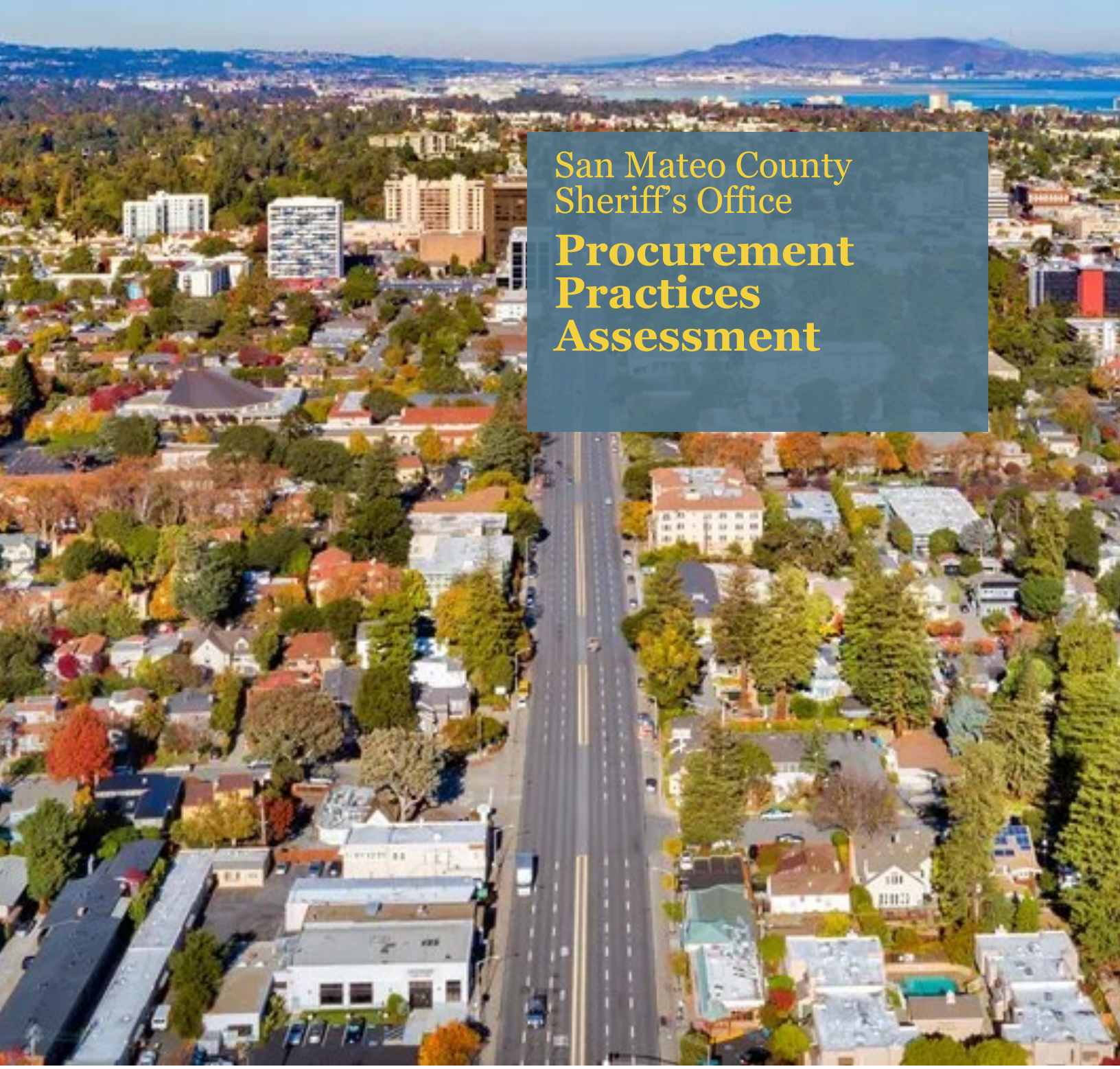

San Mateo County
Sheriff's Office

Procurement Practices Assessment

MGO

November 11, 2026

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Executive Summary

At the request of the San Mateo County (SMC) Executive's Office, Macias Gini & O'Connell (MGO) conducted a procurement practices assessment focused on the Sheriff's Office to understand how procurement is executed within the County's broader governance framework. The review combined analysis of Sheriff's Office practices with input from the County Procurement Office and Controller's Office to develop an end-to-end view of procurement operations. The Sheriff's Office operates within a complex, multi-stakeholder environment with decentralized execution, County-managed policies, and multiple supporting systems. Over the course of the engagement, the Office demonstrated measurable progress, including improved documentation, stronger coordination with County Procurement, and reduced reliance on sole-source procurement.

The assessment did not identify systemic control failures; rather, it highlighted opportunities to improve consistency, clarity, and coordination across a jointly governed operating model. Key themes include variation in policy interpretation across stakeholders, limited end-to-end role clarity, and persistent compliance challenges tied to accountability and reinforcement rather than access to training. In addition, reliance on multiple County-managed systems continues to require manual workarounds, limiting visibility and creating inefficiencies. These challenges reflect the intersection of County policy, system design, and departmental execution, requiring greater alignment across all parties involved in procurement delivery.

