

# **INTERNAL AUDIT REPORT**

## **Audit of Purchasing Card Processes**



**To be presented to the:**

**Audit Committee on  
November 21, 2019**

**The School Board of Broward County, Florida on  
December 10, 2019**

**By**

**The Office of the Chief Auditor**



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## **TRANSMITTAL LETTER**

October 7, 2019

Members of the School Board of Broward County, Florida  
Members of the School Board Audit Committee  
Robert W. Runcie, Superintendent of Schools

In accordance with The School Board of Broward County, Florida's (District) Audit Plan, the Office of the Chief Auditor (OCA) audited the District's Purchasing Card (P-Card) processes and its controls and activities for multiple time periods: 1) transactions January 1, 2018 through August 31, 2018; 2) transactions and databases from August 1, 2019 through August 31, 2019; 3) bank statements from December 5, 2017 through December 4, 2018.

Our report is organized in the following sections:

<b>Executive Summary</b>	Brief description of the Audit Subject Area and the dates of our audit coverage.
<b>Objectives</b>	Goals for the audit.
<b>Background</b>	Summary of the Audit Subject Area and how it impacts the District and District personnel responsibilities.
<b>Observations</b>	Issues and findings noted during our audit.
<b>Scope and Methodology</b>	Our audit approach and significant procedures as well as the OCA's and District Management's responsibilities.
<b>Exhibits</b>	Additional information.

We would like to thank all those involved in assisting the OCA in connection with this audit.

Respectfully Submitted,

*/s/ Joris M. Jabouin*

Joris M. Jabouin, CPA  
Chief Auditor  
Office of the Chief Auditor



## **EXECUTIVE SUMMARY**

In accordance with The School Board of Broward County, Florida's (District) Audit Plan, the Office of the Chief Auditor (OCA) audited the District's Purchasing Card (P-Card) processes and its controls and activities for multiple time periods: 1) transactions January 1, 2018 through August 31, 2018; 2) transactions from August 1, 2019 through August 31, 2019; 3) bank statements from December 5, 2017 through December 4, 2018.

## **OBJECTIVES**

The objectives of this audit were to:

- Determine whether Purchasing Card Agreements and Applications were completed, signed and approved by all cardholders as required in the Procurement & Warehousing Services (PWS) Purchasing Card Program Policies and Procedures Manual (P-Card Manual);
- Determine whether P-Card accounts were closed when a Cardholder terminates employment or retires;
- Determine whether all cardholders having the authority to make any purchase exceeding \$20,000 filed a Statement of Financial Interest no later than July 1 of each year as required by Florida Statutes;
- Determine whether all cardholders comply with the monthly reconciliation and approval process as required in the P-Card Manual;
- Verify that purchases were approved by the appropriate level of authority;
- Review credit limits to determine that P-Card holders complied with established credit limits;
- Determine whether P-Card purchases were exempt of sales tax;
- Determine whether P-Card travel purchases followed the revised Business Practice Bulletin A-435 after July 1, 2019;
- Follow up on prior P-Card issues noted in the previous OCA audit;
- Follow up on prior P-Card issues noted by the Florida Auditor General;
- Report recommendations to the administration, if needed.

## **BACKGROUND**

The use of P-Cards has been widely implemented to expedite the purchasing of goods and services. A P-Card is assigned to an individual and can be used in place of purchase orders. Each card is assigned a single transaction limit and a spending limit per monthly billing period.

The use of the P-Card allows for the purchase of goods and services directly from the suppliers without the need to use a formal procurement process, such as a requisition/purchase order. It significantly streamlines and reduces the cost of the purchasing process for small purchases and provides improved turn-around time on the delivery of goods and services. The current Purchasing Card Services contract is a piggyback with the Florida Department of Management Services' contract 84121500-15-01 awarded to Bank of America N.A. Bid 57-002V, which was approved by the School Board of Broward County on August 16, 2016, Board item EE-10.

The P-Card program has been expanded to include multiple types of purchases including the payment for the District's utility bills and the Business Support Center's use of P-Cards for schools to pay for merchandise, field trips and different activities for the students. The District has nine hundred seventy-eight (974) P-Cards currently assigned to 621 District employees.



PWS supervises and manages the P-Card program in its entirety. The PWS P-Card team consists of a Purchasing Card Coordinator and two Purchasing Agent Specialists. The Purchasing Card Coordinator serves as the main contact for the District, acts as the intermediary for establishing and maintaining Bank of America Management Reports, and coordinates all cardholder maintenance (increases, changes and closures) with Bank of America. The current Purchasing Card Coordinator was hired on April 1, 2019. The previous Purchasing Card Coordinator retired on June 29, 2018. The Purchasing Card Coordinator is also referred to as the Program Administrator in the P-Card Manual and the title will be used interchangeably.

