
**CITY OF SAN ANTONIO
OFFICE OF THE CITY AUDITOR**

FINANCE DEPARTMENT
AUDIT OF BONFIRE PROCUREMENT
EVALUATION SYSTEM
PROJECT NO. AU23-015
AUGUST 22, 2023

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CITY AUDITOR



Table of Contents

Executive Summary	2
Background	3
Audit Scope and Methodology	4
Audit Results	5
Appendix A – Staff Acknowledgement	6
Appendix B – Management Acknowledgement	7

Executive Summary

As part of our annual Audit Plan approved by City Council, we conducted an audit of the Finance Department, specifically the Bonfire procurement evaluation system. The audit objectives, conclusions, and recommendations follow:

Determine if application controls for the Bonfire procurement evaluation system are adequate and data is accurate and reliable.

We evaluated the Bonfire procurement evaluation system and determined that Finance has adequate application controls in place to ensure data is accurate and reliable.

We verified user access permissions are appropriate for both Bonfire license holders and assigned evaluators. Once a project is completed in Bonfire, evaluators can no longer access or edit their scores. We also verified evaluators of potential vendors for City contracts remained anonymous within Bonfire.

We determined the solicitation scores in Bonfire are calculated accurately and that the scores do not change when presented to City Council for high-profile solicitations. Additionally, we determined that sufficient data input controls are in place for projects in Bonfire and adequate support from the vendor for data availability, redundancy, and storage.

We make no recommendations to the Finance Department; consequently, no management responses are required. Management's acknowledgment of these results is in Appendix B on page 7.

Background

Bonfire software is a cloud-based strategic sourcing solution that helps organizations to streamline their procurement processes. It offers multiple tools and features including online bidding, e-sourcing, contract management, and performance management. While the platform provides an end-to-end procurement solution, the Finance Department's Procurement team utilizes Bonfire exclusively as a tool for distribution and evaluation of vendor bids. However, SAePS, the City's e-Procurement system, remains the system of record for the solicitation process.

The procurement team implemented Bonfire in March 2020 to help continue the successful evaluation of solicitations during the COVID19 pandemic. Bonfire allows the procurement team to create a project for a specific solicitation, distribute relevant documentation to involved parties, allow evaluators to evaluate vendor bids, and score bids for final selection. Currently, full access is limited to a subset of procurement specialists as determined by the Director of Finance. These same procurement specialists manage and maintain the application. This includes creating projects, monitoring due dates, uploading documents, and determining access permissions for evaluators. Procurement specialists receive training documentation and one-on-one training with other license holders to learn how to use the Bonfire application effectively.

Evaluators include a representative group of City staff, advisory board members, and private industry representatives who serve as a group to consider, evaluate, and arrive at a recommendation for a contract award via reviewing responses received from a solicitation. Evaluators are given limited access to the specific projects they are assigned to by a procurement specialist in Bonfire. Access permissions for the evaluators are defined by the assigned procurement specialist and includes general documentation, such as the solicitation and vendor bids submitted. Evaluators review documentation, make comments, and submit scores for each vendor.

Bonfire is also utilized during scoring evaluation meetings, in which independently scored bids are reviewed and discussed with the full evaluation group and final scores are determined. From there, reviewers are anonymized and projects are closed out to prevent modifications. Once the project is completed, evaluator access to the project is revoked.

Audit Scope and Methodology

The audit scope was December 1, 2021 through June 30, 2023.

To gain an understanding of department operations, we interviewed Finance Procurement personnel and reviewed relevant documentation including the Bonfire training manual and the contract with the State of Texas Department of Information Resources for products and related services.

We assessed internal controls relevant to the audit objective. This included a review of user access, service level agreement, and code of conduct forms. In addition, as part of our testing procedures, we examined the annual billing for Bonfire licenses, calculations of scores, and the anonymity of project evaluators.

We relied on computer-processed data in the Bonfire system to validate the scoring calculations of vendor bids. Our reliance was based on performing direct tests on the data and testing the general and application controls for Bonfire.

We conducted this performance audit 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.

Audit Results

Overall, the Bonfire procurement evaluation system has adequate application controls in place to ensure data is accurate and reliable.

We selected 13 of the most recent high-profile solicitations presented to the Audit and Accountability Committee from fiscal year 2023 and determined the scores presented to the Committee matched the score sheets in Bonfire. Additionally, we determined that solicitation scores in Bonfire are accurate. For the same sample of 13 high-profile solicitations, we recalculated the scores for each individual vendor and verified the scores matched the final score sheets.

We determined that controls over Bonfire access are appropriate. We confirmed that the license holders were appropriate. Furthermore, for a sample of 8 projects, we determined that evaluator access within Bonfire was appropriately limited to required information and that access was removed when the scoring was completed.

We determined that sufficient data input controls are in place for projects in Bonfire. We reviewed the project templates in Bonfire to ensure that appropriate required data fields were included.

We selected a sample of five completed projects in Bonfire and verified that the assigned evaluators remained anonymous throughout the solicitation process.

Finally, we determined the service level agreement within the Bonfire contract includes a service commitment pertaining to availability, data redundancy, data storage, and data exportation. Additionally, we verified that the vendor provides sufficient communication and technical support for issues with the Bonfire system.

Appendix A – Staff Acknowledgement

Mark Bigler, CPA-Utah, CISA, CFE, Audit Manager
Holly Williams, CISA, CRISC, Auditor in Charge
Nastasha Leach, CIA, CGAP, CRMA, IT Auditor

Appendix B – Management Acknowledgement



CITY OF SAN ANTONIO

SAN ANTONIO TEXAS 78283-3966

July 28, 2023

Kevin W. Barthold, CPA, CIA, CISA
City Auditor
San Antonio, Texas

RE: Management's Acknowledgement of its Review of Bonfire Procurement Evaluation System

Finance Department has reviewed the audit report and provided its comments to the auditors. As there are no recommendations for management, no management responses are required.

Finance Department:

Fully Agrees

Does Not Agree (provide detailed comments)

Sincerely,

Troy Elliott
Director
Finance Department

8/1/2023
Date

Ben Gorzell
Chief Financial Officer
City Manager's Office

8/9/2023
Date