



OFFICE OF THE
STATE AUDITOR

MANAGEMENT LETTER NO. DEQ-18-SP

November 29, 2017

Alan Matheson, Executive Director
Utah Department of Environmental Quality
195 North 1950 West
Salt Lake City, UT 84116

Dear Mr. Matheson:

Utah Code 63G-6a-2407 requires a procurement professional to report to the Office of the State Auditor (Office) any conduct which is unlawful under the Utah Procurement Code, such as improperly steering a contract to a favored vendor or other anticompetitive practices. The director of the Division of Purchasing (Purchasing) recently notified our Office of an alleged violation of the Utah Procurement Code by a state employee within the Department of Environmental Quality (DEQ) by the name of _____ (Employee).

Purchasing has recommended an administrative action against Employee: that Employee be suspended from any and all activity pertaining to executive branch procurements for a period of six months, and that Employee receive instruction and training on the Utah Procurement Code, Administrative Rule R33, and Division of Purchasing policies and procedures, as well as the importance of complying with all of the provisions and requirements therein.

We obtained and reviewed evidence from both Purchasing and DEQ related to this procurement. We concur with certain concerns that Purchasing identified. It appears to us that Employee provided misleading statements to a state procurement officer that overstated the justification for pursuing a sole-source award instead of a standard competitive procurement process.

We recommend that DEQ ensure Employee complies with Purchasing's administrative action. We further recommend that after the administrative action is complete, DEQ management ensure Employee complies with all procurement laws. Employee's future employment with the State of Utah should be contingent on Employee's adherence to procurement rules and laws.

Sincerely,

Julie M. Wrigley, CPA, CFE
Audit Manager
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801-538-1340

cc: Kent Beers, Division of Purchasing
David Sonnenreich, Attorney General's Office