Dashboard

Overall Assessment	Rating	Commentary
Control Environment - County	**Improving**	County control environment has been improved in the last 24 months via multiple Admin Memos and other process and control changes.
Control Environment – Department	**Improving**	Sheif'sf Office controls have been improving in recent months in the wake of Countywide procurement improvements.
Operational/Process Efficiency	**Needs Improvement**	The centralized, de-centralized nature of purchasing operations and process can lead to confusion and breakdown, especially during times of emergent issues.
Technology	**Needs Improvement**	The lack of interoperability within the business technology stack leads to breakdowns in proccess and data management.
Accountability – Department	**Improving**	The current administration has made strides in the area of accountability, in concert with County leadership, leading to a really positive trend in the data.
Oversight – County	**Effective**	County leadership, through the aforementioned changes and ensuring enforcement of those changes has led to greater countywide oversight of purchasing.
Fraud Risk	**Low**	No significant fraud-related control concerns were identified within the scope of the assessment.
Budgetary Risk	**Low**	Existing funding attestation and related controls provide a compensating control, while opportunities remain to strengthen early-stage budget validation and planning.

Priorities

1. Standardized County procurement guidance and the interpretation of it
2. Clarify procurement ownership, roles, and responsibilities
3. Improve overall procurement planning
4. Improve system integrations and interoperability
5. Continue to strengthen accountability and oversight

Addressing these opportunities will require coordinated action between the Sheriff's Office and County central functions. Priority actions include establishing a clear, County-aligned procedures framework, formalizing roles through a jointly developed RACI model, strengthening accountability mechanisms, and improving system integration and visibility through a structured needs assessment. Additional focus on documentation standards, invoice processing, and pursuing early-stage budget validation will further strengthen controls and reduce operational risk. Collectively, these actions build on recent progress and position the Sheriff's Office procurement function to operate with greater clarity, efficiency, and alignment with County requirement.

Project Objective

Between February and July 2026, MGO evaluated SMC's Sheriff's Office's procurement practices to assess the effectiveness, transparency, and resilience of current purchasing activities. This review was conducted in alignment with the Office's broader operational and risk-management priorities and focuses on the ability of procurement practices to support mission-critical operations in a complex and resource-constrained environment. The primary objective of this assessment is to evaluate procurement environement, sourcing and vendor selection practices, and the overall integrity of the procurement lifecycle. The assessment aims to determine whether existing processes support compliance with policy and regulatory requirements, and promote fairness and accountability.

Scope & Methodology

This assessment focuses on evaluating key components of the Sheriff's Office's procurement practices to identify strengths, gaps, and opportunities for improvement. The scope includes:

- Reviewing procurement transaction data for the three most recent years to evaluate procurement types such as competitive solicitations, sole source acquisitions, and emergency purchases. The review examines contract duration, potential conflicts of interest, and other relevant financial or operational indicators to assess trends, compliance, and risk exposure.
- Assessing the Sheriff's Office's procurement policies, procedures, and control environment through detailed documentation review and end-to-end process walkthroughs. This includes evaluating the clarity and adequacy of current purchasing requirements, the effectiveness of internal controls, and alignment with legal and regulatory obligations.
- Evaluating the effectiveness of procurement practices in supporting transparency, fairness, accountability, and operational needs. This includes assessing policy adherence, consistency of procurement execution, and the degree to which practices support timely and efficient acquisition of goods and services.
- Reviewing the Office's approach to sourcing, vendor selection, and contracting. Areas of focus include documentation quality, justification processes for exceptions, and the adequacy of competitive methods.
- Conducting a preliminary assessment of internal workflows, roles, and decision-making structures to identify strengths and potential improvements in governance, process efficiency, and coordination across units involved in procurement activities.

The assessment was conducted in three phases: information gathering, analysis, and reporting.

Information Gathering

During this phase, the MGO team:

- Initiated with an entrance meeting in February 2026.
- Requested and reviewed supporting documents including internal forms, procurement transaction data, and procedural documents.
- Interviewed staff members from the Controller's Office, County Executive's Office, and Sheriff's Office.
- Additionally, the MGO team requested Accounts Payable (AP) performance reporting and supporting datasets from the Controller's Office, including performance metric definitions (e.g., vouchers per hour, cycle time, backlog, error rates), employee-level productivity data, historical volume reports,

and data quality/validation documentation. Per the Controller's Office, these reports were not available and therefore were not included in the scope of analysis.

Analysis

During this phase, the MGO team:

- Reviewed key policy and procedure documents, including:
  - Procurement policies, sole source justification forms, and change memorandums.
  - Contract data and procurement classifications
  - Purchase of goods and services workflows
  - Administrative Memorandum B-1 (Soliciting, Selecting and Developing Agreements with Providers of Goods and Services)

Reporting

During this phase, the MGO team:

- Conducted meetings with the project sponsor summarizing observations.
- Delivered a draft report.
- Conducted an exit meeting.
- Reviewed and documented corrective actions taken reported by management in response to observations.