The purchases made with the P-Card are subject to the same rules and regulations outlined in School Board Policy 3320-Purchasing Policies. Additionally, guidelines for P-Card activity are found in the P-Card Manual.

### **OBSERVATIONS**

We summarized our findings below:

1. Purchasing Cards were issued without the required applications being fully completed or with discrepancies.
2. Statements of Financial Interest were not provided to the Florida Commission on Ethics for individuals with the authority to make purchases exceeding \$20,000.
3. Departments did not provide signed bank statements to the Program Administrator.
4. Departments did not ensure compliance with their Purchasing Card Program Policies and Procedures Manual regarding cardholder's bank statements approval, reconciliations, and/or providing receipts.
5. Cardholders paid Sales Tax on exempt purchases.

### **SCOPE AND METHODOLOGY**

This audit of the District's P-Card program included an examination of three periods of review:

- Three hundred and eighty (380) randomly selected transactions for the period from January 1, 2018 through August 31, 2018. These transactions totaled \$221,822.79 and were composed of 168 P-Cards.
- For the period of December 5, 2017 through December 4, 2018, a full year of P-Card bank statements were reviewed.
- All purchase transactions for the period of August 1, 2019 through August 31, 2019 were reviewed to verify compliance pertaining to travel purchases.

Our audit was conducted in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. The aforementioned standards require that we plan and perform the audit to ensure a reasonable basis for our judgments and conclusions regarding the function under audit. An audit includes assessments of applicable controls and compliance with the requirements of laws, rules and regulations when necessary to satisfy the audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

It is our responsibility to perform the review under generally accepted auditing standards and Government Auditing Standards, as well as provide recommendations to improve operations, strengthen internal controls and ensure compliance with the requirements of laws, rules and regulations in matters



selected for review. It is the administration's responsibility to implement recommendations, to maintain an internal control environment conducive to the safeguarding of District assets and to preserve the District's resources, and to comply with applicable laws, regulations and School Board policies.

The procedures used to satisfy our objectives in this audit included the following:

- Reviewed the PWS P-Card Manual and School Board Policy 3320-Purchasing Policies;
- Reviewed 380 randomly selected P-Card transactions;
- Reviewed bank statements;
- Reviewed employee separation dates against active open P-Card lists;
- Reviewed transactions for purchases of travel and capital assets;
- Conducted interviews with District management and personnel;
- Performed other auditing procedures as deemed necessary.

#### **ADDITIONAL INFORMATION**

The OCA noted that the Office of the Chief Financial Officer is currently working with PWS to improve controls by blocking certain transactions and merchants from select P-Cards to prevent the approval of purchases that are not consistent with the approved District policies.

The OCA has also noted that as part of their overall strategy to enhance the P-Card process, the PWS plans to initiate a long-term solution to improve the control environment with respect to P-Cards. PWS plans to digitize the input and tracking of receipts related to P-Card transactions. The solution calls for uploading scanned receipts by the P-Card holder and will allow PWS team members to view receipts online. This will allow PWS staff to match purchases to receipts, to identify when a receipt is missing, and to facilitate the overall review of P-Card statements.

In response to the issues noted during the audit, in September 2019 PWS conducted 24 mandatory training sessions to all District employees who are active cardholders. The sessions discussed the new usage restrictions and requirements, updates to documentation and forms, and included a questions and answer section for the cardholders to discuss any questions or concerns.

PWS has initiated meetings with the OCA to discuss the P-Cards used for internal funds to further review and implement additional controls for those P-Cards.

