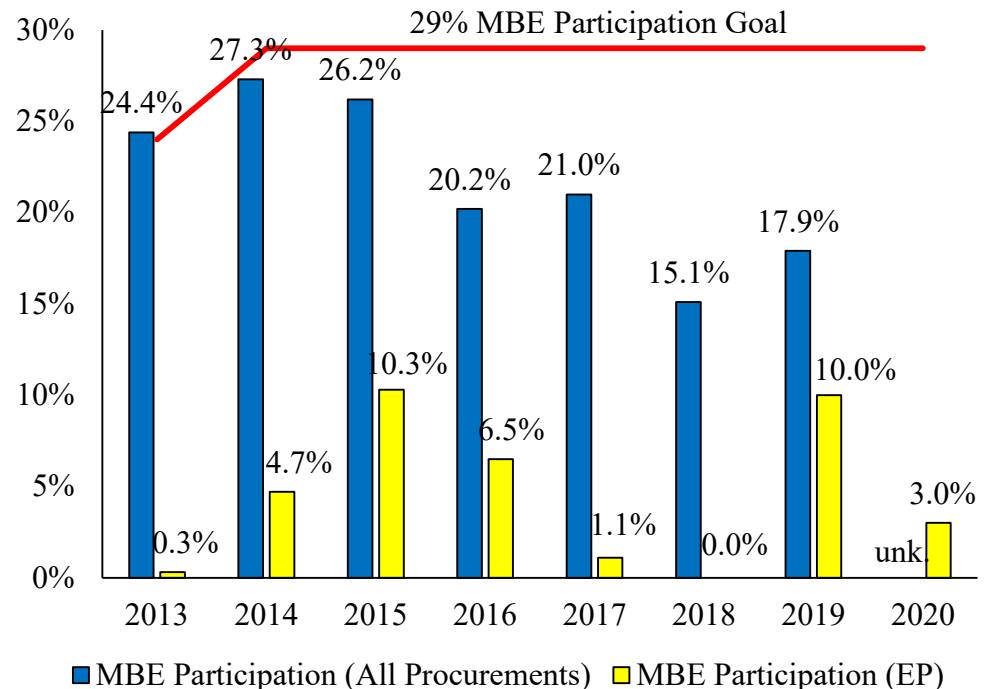




Section C: Policy Goals for Procurement

- Minority Business Enterprise (MBE) participation in emergency procurements approved by BPW in fiscal 2013 through 2020 was less than the statewide 29% MBE participation goal.

**MBE Participation (Awards) in Procurement
(Fiscal 2013-2020):
Emergency Procurements Accepted by BPW vs. All Procurements**

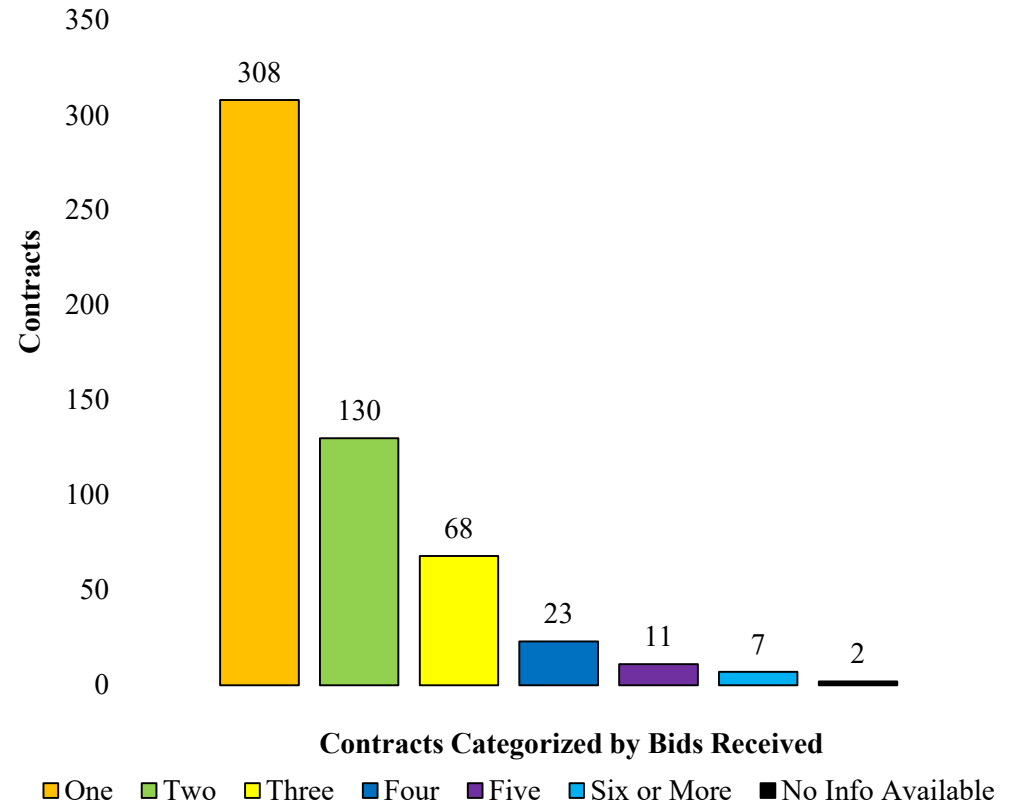




Section C: Policy Goals for Procurement

- Fifty-six percent of emergency procurements received only one bid (308 of 549 accepted by BPW over the period fiscal 2013 through 2020).