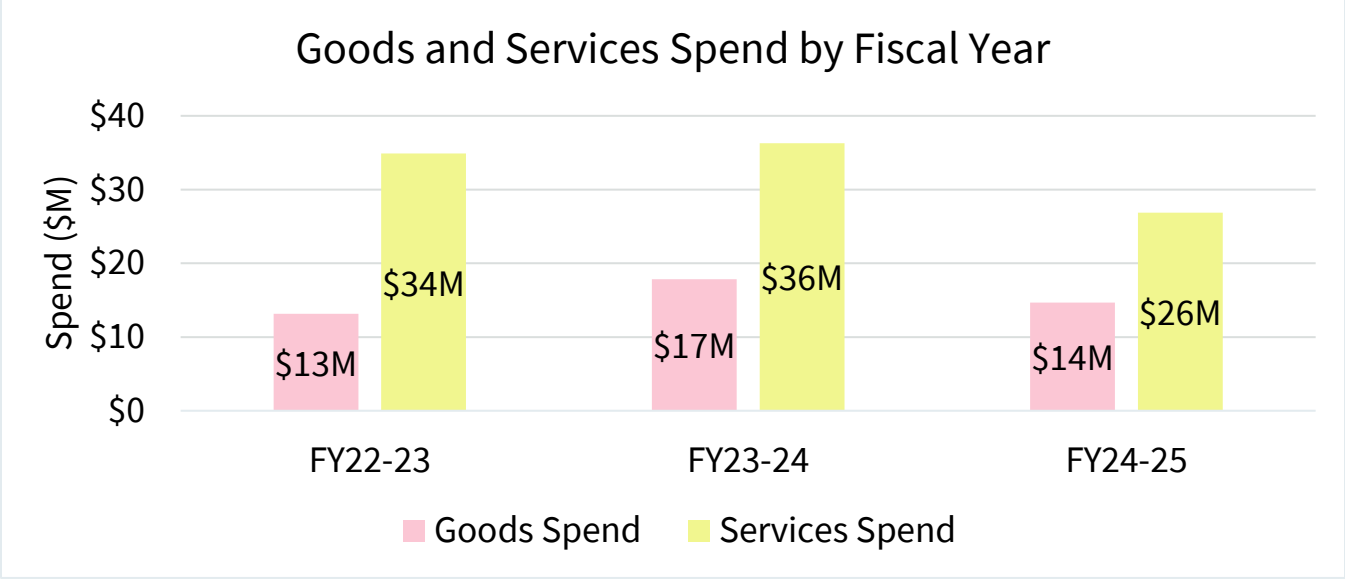
Scope Period

Due to the multiple financial systems and varying implementation deadlines, there were data limitations. However, we were generally able to consider procurement transaction data starting in FY22. This nearly four-year period allowed us to look deeper into some of the trends that were mentioned qualitatively during fieldwork.

Across that period, consolidated spend totaled $143.6M, including $45.6M in Goods and $98.0M in Services. FY23-24 was the highest spend year at $54.1M, followed by FY22-23 at $48.0M and FY24-25 at $41.5M. The largest Goods category is Other Professional Contract Sv, while the largest Services category is Interagency Agreements-Non Co.

Fiscal Year	Goods Spend	Services Spend	Total Spend
FY22-23	$13,145,367	$34,878,353	$48,023,720
FY23-24	$17,819,733	$36,284,748	$54,104,481
FY24-25	$14,669,076	$26,847,999	$41,517,075
Total	$45,634,176	$98,011,100	$143,645,276

SCOPE PERIOD



The tables below present the Sheriff's Office's top expenditure categories for goods and services during FY22-23 through FY24-25, highlighting the largest areas of procurement spending and how purchasing priorities evolved over the three-year period. Overall, the spending trends indicate a mixed procurement environment, with several categories experiencing significant growth driven by operational demands, technology investments, and interagency partnerships, while others declined as major capital and facility improvement projects were completed.

Notable increases were observed in Interagency Agreements - Non-County (42.7%), Fixed Assets - Equipment (70.6%), Sheriff Special Department Expense (47.8%), and Uniform Allowance (37.8%), while substantial decreases occurred in Fixed Assets - Structure/Improvements (-96.9%) and Other Professional Contract Services (-54.9%). These trends suggest a shift in spending away from one-time capital investments and toward ongoing operational, technology-related, and service needs.

Top Five Categories of Spend - Goods					
Category	**FY22-23**	**FY23-24**	**FY24-25**	**Grand Total**	**3-Year Growth**
Other Professional Contract Services	$1,196,522	$3,215,227	$539,396	$4,951,146	-54.9%
Miscellaneous Groceries	$1,596,955	$1,290,768	$1,319,116	$4,206,839	-17.4%
Fixed Assets - Equipment	$811,461	$1,741,095	$1,384,186	$3,936,741	70.6%
Other Household Expense	$1,002,815	$1,157,223	$910,158	$3,070,197	-9.2%
Uniform Allowance	$663,124	$737,148	$913,477	$2,313,749	37.8%

SCOPE PERIOD

Top Five Categories of Spend - Services					
Category	FY22-23	FY23-24	FY24-25	Grand Total	3-Year Growth
Interagency Agreements-Non Co.	$11,026,276	$13,009,390	$15,736,053	$39,771,719	42.7%
Fixed Assets-Structure/Improv	$19,014,272	$10,381,351	$580,262	$29,975,885	-96.9%
PC/LAN Software*	$0	$5,901,971	$3,560,464	$9,462,435	-39.7%
Sheriff Special Dept Expense	$2,007,455	$3,579,561	$2,967,403	$8,554,419	47.8%
Contract Security Services	$1,638,530	$1,770,426	$1,807,871	$5,216,827	10.3%

*PC/Lan Software growth represents two years of data.

Current State

The Sheriff's Office operates a multifaceted procurement environment that spans several systems and stakeholders, including ServiceNow for initial requests, OVFAIS for requisition creation and purchase orders (POs), OpenGov for solicitations, and Coupa for invoice processing. This distributed model supports the Office's broad operational demands but requires clear communication, consistent documentation, and coordinated workflows across fiscal, program, and County Procurement teams.