**Audit supervised and reviewed by:**

Joris Jabouin  
Gerardo Usallan, Jr

**Audit performed by:**

Eric Seifer  
Abby Tenn



## **OBSERVATIONS**



<b>Observation 1</b>	<b>Purchasing Cards were issued without the required application being fully completed or with discrepancies.</b>
<b>Division</b>	<b>Strategy &amp; Operations</b>
<b>Department</b>	<b>Procurement &amp; Warehousing Services</b>
<b>Condition</b>	<p>To determine compliance with the Procurement &amp; Warehousing Services Department (PWS) procedures for issuing Purchasing Cards (P-Cards), we reviewed 168 cards from our sample of 380 transactions to determine compliance and requested from PWS the applications submitted for these cards.</p> <p>Our review of the documents provided by PWS identified the following:</p> <ol style="list-style-type: none"> <li>1. 3 applications had the same person as the cardholder and approver. This is not allowed per the Purchasing Card Program Policies and Procedures Manual (P-Card Manual).</li> <li>2. 5 card applications were not provided. We could not verify that the application for the card we requested was approved.</li> <li>3. 8 applications did not have the supervisor's signature. We could not verify that the application for the card we requested was approved.</li> <li>4. There is no requirement by the P-Card Manual to have the card number(s) on the application. As a result, there is no way to determine if the application provided tied to a specific credit card.</li> </ol>
<b>Guidance</b>	Per the PWS's P-Card Manual, in order to receive a P-Card an applicant must sign the Purchasing Card (P-Card) Application & Cardholder Acknowledgment form and have the form approved by his/her Principal, department head or designee and returned to the Program Administrator. If purchases are made by Principal or Department Director, the manual iterates that <i>"the banks statement must be approved by their immediate supervisor"</i> .
<b>Recommendation 1</b>	We recommend that PWS staff responsible for the administration of P-Card approval ensure that all aspects of the P-Card application process are complete and in compliance
<b>PWS Management's Response 1</b>	<p>In response to Observation #1 Conditions 1 – 4:</p> <ol style="list-style-type: none"> <li>1. 3 applications had the same person as the cardholder and approver. This is not allowed per the PWS P-Card manual. <ol style="list-style-type: none"> <li>a. Applications have not been obtained with appropriate signatures</li> </ol> </li> <li>2. 7 cards had no application. We could not verify that the application for the card we requested was approved. <ol style="list-style-type: none"> <li>a. Applications have been obtained with appropriate signatures for <b>2</b> applications (see attached)</li> </ol> </li> <li>3. 8 applications did not have the supervisor's signature. We could not verify that the application for the card we requested was approved. <ol style="list-style-type: none"> <li>a. Applications have been obtained with appropriate signatures for <b>3</b> applications (see attached)</li> <li>b. Report from Bank of America WORKS system indicates replacement card status for each card.</li> </ol> </li> <li>4. There is no requirement per the Purchasing Card Program Policies and Procedures Manual where the card number must be on the application. There is no way to determine if the application provided tied to a specific credit card.</li> </ol>



	<p>a. To address this, the updated P-Card Application/Acknowledgement now includes an area for P-Card Admins to designate which cards are assigned based on the appropriately approved Application/Acknowledgement, linking the approval to the card assigned.</p> <p>Additional improvement activities completed in relation to Observation #1 and Recommendation #1: During the month of September, 24 P-Card Training Sessions were provided. The training was required for all active cardholders. One of the many areas covered during this training was the introduction of the new and improved P-Card Application/Acknowledgement. All cardholders and cardholder approvers must review, initial, sign, and submit the updated application/acknowledgement in order to maintain active cardholder status. Upon receipt of the forms, there is now an area for P-Card Administrators to link the application to the actual card(s) assigned. Each application received will be stored digitally and in hard copy.</p> <p>Moving forward, in order to maintain active status, cardholders will be required to complete annual training, and submit a new application/acknowledgement to P-Card Program Administrators.</p> <p>As of October 1, 2019, four hundred forty-two (442) cardholders attended the training. October 1, 2019 is also the due date for all updated applications/acknowledgements. Each application/acknowledgement will be reviewed for accuracy and required initials/signatures of cardholder and cardholder approver. Target completion date for this activity is 10/15/19.</p> <p>In order to avoid disruption of organization-wide operations, a “Last Call” opportunity for those who did not attend the mandatory training will be issued on October 2, 2019 for 12 additional training sessions. These attendees will be required to return their updated applications/acknowledgements by October 18, 2019. After these training sessions and the application/acknowledgement due date have passed, any cardholder who did not attend training or did not submit the required application/acknowledgement, will have their accounts closed by October 25, 2019.</p> <p>Note: For more information please see Exhibit A.</p> <p><b>Estimated Completion Date: October 2019</b></p>
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<b>Observation 2</b>	<b>Statements of Financial Interest were not provided to the Florida Commission on Ethics for individuals with the authority to make purchases exceeding \$20,000.</b>
<b>Divisions</b>	<b>Strategy &amp; Operations Human Resources</b>
<b>Departments</b>	<b>Procurement &amp; Warehousing Services Human Resources</b>
<b>Condition</b>	Our audit of all active Purchasing Cards (P-Cards) identified 53 P-Cards assigned to 43 District employees that had credit limits greater than \$20,000. We identified that only 4 of the 43 cardholders complied with this requirement. Therefore, 39 employees are still required by Florida Statute to complete and file a Statement of Financial Interest form.
<b>Guidance</b>	Florida Statutes Section 112.3145(1)(a)3 requires purchasing agents having the authority to make any purchase exceeding the threshold amount of \$20,000 on behalf of any political subdivision of the state or any entity thereof shall file a statement of financial interest no later than July 1 of each year.
<b>Recommendation 2.1</b>	We recommend that Procurement & Warehousing Services (PWS) provide a list to Human Resources of all employee's that are required to file the Statement of Financial Interest.
<b>PWS Management's Response 2.1</b>	<p>The Statement of Financial Interest Form requirement is based on calendar year, with due dates for submission in the subsequent calendar year in June, with a grace period through September, followed by the potential imposition of fines to the cardholder. This requirement is not limited to cardholders, but for purposes of this response, the scope is limited to cardholders only.</p> <p>Being that this finding was also brought forth by MSL and the State Auditor General, a review of actual/historical P-Card Usage was performed for calendar year 2018 to identify cardholders who were required to submit the Statement of Financial Interest Form in 2019. As a result of this exercise, ten (10) cardholders had one or more transactions with totals exceeding the twenty-thousand dollars (\$20,000) threshold. Of the ten (10) cardholders identified, two (2) were no longer employed by the District. The remaining eight cardholders (8) were sent a notification informing them of the requirement to complete and submit the Statement of Financial Interest to the Florida Commission of Ethics (sample attached).</p> <p>Since this review was performed by Internal Audit, the State has raised the threshold for this requirement from twenty-thousand dollars (\$20,000) to thirty-five thousand dollars (\$35,000). Based on a thorough review of historical purchase history, a new default profile has been established with single transaction limits well below the previous and current Statement of Financial Interest Form required thresholds. A strong majority of cardholders have been assigned the new default profile which consists of a credit limit of ten thousand dollars (\$10,000) and a single transaction limit of four thousand nine hundred ninety-nine dollars (\$4,999). Any cardholders that require credit or single transaction limits greater than the established default profile must have a demonstrated need, either through historical purchase history or documented future needs. All must be approved by the cardholder approver and reviewed for necessity through P-Card Administrators.</p>



