

## **Procurement audit of the General Secretariat of the Federal Department of Economic Affairs, Education and Research**

### **Key points**

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The Swiss Federal Audit Office (SFAO) audited how the General Secretariat of the Federal Department of Economic Affairs, Education and Research (GS-EAER) performs its coordination and steering tasks in managing the department and carries out its own procurements. The results of the audit show a varied picture.

### **Necessary optimization processes under way**

The department has few specific guidelines which supplement procurement law. Of particular note is the provision that direct contracts above the WTO threshold must be approved beforehand by the head of the department. The EAER does not have procurement-specific guidelines, such as those issued by the FDF for its area in which success factors are also indicated for correctly conducted procurements. In contrast, the EAER has introduced an award management module for the process steps upstream of federal contract management with which the approval procedure is also handled. With additional reporting which is to be introduced this year, the GS-EAER wants to evaluate the procurement conduct of the offices. They can thus exert an influence where this is necessary. The SFAO welcomes these efforts.

The GS-EAER is also involved in major IT projects in the department. It currently sits on the committees of 17 projects, which represent approximately 93% of overall volume. Based on this, the EAER management board receives reports with recommendations for action, where relevant. The SFAO views this procedure for monitoring major IT projects as appropriate.

### **Improvements for greater transparency**

The overall annual procurement costs of the GS-EAER are approximately CHF 14 million. The SFAO audited eight procurement transactions in 2013 and 2014 with an order volume of approximately CHF 7.9 million. A significant transaction concerns "office automation", which amounts to roughly CHF 6.6 million annually. The award procedures were correctly selected. The need for action identified is mainly due to a lack of know-how in procurement practices, such as in the invitation-to-tender procedure of procurements where no award criteria were listed in the requirements and were only weighted in the assessment. Several smaller procurements are based on quotes from service providers which were negotiated, but not on the basis of the procuring entity's specifications. In addition, quote evaluations are not documented in a comprehensible manner.

There are no procurement-specific guidelines or processes for the GS-EAER. A procurement coordinator was employed in the first half of 2015. However, the coordinator's tasks and duties have still to be defined in the corresponding new procurement-specific processes and instructions that have to be drawn up.

The measures already introduced and those recommended by the SFAO which have yet to be implemented will enable the conditions necessary for the correct implementation of the GS-EAER's own procurements to be created.

### **Original text in German**