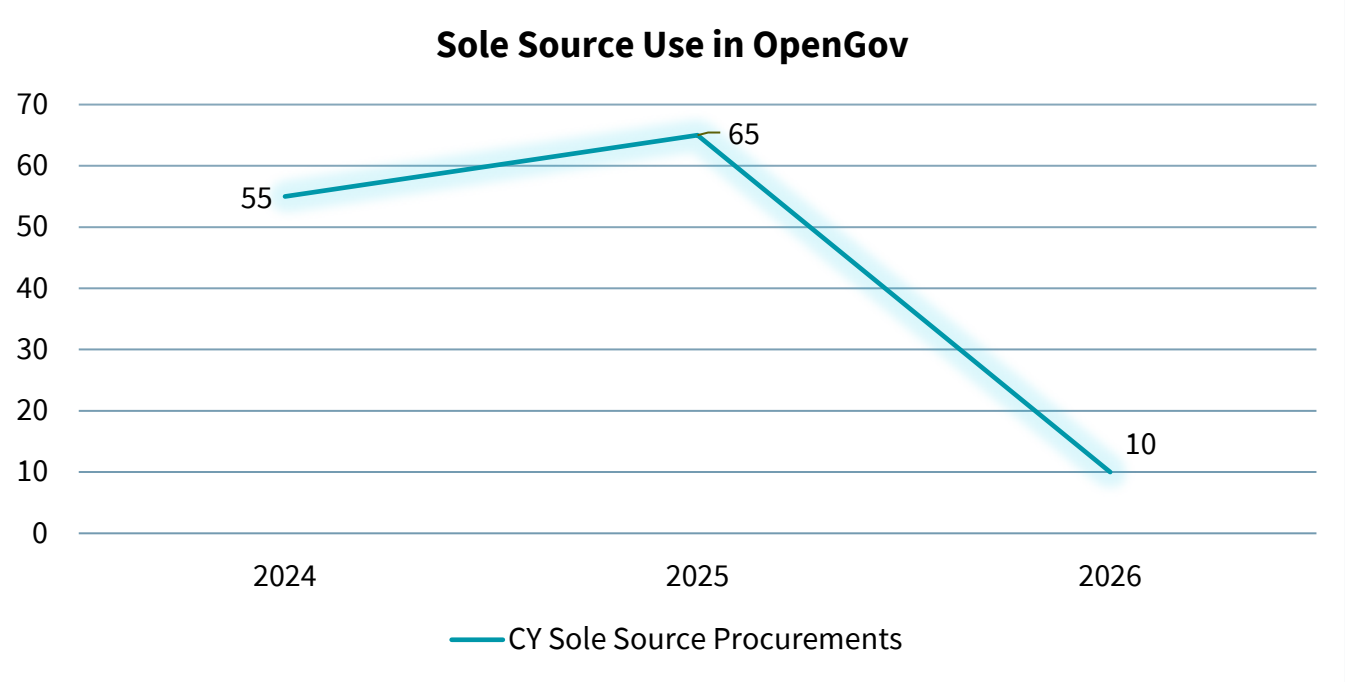
System	Enhancement
ServiceNow	Initiation of procurement requests, internal workflow routing, approvals, and supporting documentation collection within the Sheriff's Office
OVFAIS	Requisition creation, purchase order issuance, and financial processing activities
OpenGov	Procurement solicitation management, competitive bid processes, waiver documentation, and procurement transparency
Coupa	Invoice processing, vendor payment workflow, invoice matching, and accounts payable activities
County Budget Systems	Budget monitoring, financial reporting, and funding management activities (not directly integrated with procurement initiation workflows)

Staff noted meaningful improvements in the last year. Engagement with County Procurement has increased significantly, with higher participation in trainings on solicitations, contract renewals, and procurement planning activities, improved completeness of submissions, and more frequent early coordination on solicitations and contract renewals. Interviewees cited several material changes that have contributed to this improvement, including implementation of OpenGov as the County's centralized solicitation platform, enhanced sole source and waiver review requirements, expanded documentation standards, mandatory procurement training related to Administrative Memorandum B-1, and increased procurement oversight following the alignment of the Procurement Department under the County Executive Office.

Central Procurement also reported that purchasing requests from the Sheriff's Office are more traceable, better documented, and aligned with Countywide standards. These changes have contributed to a steady decline in sole-source usage compared to prior years as the Office adapts to the updated waiver requirements in Administrative Memo B1.

County-level developments have also strengthened the overall procurement landscape. Additionally, the reorganization placing procurement under the County Executive's Office has enhanced accountability and standardized processes across departments. These shifts have reduced ambiguity and improved alignment on requirements, documentation standards, and approval pathways.

An example of this is the immediate, positive trend reversal in Sole Source usage:



During this engagement, the County issued an updated Administrative Memorandum B-1 (dated April 28, 2026), which rescinds and replaces the July 1, 2025 version. The updated memo reflects continued County-led refinement of procurement policy, including clearer structure, strengthened "must/shall" requirements, enhanced documentation expectations, more defined waiver categories, and the introduction of structured flexibility such as approved alternative solicitation methods. These changes strengthen governance, auditability, and consistency at the County level without materially altering core procurement thresholds or approval authorities.

It is worth noting that the following process enhancements were observed during this assessment:

Area	Enhancement
Sole Source Oversight	Additional review and approval requirements for sole source and waiver requests
Documentation Standards	Expanded documentation, justification, and record retention requirements
Procurement Visibility	Increased use of OpenGov to centralize procurement information
Governance & Oversight	Procurement function moved under the County Executive Office
Approval Controls	Additional review and approval checkpoints for procurement transactions
Policy Guidance	Iterative updates to Administrative Memorandum B-1 and Procurement Handbook

Procurement processing times have lengthened, but this trend reflects both Countywide shifts and tightening controls. Increased documentation requirements, more rigorous review of sole-source justifications, and recent system implementations have introduced additional steps and learning curves. While days-to-procure metrics have risen, these increases coincide with reduced procurement risk, greater policy compliance, and improved audit readiness.

Overall, the current state reflects a procurement function that is progressing toward greater structure, transparency, and consistency. The Sheriff's Office has strengthened its practices through coordination, more disciplined contracting, and improved tracking of expirations and funding availability. These changes demonstrate a positive trajectory and a genuine commitment to compliance.