	<p>In relation to the activities being performed as referenced in Management's response to Observation #1 contained herein, the P-Card Training covers this requirement extensively. Based on the limits requested on the updated applications/acknowledgements, any cardholder who meets or exceeds the \$35,000 single transaction threshold will be informed of their obligation to submit the Statement of Financial Interest Form. Updated applications/acknowledgements are currently being collected and will be reviewed to identify cardholders who meet this requirement.</p> <p>In agreement with Recommendation # 2.1, Procurement &amp; Warehousing Services will provide a list of cardholders that are required to file the Statement of Financial Interest to Human Resources by January 15 of each calendar year. Additionally, to further support this requirement, P-Card Administration will, at minimum, provide courtesy notifications to cardholders immediately upon assignment of a profile which exceeds the single transaction threshold, and again one month prior to the due date in June 2020.</p> <p>Note: For more information please see Exhibit A.</p> <p><b>Estimated Completion Date: January 2020</b></p>
<b>Recommendation 2.2</b>	We recommend that Human Resources forward that list provided by PWS to the Florida Commission on Ethics.
<b>HR Management's Response 2.2</b>	<p>We will work with the Procurement Department to obtain a list of all employees who have a P-card with a spending limit of \$20,000 or greater and incorporate any employees who are not already in the database.</p> <p>Note: Please see full text of the response in Exhibit B.</p> <p><b>Estimated Completion Date: January 2020</b></p>





<b>Observation 3</b>	<b>Departments did not provide signed bank statements to Program Administrator.</b>		
<b>Divisions</b>	<b>Legislative Affairs</b> <b>Safety/Security/Emergency Prep</b> <b>Academics</b> <b>Finance</b>	<b>OSPA</b> <b>Legal</b> <b>Communications</b> <b>Student Support Services</b>	<b>Strategy/Operations</b> <b>HR</b> <b>Audit</b> <b>Portfolio Services</b>
<b>Departments</b>	<b>Various</b>		
<b>Condition</b>	The OCA identified between December 5, 2017 through December 4, 2018, there were 1,711 instances with 213 cardholders where a purchase card had purchases charged throughout the month and no documentation was provided.		
<b>Guidance</b>	<p>Per the Procurement &amp; Warehousing Services (PWS) Purchasing Card Program Policies and Procedures Manual (P-Card Manual), the following procedures must be followed for Reconciliation and Approval (the numbers below represent the citations from the subsection):</p> <p>2. Cardholder reconciles the statement against accumulated receipts/ packing slips or other supporting documentation and forwards to the Principal, department head or designee for review.</p> <p>3. Principal, department head or designee reviews Cardholder transactions included in Bank of America's management paper reports and/or electronic reports and ensures that all Cardholders have submitted statements and receipts.</p> <p>4. Principal, department head or designee reviews Cardholder original statement and receipts for compliance, signs the statement, and sends to Program Administrator by the 15th of the month. A copy of the statement and receipt shall be retained by the bookkeeper/budget keeper for record keeping and auditing purposes.</p> <p>5. If purchases are made on the P-Card by a Principal or Department Director, the bank statement must be approved by their immediate supervisor. All bank statements must be returned to the Program Administrator with 2 signatures (Cardholder and immediate Supervisor).</p> <p>Per the P-Card Manual, the following procedures must be followed by the Cardholder (the numbers below represent the citations from the subsection):</p> <p>5. Obtain a receipt or invoice for <b>ALL</b> transactions.</p> <p>7. Submit reconciled statement with attached receipts and /or packing slips to their Principal, department head or designee.</p> <p>Per the P-Card Manual, the following procedures must be followed by the Principal/Department Head or Designee (the number below represents the citation from the subsection):</p> <p>5. Provide approval by signing Cardholder statement and sending to Program Administrator by the 15th of the month.</p>		
<b>Recommendation 3</b>	Departments with personnel that did not submit or timely submit bank statements to PWS should communicate the requirements of the P-Card Manual to their team members.		



