

**Date:** September 30, 2025 File No.: 5201

**To:** Kristen Erickson-Donadee, Director  
California Department of Child Support Services  
P.O. Box 419064  
Rancho Cordova, CA 95741-9064

**From:** **Department of General Services**  
**Office of Audit Services**

**Subject:** **AUDIT REPORT: DELEGATED PURCHASING PROGRAM**

Attached is the final report on our compliance audit of the California Department of Child Support Services' (DCSS') delegated purchasing program. The objective of our audit was to determine whether procurement transactions are being conducted in accordance with the terms and conditions of DCSS' purchasing authority delegation agreements with the Department of General Services (DGS), which include dollar threshold limits for various categories of procurements.

DCSS' written response to our draft report is included in this final report. The report also includes our evaluation of the response. We are pleased with the actions taken or proposed and the commitments made to address our recommendations.

As part of its operating responsibilities, the Office of Audit Services is responsible for following up on audit recommendations. Therefore, please submit on your department's official letterhead a status report on the implementation of each recommendation to us by March 30, 2026.

The necessity of any further status reports will be determined at that time. Please transmit your status report to: DGS – Office of Audit Services, 707 3rd Street, 8th Floor, West Sacramento, CA 95605.

We greatly appreciated the cooperation and assistance provided by DCSS' personnel.

If you have any questions, please call me at (916) 376-5058, or Melissa Ortegren, Management Auditor, at (279) 799-3748.



ANDY WON  
Deputy Director, Office of Audit Services

Attachment

cc: Melissa Stone, Chief Deputy Director, DCSS  
Irene Briggs, Deputy Director, Administrative Services Division, DCSS  
Nan Chen, Procurement and Contracting Officer (PCO), DCSS  
Kimberly Peng, Non-IT and IT Purchasing Authority Contact (PAC), DCSS  
Christian Margedant, IT Acquisitions Supervisor, DCSS  
Amanda Mayo, Non-IT Acquisitions Supervisor, DCSS  
Statewide Procurement Oversight, Consulting Unit (SPOC), Procurement Division, DGS

**GOVERNMENT OPERATIONS AGENCY  
DEPARTMENT OF GENERAL SERVICES**

**AUDIT OF THE  
CALIFORNIA  
DEPARTMENT OF CHILD  
SUPPORT SERVICES**

**FOR COMPLIANCE WITH STATE  
DELEGATED PURCHASING PROGRAM  
REPORT NO. 5201**

**OFFICE OF AUDIT SERVICES**

**MAY 2025  
(END OF FIELDWORK)**



**CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES  
DELEGATED PURCHASING PROGRAM AUDIT  
REPORT NO. 5201**

**TABLE OF CONTENTS**

	<b><u>PAGE</u></b>
AUDITOR'S REPORT .....	1
FINDINGS AND RECOMMENDATIONS .....	3
DELEGATED PURCHASING PROGRAM .....	3
RECOMMENDATIONS .....	4
CONCLUSION .....	4
DCSS' RESPONSE .....	5
EVALUATION OF DCSS' RESPONSE .....	7



**STATE OF CALIFORNIA**  
**DEPARTMENT OF GENERAL SERVICES**  
**AUDITOR'S REPORT**

DATE: September 30, 2025

TO: Kristen Erickson-Donadee, Director  
California Department of Child Support Services

This report presents the results of our compliance audit of the delegated purchasing program of the California Department of Child Support Services (DCSS). As required by Public Contract Code Section 10333, at least once in each three-year period the Department of General Services (DGS) conducts an audit of each state agency to which purchasing authority has been delegated by the department. The objective of our audit was to determine whether procurement transactions are being conducted in accordance with the terms and conditions of DCSS' purchasing authority delegation agreements with DGS, which include dollar threshold limits for various categories of procurements. As applicable, the scope of our audits of state agencies includes, but is not limited to, compliance with policies governing the conduct of competitive solicitations, use of leveraged procurement agreements (LPAs), solicitation of certified small businesses (SBs) and disabled veteran business enterprises (DVBES), establishment of fair and reasonable pricing for acquisitions of less than \$10,000, use of CAL-Cards to pay for goods and services, and prompt payment of suppliers.