At the same time, opportunities remain to streamline workflows, strengthen training for both administrative and sworn staff, reduce variability in documentation quality, and improve interoperability across systems such as ServiceNow, OFAS and Coupa. Continued focus on role clarity, communication, and process standardization will further support the Office's ability to meet operational needs while maintaining strong internal controls and alignment with County requirements.

Our detailed observations are presented in Table 1. Definitions of the rating scale are included in Appendix B.

Strategic Context

The Sheriff's Office operate as mission-critical public safety organizations delivering non-discretionary services in a procurement environment that has fundamentally changed:

- Vendor markets serving law enforcement have consolidated, reducing competition and increasing supplier leverage, particularly for specialized equipment, technology, and professional services.
- Input costs have structurally reset upward, driven by labor shortages, compliance burdens, and inflationary pressures that are unlikely to revert.
- Vendors are increasingly selective, prioritizing customers with predictable demand, streamlined approvals, and tolerance for price and schedule variability.
- Supply chains are less reliable and less transparent, undermining legacy assumptions that goods and services can be procured quickly through reactive purchasing**.**

The Sheriff's Office's internal procurement posture, however, remains largely anchored to a pre-disruption operating model, one that assumes sufficient market competition, stable pricing, and the ability to address procurement needs on a transactional, as-needed basis within decentralized operations.

Operational workarounds such as post-delivery purchase orders, increased reliance on waivers, deferral of competitive solicitations, and informal vendor relationships—are rational short-term responses to operational urgency. They preserve continuity of service and enable sworn and administrative staff to meet immediate mission needs. However, they do not address the underlying reality that market capacity is constrained and vendor pricing power has increased.

These mitigations convert external market volatility into internal control, financial, and compliance exposures. Confirming purchases weaken pre-approval safeguards, deferred procurements accumulate escalation risk, and expanded reliance on non-competitive methods increases scrutiny while slowing

downstream approvals. Over time, these practices reduce transparency, erode delegated authority, and increase the likelihood of emergency procurements that carry higher costs and compressed timelines.

Recent market conditions have materially increased the cost, schedule, and availability risk of essential goods and services required for law enforcement operations. Continuing current practices is likely to result in more frequent procurement exceptions, higher vendor premiums, administrative bottlenecks, and elevated risk of service disruption, all of which are more expensive and harder to manage than proactive planning and governance.

Within this context, strengthening procurement governance, clarifying accountability, reinforcing pre-approval controls, and aligning internal practices with current market realities are not administrative enhancements, they are strategic requirements.

Summary of Observations

The Sheriff's Office is not facing a single procurement issue, but rather navigating with decentralized operations, limited capacity, and increasing market complexity. The primary consideration is not individual errors, but the opportunity to strengthen consistency, planning, and visibility so the Sheriff's Office can maintain flexibility, support vendor relationships, and adapt effectively to a more constrained and regulated procurement environment.

Table 1: Observations

#	Observation	Risk
1	Inconsistent application and interpretation of procurement policies across Sheriff's Office and County departments	Medium
2	Decentralized oversight and accountability issues across bureaus	Medium
3	High volume of procurement errors due to lack of planning, training and knowledge among sworn and administrative staff	Medium
4	Fragmented and non-integrated procurement and payment systems	Medium
5	Delays and errors in payment processing creating vendor and service continuity risks	Low
6	Excessive reliance on sole source procurement and misclassification of procurements	Medium
7	Staffing and capacity tightness within the Sheriff's Office procurement support functions	Low
8	Insufficient documentation and traceability in procurement files	Low
9	Budget awareness and encumbrance controls not integrated into the procurement workflow	Low

The following section provides a detailed expansion of our observations, offering targeted recommendations designed to address the specific risk areas and potential mitigants identified during our engagement.

Priority of Recommendations

There are 9 total recommendations. They are all important to the long-term success of the Sheriff and the County; and we believe the following prioritization should be applied:

Immediate (0-90 days)

1. Unified, comprehensive procurement guide
2. RACI chart
3. Invoice close-out and ownership

Intermediate (3-12 months)

1. Role-based procurement training
2. Documentation standards
3. Sole source procurement planning
4. Staffing review

Long term (timeline tbd)

1. Systems needs and interoperability assessment
2. Budget validation automation and system enablement

The Sheriff's Office procurement program is fundamentally sound and has demonstrated measurable progress over the review period. The primary opportunities identified relate to improving consistency, accountability, and coordination within an increasingly complex County procurement environment and world markets. Implementation of the recommendations outlined in this report will strengthen governance, improve operational efficiency, and position the Sheriff's Office to better respond to evolving operational and market conditions.

Observations & Recommendations

Observation 1: Inconsistent application and interpretation of procurement policies across Sheriff's Office and County departments

The Sheriff's Office applies procurement policies, thresholds, documentation standards, and approval workflows inconsistently across bureaus and County review points, with outcomes often dependent on individual reviewers rather than standardized guidance. This condition reflects fragmented communication and evolving implementation of County policy updates across departments, and the absence of a single authoritative reference aligned with current County requirements.

This is reinforced by our review of Administrative Memorandum B-1. Our review of *Master Procurement Handbook 1.81* further confirms that the Handbook is intended to operationalize B-1 as a living, frequently updated document, yet Sheriff's Office staff were not consistently referencing or using the Handbook as the primary source of procedural guidance.