<p><b>PWS Management's Response 3</b></p>	<p>In line with recommendation #3 for Observation #3, as provided in response to the State Auditor General request for update, and as presented during P-Card training sessions, a database has been established to track statements from cardholders.</p> <p>The due date has been moved from the 15<sup>th</sup> day of the month to the last day of the month to improve success rates and to make the timeline for compliance more reasonable.</p> <ol style="list-style-type: none"> <li>1. Statement period closes on the 4<sup>th</sup> of each month</li> <li>2. Hard copy statements are delivered by Bank of America to the cardholder</li> <li>3. The statements are usually received by the cardholder between the 9<sup>th</sup> and 10<sup>th</sup> of each month</li> <li>4. This would leave cardholders with roughly 5 days to obtain statements, reconcile receipts, address any issues, obtain signatures, and submit to P-Card Administrators if the requirement remained on the 15<sup>th</sup></li> <li>5. A change to the <b>last day</b> of the month allows for all required activities to be performed in a more reasonable amount of time each month</li> </ol> <p>The following actions are performed for each statement period for each active card with activity:</p> <ol style="list-style-type: none"> <li>1. A log has been created to track statements and backup from cardholders</li> <li>2. A report is generated by the P-Card Administrators for all transactions occurring during the statement period which is added to the log each month</li> <li>3. There is an automatic flag assigned for any taxes charged based on the report results</li> <li>4. Upon receipt of the statement, a high level review of all statements received is performed to identify if: <ol style="list-style-type: none"> <li>a. Was the statement received at all</li> <li>b. If received, did the statement have the two required signatures</li> <li>c. If received, did the statement have receipts attached</li> <li>d. If there was a tax flag applied, did they attach copies of efforts to obtain reimbursement for taxes from vendors</li> </ol> </li> <li>5. A "traffic light" system is used to easily identify any occurrences of statement concerns, as well as their frequency. <ol style="list-style-type: none"> <li>a. Red light = one or more statement issues were identified</li> <li>b. Yellow light = cardholder contacted P-Card Admins prior to due date explaining any issues or delays</li> <li>c. Green light = cardholder submitted everything to pass the initial check</li> </ol> </li> <li>6. An escalation path has been defined to address any repeat issues <ol style="list-style-type: none"> <li>a. First occurrence - Email notification from Procurement &amp; Warehousing Team to Cardholder including details of missing or erroneous information, corrective action needed, and due date for resolution</li> <li>b. Second occurrence - Email notification from Procurement &amp; Warehousing Team to Cardholder &amp; Cardholder Approver, including details of missing or erroneous information, corrective action needed, and due date for resolution</li> <li>c. Third occurrence - Email notification from Procurement &amp; Warehousing Team including details of missing or erroneous information, corrective action needed, and due date for resolution AND recommendation to PWS leadership for account suspension</li> </ol> </li> </ol>
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	<p>There are two areas where the area must submit signed statements, but they keep the receipts at their location due to the volume of transactions and the physical space available to store documentation at the P-Card Administrative location in the TSSC Building. These areas are District Maintenance (Warehouse and PPO Support), and Business Support Center (BSC) for internal funds purchases. To ensure compliance, these areas have been informed that they must provide copies of receipts immediately upon request. One or more statements for each area will be included in the in-depth review described below as part of monthly program self-audit activities.</p> <p>Consistent with the update to the State Auditor General reports, an in-depth monthly review of receipts will be performed by P-Card Administrators for 20% of statements received. The statements will be randomly selected for all areas and thoroughly reviewed for compliance with program requirements. BSC and District Maintenance will automatically be included in this monthly self-audit activity, but the cardholder from these areas will be randomly selected from among those departments' cardholders.</p> <p>Note: For more information please see Exhibit A.</p> <p><b>Estimated Completion Date: December 2019</b></p>
<b>Divisions Management Response 3</b>	<p>Cabinet members from the divisions mentioned above sent memos to their direct reports listing the issues found in this P-Card audit and the requirements and actions needed from them. In addition, the Cabinet members then sent a response to the Chief Auditor discussing the actions and remedies taken by them.</p> <p>Note: Please see full text of the responses from Cabinet members in Exhibit C.</p> <p><b>Estimated Completion Date: October 2019</b></p>