Overall, we concluded that DCSS is conducting its delegated purchasing program in compliance with the terms and conditions of its delegation agreement. However, as discussed under the Findings and Recommendations section of this report, we identified a number of areas for improvement that need to be addressed to fully comply with purchasing requirements. The implementation of the recommendations presented in this report will assist DCSS in addressing these issues.

During our review we also identified other matters requiring attention that did not pose a significant risk to DCSS' delegated purchasing program. We discussed these issues with DCSS' management, and they are not further detailed in this report.

It should be noted that when advised of areas for improvement during our audit fieldwork, DCSS' management agreed to take action to address our concerns. We were pleased with the commitment shown to improve compliance with

state requirements. However, we did not perform effectiveness tests to determine whether the corrective actions were functioning as intended. DCSS' management has the ongoing responsibility for ensuring that its business management policies and procedures are functioning as prescribed and are modified, as appropriate, for changes in conditions.

Your response to our recommendations as well as our evaluation of the response are included in this report.

We greatly appreciated the cooperation and assistance provided by DCSS' personnel.

If you need further information or assistance on this report, please contact me at (916) 376-5058, or Melissa Ortegren, Management Auditor, at (279) 799-3748.



ANDY WON  
Deputy Director, Office of Audit Services

Staff: Melissa Ortegren, Management Auditor

cc: Melissa Stone, Chief Deputy Director, DCSS  
Irene Briggs, Deputy Director, Administrative Services Division, DCSS  
Nan Chen, Procurement and Contracting Officer (PCO), DCSS  
Kimberly Peng, Non-IT and IT Purchasing Authority Contact (PAC), DCSS  
Christian Margedant, IT Acquisition Supervisor, DCSS  
Amanda Mayo, Non-IT Acquisition Supervisor, DCSS  
Statewide Procurement Oversight, Consulting Unit (SPOC), Procurement Division, DGS



# **CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES**

## **DELEGATED PURCHASING PROGRAM AUDIT**

### **FINDINGS AND RECOMMENDATIONS**

The following presents our detailed findings and recommendations developed based on our compliance audit of DCSS' delegated purchasing program. The state's delegated purchasing requirements are primarily contained in the Consolidated State Contracting Manual Volume 2 (SCM Vol. 2).

This information was developed based on our fieldwork conducted over the period of August 8, 2024 through May 22, 2025. To determine compliance, we reviewed policies and procedures, interviewed parties involved, tested records and transactions and performed other tests as deemed necessary. The period covered by our testing varied depending upon the area of review and the type of transactions involved; however, the emphasis of our review and testing was with current procedures and transactions completed during the 2024-25 fiscal year. Our transaction tests included the review of 15 delegated non-IT and IT procurements, including five leveraged procurement agreement transactions.

#### **DELEGATED PURCHASING PROGRAM**

Overall, we concluded that DCSS has implemented a delegated purchasing program that ensures compliance with the state's primary procurement requirements, including those governing the obtaining of bids from multiple suppliers. However, our tests disclosed a number of areas for improvement that need to be addressed to fully comply with purchasing requirements.

It should be noted that although some types of noncompliance occurred infrequently, when combined, the numerous instances indicate a weakness in the procurement program that warrants addressing. Since the instances of noncompliance were discussed with responsible management and staff during our audit fieldwork, they are not detailed in this report. However, the types of exceptions noted with procurement transactions performed by DCSS staff involved either missing or inadequate procurement documentation for the following areas:

- For competitive solicitations after 6/23/2022, the required Economic Sanctions language was not included in solicitations (Broadcast Bulletin P-7-22 & Executive Order N-6-22).
- The transaction file did not include a STD. 213 (SCM Vol. 2, Section 1803).