Interviewees consistently described five policy conflict points that create uncertainty and rework: (1) differing interpretations between the Controller's Office and County Procurement regarding contracts versus purchase orders, (2) inconsistent treatment of subscriptions and software-as-a-service across systems and dollar thresholds, (3) unclear application of waiver and sole-source rules following recent B-1 changes, (4) misalignment between approval authority in ServiceNow and approval requirements in downstream systems, and (5) updated documentation expectations that are enforced retroactively rather than clarified prospectively.

These issues do not indicate an absence of policy; rather, they reflect an opportunity to reconcile how policies are interpreted and operationalized across Sheriff's Fiscal Services, County Procurement, and the Controller's Office. Establishing a unified, County-aligned procurement framework supported by clear procedural decision points and shared interpretation would reduce ambiguity, improve predictability, and allow staff to focus on compliance execution rather than policy interpretation.

Recommendation 1: Establish a single, County-aligned procurement procedures reference for the Sheriff's Office that consolidates Administrative Memorandum B-1 requirements, relevant Handbook guidance, and Controller-specific payment rules into a unified, role-based decision framework.

Observation 2: Decentralized oversight and accountability issues across bureaus

Procurement responsibilities are embedded across bureaus, with administrative staff supporting sworn leadership but often lacking direct authority to require corrective action when procurement requirements are not followed. As a result, compliance responsibilities are decentralized, while accountability for enforcing procurement expectations remains inconsistent across organizational units. This decentralized operating model has resulted in variation in application of controls and limited visibility into repeat noncompliance patterns across units, and limited ability to identify and correct systemic issues.

The challenge of decentralized oversight is compounded due to the complexity of implementing recent changes to the Administrative Memorandum B-1, which the Department of Procurement is responsible for

reviewing annually to ensure alignment with Board goals and best practices. Changes to Administrative Memorandum B-1 were made iteratively through major revisions dated May 9, 2022, July 1, 2025, and April 28, 2026, as well as related updates to the County Procurement Handbook. While these changes strengthened County procurement governance, interviewees consistently reported that the resulting requirements were not always clearly translated into bureau-level responsibilities, operational workflows, or day-to-day procurement activities.

Across interviews, five recurring pain points consistently emerged that cut across procurements of different sizes and types: (1) uncertainty over who owns procurement planning versus execution, (2) inconsistent expectations between Sheriff's Fiscal Services, County Procurement, and the Controller's Office, (3) lack of a single accountable role for end-to-end procurement outcomes, (4) confusion over when approvals are advisory versus mandatory, and (5) limited escalation clarity when requirements conflict or change.

In organizations where procurement activities are shared across operational, fiscal, and oversight functions, frameworks such as RACI and DACI are commonly used to clarify roles, responsibilities, and decision-making authority. A RACI framework defines who is Responsible, Accountable, Consulted, and Informed, while a DACI framework further clarifies who is the ultimate Decision-maker when multiple stakeholders are involved. The purpose of these tools is not to centralize work, but to remove ambiguity across complex tasks by making ownership and decision authority explicit.

Applying a RACI framework would clarify ownership for procurement initiation, review, approval, and compliance enforcement, improving consistency while allowing operational roles to remain distributed across bureaus.

Recommendation 2: Develop a procurement RACI matrix that assigns responsibility and accountability at the appropriate role or leadership level for procurement initiation, review, approval, and compliance oversight while reinforcing escalation paths and compliance expectations.

To support implementation, a best-practice example of a procurement RACI framework appropriate for an embedded finance model is included in Appendix A for reference. This example is intentionally structured around common procurement pain points rather than individual transactions, allowing leadership to see how responsibility and accountability align across the most frequent areas of breakdown.

Observation 3: High volume of procurement errors due to lack of planning, training and knowledge among sworn and administrative staff

The Sheriff's Office continues to experience recurring procurement errors, including missing documentation, contract lapses, backdating, and misuse of waivers, despite repeated corrective communications over multiple years. These issues persist because procurement responsibilities are embedded within operational roles without consistent training, standardized expectations, or clear accountability for compliance outcomes.

We reviewed emails documenting two mandatory training sessions delivered by the County Procurement Director to Sheriff's Office personnel. One of the sessions, held in October/November 2025, focused on the County's procurement policy as well as the updates to Administrative Memorandum B-1. This training stated it would provide staff with tools and resources to ensure all Sheriff's Office staff are adhering to the County's

procurement policy. The second training focused on OpenGov, the County's tool for solicitations, and was held in January/February 2026. This training session was designed to provide an overview of the system and walk through some key processes.

Training resources, procedural guidance, and reference materials have been made available to Sheriff's Office personnel; however, recurring procurement errors continue to occur. Interviews indicated that compliance challenges are more closely tied to application, reinforcement, planning, and accountability within day-to-day operations than to access to training resources alone. This is further supported by documented instances where procurement submissions did not consistently align with requirements outlined in *Master Procurement Handbook 1.81*, including expectations related to procurement planning, supporting documentation, solicitation preparation, and record retention.

In addition, the Sheriff's Office provided MGO with two internal procurement reference charts, one for the purchase of goods and one for the purchase of service, —which outline procurement thresholds (less than $10,000, $10,000–$99,999, and greater than $100,000), identify when single or sole-source and non-emergency specific waiver grounds may apply, and explicitly state at each threshold that an order may not be placed until a purchase order has been executed.

However, this documented guidance conflicts with information obtained through interviews which shared instances where goods or services were received before purchase orders were finalized, indicating that established procurement procedures were not consistently followed in practice.

Collectively, these conditions suggest that the Sheriff's Office's primary challenge is not the absence of policies, procedures, or training resources, but ensuring consistent application of those requirements across a decentralized operating environment. Recurring errors increase administrative workload, contribute to procurement delays, and create avoidable compliance and operational risks. Strengthening planning expectations, reinforcing role-specific responsibilities, and providing ongoing practical reinforcement would improve consistency and reduce repeat issues.