<b>Observation 4</b>	<b>Departments did not ensure compliance with their Purchasing Card Program Policies and Procedures Manual regarding cardholder's bank statements approval, reconciliations, and/or providing receipts.</b>			
<b>Divisions</b>	<b>Academics</b>	<b>OSPA</b>	<b>Strategy/Operations</b>	<b>HR</b>
<b>Departments</b>	<b>Various</b>			
<b>Condition</b>	<p>The second review was a detailed analysis of a random sample of 380 transactions identified the following:</p> <ul style="list-style-type: none"> <li>• Bank statements for the 380 transactions were requested, but only 196 were received</li> <li>• Of the 196 received, 26 were not signed</li> <li>• Of the 196 received, 39 were not signed by the cardholder's supervisor</li> <li>• Of the 380 transaction receipts requested, 22 were not provided</li> </ul> <p>OCA could not verify if any of the bank statements were received by Procurement &amp; Warehousing Services' (PWS) by the 15<sup>th</sup> of the month.</p>			
<b>Guidance</b>	<p>Per the Purchasing Card Program Policies and Procedures Manual (P-Card Manual), the following procedures must be followed for Reconciliation and Approval (the numbers below represent the citations from the subsection):</p> <ol style="list-style-type: none"> <li>2. <i>Cardholder reconciles the statement against accumulated receipts/ packing slips or other supporting documentation and forwards to the Principal, department head or designee for review.</i></li> <li>3. <i>Principal, department head or designee reviews Cardholder transactions included in Bank of America's management paper reports and/or electronic reports and ensures that all Cardholders have submitted statements and receipts.</i></li> <li>4. <i>Principal, department head or designee reviews Cardholder original statement and receipts for compliance, signs the statement, and sends to Program Administrator by the 15th of the month. A copy of the statement and receipt shall be retained by the bookkeeper/budget keeper for record keeping and auditing purposes.</i></li> <li>5. <i>If purchases are made on the P-Card by a Principal or Department Director, the bank statement must be approved by their immediate supervisor. All bank statements must be returned to the Program Administrator with 2 signatures (Cardholder and immediate Supervisor).</i></li> </ol> <p>Per the P-Card Manual, the following procedures must be followed by the Cardholder (the number below represents the citation from the subsection):</p> <ol style="list-style-type: none"> <li>5. <i>Obtain a receipt or invoice for <b>ALL</b> transactions.</i></li> <li>7. <i>Submit reconciled statement with attached receipts and /or packing slips to their Principal, department head or designee.</i></li> </ol> <p>Per the P-Card Manual, the following procedures must be followed by the Principal/Department Head or Designee (the numbers below represent the citations from the subsection):</p> <ol style="list-style-type: none"> <li>5. <i>Provide approval by signing Cardholder statement and sending to Program Administrator by the 15th of the month.</i></li> </ol>			



<b>Recommendation 4</b>	Departments with personnel that did comply with the requirements to provide statements and receipts should communicate the requirements of the P-Card Manual to their team members.
<b>PWS Management's Response</b> <b>Recommendation 4</b>	<p>In line with recommendation #3 for Observation #3, as provided in response to the State Auditor General request for update, and as presented during P-Card training sessions, a database has been established to track statements from cardholders.</p> <p>The due date has been moved from the 15<sup>th</sup> day of the month to the last day of the month to improve success rates and to make the timeline for compliance more reasonable.</p> <ol style="list-style-type: none"> <li>1. Statement period closes on the 4<sup>th</sup> of each month</li> <li>2. Hard copy statements are delivered by Bank of America to the cardholder</li> <li>3. The statements are usually received by the cardholder between the 9<sup>th</sup> and 10<sup>th</sup> of each month</li> <li>4. This would leave cardholders with roughly 5 days to obtain statements, reconcile receipts, address any issues, obtain signatures, and submit to P-Card Administrators if the requirement remained on the 15<sup>th</sup></li> <li>5. A change to the <b>last day</b> of the month allows for all required activities to be performed in a more reasonable amount of time each month</li> </ol> <p>The following actions are performed for each statement period for each active card with activity:</p> <ol style="list-style-type: none"> <li>1. A log has been created to track statements and backup from cardholders</li> <li>2. A report is generated by the P-Card Administrators for all transactions occurring during the statement period which is added to the log each month</li> <li>3. There is an automatic flag assigned for any taxes charged based on the report results</li> <li>4. Upon receipt of the statement, a high level review of all statements received is performed to identify if: <ol style="list-style-type: none"> <li>a. Was the statement received at all</li> <li>b. If received, did the statement have the two required signatures</li> <li>c. If received, did the statement have receipts attached</li> <li>d. If there was a tax flag applied, did they attach copies of efforts to obtain reimbursement for taxes from vendors</li> </ol> </li> <li>5. A "traffic light" system is used to easily identify any occurrences of statement concerns, as well as their frequency. <ol style="list-style-type: none"> <li>a. Red light = one or more statement issues were identified</li> <li>b. Yellow light = cardholder contacted P-Card Admins prior to due date explaining any issues or delays</li> <li>c. Green light = cardholder submitted everything to pass the initial check</li> </ol> </li> <li>6. An escalation path has been defined to address any repeat issues <ol style="list-style-type: none"> <li>a. First occurrence - Email notification from Procurement &amp; Warehousing Team to Cardholder including details of missing or erroneous information, corrective action needed, and due date for resolution</li> <li>b. Second occurrence - Email notification from Procurement &amp; Warehousing Team to Cardholder &amp; Cardholder Approver, including details of missing or erroneous information, corrective action needed, and due date for resolution</li> </ol> </li> </ol>