- The State's General Provisions are not correctly incorporated in the STD. 213 (SCM Vol. 2, Section 1403.3).
- The transaction file did not include a STD. 215 (SCM Vol. 2, Section 1803).

## **RECOMMENDATIONS**

### **1. Update Solicitation Templates**

- Revise all standard solicitation templates to include the Economic Sanctions language as mandated by state directives post 6/23/2022 to ensure consistency and compliance for all future solicitations.

### **2. Ongoing Staff Training**

- Conduct periodic training for procurement staff on the importance and proper incorporation of General Provisions in purchases and how to identify when updates have occurred.
- Develop and deliver mandatory training for all procurement and contract processing staff focused specifically on documentation requirements, including the proper use, completion, and filing of the STD. 213 and STD. 215 forms.

## **CONCLUSION**

Our findings and recommendations are presented to aid DCSS in administering its delegated purchasing program. DCSS should address the reported issues to assist in ensuring compliance with applicable state laws, policies and procedures.

**CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES**

P.O. Box 419064, Rancho Cordova, CA 95741-9064



September 19, 2025

Andy Won  
Deputy Director, Office of Audit Services  
Department of General Services  
707 3rd Street, 8th Floor  
West Sacramento, CA 95605

SUBJECT: RESPONSE TO AUDIT REPORT: DELEGATED PURCHASING PROGRAM  
(REPORT NO. 5201)

Dear Mr. Won:

Thank you for the opportunity to review and respond to the draft audit report regarding the California Department of Child Support Services' (DCSS) Delegated Purchasing Program. We appreciate the Department of General Services' (DGS) efforts in conducting a thorough and collaborative audit.

DCSS acknowledges the findings and recommendations outlined in the report and is committed to strengthening our procurement practices to ensure full compliance with state requirements. In response to the areas identified for improvement, DCSS has initiated the following corrective actions:

**Solicitation Template Updates**

All standard solicitation templates have been revised to include the Economic Sanctions language as required by Executive Order N-6-22 and Broadcast Bulletin P-0722. These updates were completed and implemented across all procurement units as of September 10, 2025.

**Staff Training and Documentation Compliance**

DCSS is developing a mandatory training program for all procurement and contracting staff. This training will cover:

- Proper incorporation of General Provisions in procurement documents.
- Accurate completion and filing of STD. 213 and STD. 215 forms.

The first training session is scheduled for December 2025.

We value the feedback provided and are committed to continuous improvement. If you have any questions or require additional information, please contact Kimberly Peng at (916) 464-1728 or via email at [Kimberly.Peng@dcss.ca.gov](mailto:Kimberly.Peng@dcss.ca.gov).

Sincerely,

A handwritten signature in cursive script that reads "Irene Briggs".

IRENE BRIGGS  
Deputy Director, Administrative Services Division  
California Department of Child Support Services

cc:

Kristen Erickson-Donadee, Director, DCSS  
Melissa Stone, Chief Deputy Director, DCSS  
Nan Chen, Procurement and Contracting Officer (PCO), DCSS  
Kimberly Peng, Non-IT and IT Purchasing Authority Contact (PAC), DCSS  
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Statewide Procurement Oversight, Consulting Unit (SPOC), Procurement  
Division, DGS

## **CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES (DCSS)**

### **EVALUATION OF DCSS' RESPONSE**

We have reviewed the response by the California Department of Child Support Services (DCSS) to our draft report. The response to the recommendations is satisfactory. We appreciate the efforts being taken by DCSS to improve its delegated purchasing functions.

As a part of our operating duties, DGS is responsible for following up on audit recommendations and will require a six-month status report on the implementation of those recommendations that have not been fully implemented. To the extent practical, supporting documentation should reflect the requirements stated in the Recommendations section in the report.