Recommendation 3: Implement role-based procurement training tailored to staff who initiate, review, or approve procurements as part of their operational duties.

Observation 4: Fragmented and non-integrated procurement and payment systems

Procurement and payment activities rely on multiple non-integrated systems (ServiceNow, OpenGov, OFAS, and Coupa), requiring manual data entry, parallel tracking, and workarounds to move transactions forward. This environment reflects a County-driven system landscape in which systems have been implemented independently without full integration. The requirements specified within Administrative Memorandum B-1 were expanded to include additional documentation, review, approval, and record-keeping expectations. Because the systems supporting procurement activities were implemented independently and do not fully exchange information, staff have adopted manual processes and workarounds to satisfy these requirements and move transactions through the procurement lifecycle.

As a result, procurement activities require duplicate data entry, repeated approvals, and manual tracking across systems, increasing administrative burden and reducing end-to-end visibility into transaction status.

OBSERVATIONS & RECOMMENDATIONS

Interviewees consistently described the need to navigate multiple systems with overlapping but non-identical approval requirements, resulting in duplicate data entry of similar financial information, repeated approvals, and uncertainty about which system represents the authoritative record at each stage of the procurement lifecycle. This increases the likelihood of error and rework, particularly when approvals must be re-performed across ServiceNow, OpenGov, OFAS, and Coupa.

Additionally, *Master Procurement Handbook 1.81* assumes the existence of clear system handoffs, centralized record retention, and end-to-end traceability. However, these conditions are not consistently present within the Sheriff's Office's current procurement and payment environment. As a result, staff often rely on manual tracking, duplicate data entry, and cross-system reconciliation to determine the status of requisitions, contracts, and invoices.

As a result, staff lack end-to-end visibility, errors are introduced through reentry, and management cannot easily track the true status of requisitions, contracts, or invoices. Conducting a formal needs assessment grounded in best practices for integrated public-sector finance and procurement environments would allow the Sheriff's Office to define functional requirements, assess system gaps, and identify opportunities for improved interoperability without presupposing a specific technology solution.

Recommendation 4: Perform a procurement and finance systems needs assessment to define functional requirements, integration points, and visibility needs across the end-to-end process.

Observation 5: Delays and errors in payment processing resulting in creating vendor frustration and service interruptions continuity risks

Invoice processing delays may occur due to incomplete documentation, inconsistent follow-through, and system limitations, resulting in unpaid invoices and potential impacts to vendor service continuity. These delays are not isolated incidents but downstream effects of fragmented systems, unclear close-out expectations, and distributed responsibility for invoice completion. Vendor payment issues create operational risk, may impact vendor relationships, and require reactive interventions that divert staff attention from core responsibilities. Establishing clearer ownership and standardized close-out practices would reduce delays and improve payment reliability.

Interviews further indicated that staff have relied on established personal relationships with vendors to mitigate the impact of payment delays and prevent service interruptions. While these informal efforts may have preserved short-term continuity, they can mask underlying process weaknesses and expose the Sheriff's Office to escalating vendor, reputational, and operational risk if delays persist or relationships deteriorate.

Recommendation 5: Standardize invoice close-out requirements and clearly assign responsibility for invoice completion and follow-up at the appropriate operational or fiscal role level.

Observation 6: Excessive reliance on sole source procurement and misclassification of procurements

The Sheriff's Office has historically relied heavily on sole source and waiver-based procurements, including for purchases that could reasonably be competitively solicited. This pattern reflects legacy practices, evolving

policy requirements, and varying levels of familiarity with competitive solicitation expectations. Excessive sole source usage increases compliance risk, reduces competitive pricing opportunities, and triggers additional County scrutiny that slows processing. Strengthening early procurement planning and review would help ensure sole source procurement is used appropriately and defensibly.

Recommendation 6: Require documented procurement planning reviews for anticipated sole source or waiver-based procurements before submission.

Observation 7: Staffing and capacity tightness within the Sheriff's Office procurement support functions

The Sheriff's Office relies on a small procurement and contract administration function to support a large volume of contracts and procurement activity distributed across multiple bureaus. As procurement requirements have increased, these staff have increasingly become the primary resource for training, guidance, compliance review, and issue resolution, reducing the time available for proactive planning, monitoring, and contract administration. This imbalance limits oversight, creates backlog risk, and constrains the Sheriff's Office's ability to mature its procurement practices. Aligning staffing capacity with the embedded operating model would improve consistency, oversight, and sustainability.

Recommendation 7: Reassess procurement and contract administration staffing needs in light of contract volume, embedded responsibilities, and compliance expectations.

Observation 8: Insufficient documentation and traceability in procurement files

Based on interviews from staff, procurement files do not consistently include required documentation, and records are not consistently centralized or easily retrievable. These gaps stem from unclear expectations, decentralized storage practices, and limited enforcement of documentation standards. Incomplete files increase compliance risk, slow audits, and require time-consuming reconstruction of procurement decisions. Establishing clear documentation standards supported by centralized storage would improve traceability and reduce rework.

Recommendation 8: Implement standardized documentation requirements supported by a centralized electronic repository.

Observation 9: Budget awareness and encumbrance controls not integrated into the procurement workflow

Budget availability is not validated at the requisition stage through an integrated system control, allowing procurements to proceed without confirmation of sufficient funds because ServiceNow does not interface with budget systems and OFAS performs checks only after purchase orders are issued. This gap increases the risk of overspending, contract funding shortfalls, and delayed invoice payments that require manual correction. Integrating budget validation earlier in the procurement workflow would strengthen financial controls and reduce downstream issues.