	<p>c. Third occurrence - Email notification from Procurement &amp; Warehousing Team including details of missing or erroneous information, corrective action needed, and due date for resolution AND recommendation to PWS leadership for account suspension</p> <p>There are two areas where the area must submit signed statements, but they keep the receipts at their location due to the volume of transactions and the physical space available to store documentation at the P-Card Administrative location in the TSSC Building. These areas are District Maintenance (Warehouse and PPO Support), and Business Support Center (BSC) for internal funds purchases. To ensure compliance, these areas have been informed that they must provide copies of receipts immediately upon request. One or more statements for each area will be included in the in-depth review described below as part of monthly program self-audit activities.</p> <p>Consistent with the update to the State Auditor General reports, an in-depth monthly review of receipts will be performed by P-Card Administrators for 20% of statements received. The statements will be randomly selected for all areas and thoroughly reviewed for compliance with program requirements. BSC and District Maintenance will automatically be included in this monthly self-audit activity, but the cardholder from these areas will be randomly selected from among those departments' cardholders.</p> <p>Note: For more information please see Exhibit A.</p> <p><b>Estimated Completion Date: December 2019</b></p>
<b>Divisions Management Response 4</b>	<p>Cabinet members from the divisions mentioned above sent memos to their direct reports listing the issues found in this P-Card audit and the requirements and actions needed from them. In addition, the Cabinet members then sent a response to the Chief Auditor discussing the actions and remedies taken by them.</p> <p>Note: Please see full text of the responses from Cabinet members in Exhibit C.</p> <p><b>Estimated Completion Date: October 2019</b></p>



<b>Observation 5</b>	<b>Cardholders paid Sales Tax on exempt purchases.</b>				
<b>Divisions</b>	<b>Portfolio Services Chief of Staff</b>	<b>OSPA Student Support Services</b>	<b>Strategy/Operations HR</b>	<b>Academics IT</b>	<b>Audit Safety/Security/Em. Preparedness</b>
<b>Departments</b>	<b>Various</b>				
<b>Condition</b>	For the period of January 1, 2018 – August 31, 2018, there were 1,260 transactions made by 244 cardholders who paid a total of \$17,362.20 of tax in error.				
<b>Guidance</b>	<p>The Procurement and Warehousing Services' (PWS) Purchasing Card Program Policies and Procedures Manual (P-Card Manual) has two sections that discuss Sales Tax. The first section states that <i>"The School Board of Broward County, Florida does not pay Federal Excise and State taxes on direct purchases of tangible personal property. The applicable tax exemption number is shown on the Procurement Card. Cards will be re-issued periodically to reflect exemption number changes."</i> The second section which pertains to District Maintenance purchases states that <i>"SBBC is Tax Exempt and does not pay sales tax on any charge. The Tax Exemption number is noted on each Purchasing Card."</i></p> <p>According to the P-Card Manual, part of the cardholder responsibilities includes the following items (the numbers below represent the citations from the subsection):</p> <p style="padding-left: 40px;">4. Adhere to the purchase limits and restrictions of the Purchasing Card and ensure the total transaction amount of any single transaction does not exceed the department/school spending parameters.</p> <p style="padding-left: 40px;">8. Attempt to resolve billing disputes directly with the supplier. Ensure that an appropriate credit for the reported disputed item or billing error appears on a subsequent Cardholder statement.</p> <p>The cited material from the P-Card Manual place the responsibility of correcting amounts billed in error, such as Sales and/or Federal Excise taxes, with the cardholder.</p>				
<b>Recommendation 5</b>	Departments that had team members paid taxes on purchases should inform their team members of the requirements of the P-Card Manual.				
<b>PWS Management's Response 5</b>	<p>In line with Observation #5, Recommendation #5, prior responses to State Auditor General update requests, and in relation to Management Responses to Observations #3 and #4 for taxes;</p> <p>As part of transactions and statement tracking, the Bank of America WORKS system is being utilized to identify any taxes charged during each statement period. Cardholders have been informed of this tracking activity, the enforcement of tracking results, and the consequences for repeat occurrences.</p> <p>Cardholders have been re-educated through training that they should do all in their power to avoid taxes:</p>				