Emergency Procurements Accepted by the Board of Public Works
Bids Received
Fiscal 2013-2020

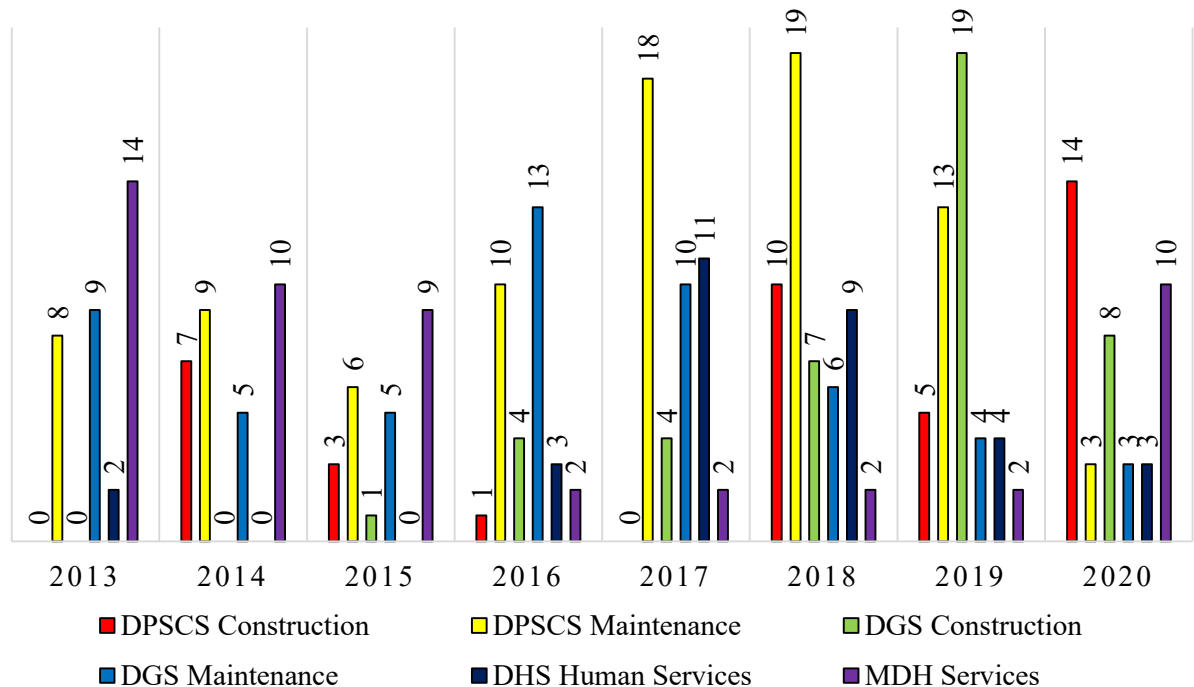




Section D: Routine Use of Emergency Procurement

There are differences in how agencies have tended to use the emergency procurement method during the eight years reviewed, with some agencies using emergency procurements much more routinely than others.

Frequently Occurring Emergency Procurement Contracts
Fiscal 2013-2020



- Although the emergency procurement method is designed for emergencies, some agencies use it to address issues that occur regularly.



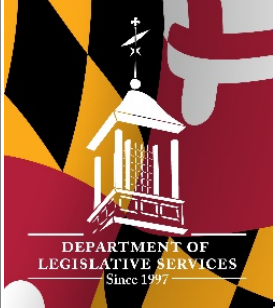
Recommendations Summary

Section A: Strengthen Oversight and Reporting Mechanisms

- The Maryland General Assembly should enact legislation requiring the State's Chief Procurement Officer to submit a consolidated and thorough annual report on all emergency contract awards to the Legislative Policy Committee, Senate Budget and Taxation Committee, and the House Appropriations Committee.

Section B: Add Pre-approval of Emergency Procurements

- The Maryland General Assembly should enact legislation that requires the State Chief Procurement Officer to pre-approve every emergency procurement.



Recommendations Summary (continued)

Section C: Clarify the Definition of “Emergency” for Procurement Procedures

- Modify the statutory and regulatory definition of “emergency” for procurement policy to improve clarity and consistency in its use.

Section D: Monitor and Manage Agency Use of Emergency Procurements More Closely

- DGS OSP and procuring agencies should develop preventive maintenance plans to avoid frequent use of emergency procurement for facility maintenance and report progress on this to BPW and the Maryland General Assembly.