Interviews indicated that budget availability is often confirmed through manual reports, email attestations, or personal knowledge rather than system-enforced controls, increasing reliance on individual judgment and follow-up. This approach elevates the risk of overspending and funding shortfalls, particularly when procurements are initiated under time pressure or span multiple fiscal periods.

Recommendation 9: Integrate budget validation into the earliest feasible stage of the procurement workflow.

Appendix A – RACI Chart Example

A RACI chart is a governance tool used to clearly define who is responsible, accountable, consulted, and informed for key activities within a process, reducing ambiguity and strengthening accountability. In embedded procurement and finance models, where responsibilities are distributed across operational and administrative roles, a RACI framework helps ensure that requirements are consistently executed while preserving operational flexibility. This illustrative RACI should be reviewed and updated periodically by management to reflect changes in County policy, systems, staffing models, or operational needs. How to read this:

- **R (Responsible):** Performs the work
- **A (Accountable):** Ultimately answerable for correct and compliant completion
- **C (Consulted):** Provides input or subject-matter expertise
- **I (Informed):** Kept aware of status or outcomes

This RACI chart below is intended to clarify ownership across the full procurement lifecycle, particularly where procurement responsibilities are embedded within operational units. Clearly defining accountability at key control points, such as procurement method selection, purchase order issuance, and waiver approvals, supports consistent compliance, reduces rework, and strengthens internal controls without centralizing all activity. Importantly, these roles should align with County-defined policy authority (e.g., Procurement, Controller) while clearly identifying the Sheriff's Office's responsibility for execution, compliance, and operational adherence within that framework.

This RACI is organized around procurement activities that were repeatedly identified in interviews as high-friction or high-risk points, including procurement planning, sole-source justification, purchase order issuance, and payment authorization. For each activity, the framework identifies the *type of role* that would typically be responsible or accountable to reduce ambiguity, rework, and escalation. This structure is intended to support a shared, cross-functional understanding of how responsibilities are distributed across County and Sheriff stakeholders, rather than to prescribe ownership to any single department in isolation.

Management should use this framework to answer three questions for each activity:

- Which role type is best positioned to perform the work (Responsible)?
- Which role type must ultimately answer for compliance and outcomes (Accountable)?
- Where is consultation or visibility required due to policy, funding, or legal considerations?

Where multiple role types appear to share accountability or decision authority, management may elect to apply a DACI lens to explicitly designate a single decision-making role for time-sensitive or high-risk procurements.

APPENDIX A – RACI CHART EXAMPLE

Procurement Activity	Requesting / Program Role	Procurement Coordination Role	Fiscal Control Role	Executive / Management Approval Role	Central Procurement Oversight Role	Legal Review Role (as applicable)
Identify need & initiate request	R	A	C	I	I	I
Procurement planning & method selection	C	R	C	I	A	I
Market research / RFI (if applicable)	C	R	I	I	A	I
Sole source / waiver justification	C	R	C	A	A	C
Solicitation development (RFP/RFSQ/IFB)	C	R	I	I	A	C
Evaluation committee coordination	C	R	I	I	A	I
Contract negotiation & finalization	I	R	C	A	C	A
Contract approval routing	I	R	C	A	C	C
Purchase order issuance (pre-delivery)	I	C	R	I	A	I
Invoice review & payment authorization	I	C	R	A	I	I
Contract monitoring & compliance	R	C	C	A	C	I
Contract closeout & record retention	C	R	C	I	A	I

Note: This example RACI is provided for reference only. Management is responsible for tailoring, approving, and implementing a final RACI framework that aligns with County policy, departmental operations, and governance expectations, and for updating the framework as policies, systems, or roles evolve. Finalization of the RACI should be coordinated jointly between the Sheriff's Office and appropriate County central functions (including Procurement and the Controller's Office) to ensure consistency with County policy, system workflows, and approval authorities.

Appendix B – MGO Ratings Definitions

Observation Risk Rating Definitions		Report Rating Definitions	
Rating	**Definition**	**Rating**	**Explanation**
Low	Process improvements exist but are not an immediate priority. Taking advantage of these opportunities would be considered best practice.	**Low**	Adequate internal controls are in place and operating effectively. Few, if any, improvements in the internal control structure are required. Observation should be limited to only low risk observations identified or moderate observations which are not pervasive in nature.
Medium	Process improvement opportunities exist to help meet or improve its goals, meet or improve its internal control structure, and further protect its brand or public perception. This opportunity should be considered in the near term.	**Medium**	Certain internal controls are either: • Not in place or are not operating effectively, which in the aggregate represent a significant lack of control in one or more of the areas within the scope of the assessment. • Several moderate control weaknesses in one process, or a combination of high and moderate weaknesses which collectively are not pervasive.
High	Critical process improvement opportunities exist to help meet or improve its goals, meet or improve its internal control structure, and further protect its brand or public perception presence. This opportunity should be addressed immediately.	**High**	In consideration of the level of importance of the risks to the Program, in addition to fundamental internal controls that are not in place or operating effectively for critical areas within the scope of the assessment, systemic business risks exist which have the potential to create situations that could severely impact the control environment overall. • Critical control weaknesses (breakdown) in the overall control environment, in part of the business or in the process being assessed. • Significant to critical non-compliance with laws and regulations. High-risk observations which are pervasive in nature.

(1) *Risk ratings assigned by the MGO Team are based on professional judgement. Professional judgement is generally defined by the American Institute of Certified Public Accountants (AICPA) as the application of the accumulated knowledge gained through training and experience and by making use of the ethical standards, which results in making informed decisions about the level of risks and the courses of recommended actions that are appropriate in specific circumstances.*

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