	<ol style="list-style-type: none"> <li>1. Before making purchases, cardholders should inform suppliers of tax exempt status</li> <li>2. The Tax Exempt ID is printed directly on their p-card and they should provide the ID to vendors prior to completing purchases</li> <li>3. If the supplier requires a copy of the Tax Exempt Certificate, the cardholder can obtain a copy from Procurement or the Treasurer's office</li> </ol> <p>Cardholders have been re-educated on what do if they discover taxes were charged:</p> <ol style="list-style-type: none"> <li>1. Thoroughly review their receipts immediately after purchase completion</li> <li>2. Thoroughly review statement upon receipt to confirm no taxes appear on the statement that were not on the original receipt</li> <li>3. If taxes are found, immediately follow up with the supplier via email to request reimbursement</li> <li>4. Engage P-Card Administrators if supplier is unresponsive</li> <li>5. Attach copies of communications with suppliers with their statements regarding reimbursement of taxes when submitting to P-Card Administrators.</li> </ol> <p>Taxes have been incorporated into the escalation path has been defined to address any repeat issues</p> <ol style="list-style-type: none"> <li>1. First occurrence - Email notification from Procurement &amp; Warehousing Team to Cardholder including details of missing or erroneous information, corrective action needed, and due date for resolution</li> <li>2. Second occurrence - Email notification from Procurement &amp; Warehousing Team to Cardholder &amp; Cardholder Approver, including details of missing or erroneous information, corrective action needed, and due date for resolution</li> </ol> <p>Third occurrence - Email notification from Procurement &amp; Warehousing Team including details of missing or erroneous information, corrective action needed, and due date for resolution AND recommendation to PWS leadership for account suspension.</p> <p>Note: For more information please see Exhibit A.</p> <p><b>Estimated Completion Date: December 2019</b></p>
<p><b>Divisions Management Response 5</b></p>	<p>Cabinet members from the divisions mentioned above sent memos to their direct reports listing the issues found in this P-Card audit and the requirements and actions needed from them. In addition, the Cabinet members then sent a response to the Chief Auditor discussing the actions and remedies taken by them.</p> <p>Note: Please see full text of the responses from Cabinet members in Exhibit C.</p> <p><b>Estimated Completion Date: October 2019</b></p>





## **FOLLOW UP – AUDITOR GENERAL FINDINGS**



<b>Observation</b>	<b>Auditor General Finding No. 5</b>
<b>Division</b>	<b>Strategy and Operations</b>
<b>Department</b>	<b>Procurement &amp; Warehousing Services</b>
<b>Recommendation 5A</b>	Establish procedures that require and ensure that each cardholder's total monthly Purchasing card purchasing limits are periodically evaluated, based on the cardholder's District spending activity and needs, and adjusted based on the evaluation results.
<b>Analysis for 5A</b>	Procurement and Warehousing Services management prepared a "P-Card Program Updates and Improvements" document which addresses the review of limits, the evaluation of purchase card transactions, and the cancellation of purchase cards. The document is included as Appendix A. In addition, in August 2019 a review of cardholder's limits was conducted. The credit limits of cardholders who were found to be excessive were decreased to a limit with low risk to the District.
<b>Recommendation 5B</b>	Enhance Purchasing card procedures to ensure that District records are maintained to effectively restrict P-card purchases to purposes authorized in the <i>P-Card Manual</i> .
<b>Analysis for 5B</b>	Procurement and Warehousing Services management prepared a "P-Card Program Updates and Improvements" document which addresses the review of limits, the evaluation of purchase card transactions, and the cancellation of purchase cards. The document is included as Appendix A. In addition, in August 2019 a review of cardholder's limits was conducted. The credit limits of cardholders who were found to be excessive were decreased to a limit with low risk to the District.
<b>Recommendation 5C</b>	Ensure P-card privileges are promptly canceled upon a cardholder's separation from District employment.
<b>Analysis for 5C</b>	The Program Administrator recently created a process using SAP to verify when a disqualifying job status happens with a P-Card holder that is not dependent on notification from the Departments. The process should enable the Program Administrator to find these discrepancies quicker. The OCA tested the existing P-Card database and noted no former employees. As a result, it is recommended to review the effectiveness of the new system on a future date, after a reasonable amount of time has passed.
<b>Updated Management's Response</b>	<p>The Statement of Financial Interest Form applies to Calendar Year, with due dates for submission in the subsequent year in June, with a grace period through September, followed by the potential imposition of fines to the cardholder. This requirement is not limited to cardholders, but for purposes of this response, the scope is limited to cardholders only.</p> <p>Being that this finding was also brought forth by MSL and the State Auditor General, a review of actual/historical P-Card Usage was performed for calendar year 2018. As a result of this exercise, ten (10) cardholders had one or more transactions with totals exceeding the twenty-thousand dollars (\$20,000) threshold. Of the ten (10) cardholders identified, two (2) were no longer employed by the District. The remaining eight cardholders (8) were sent a notification informing them of the requirement to complete and submit the Statement of Financial Interest to the Florida Commission on Ethics.</p>



	<p>Since this review was performed by Internal Audit, the State has raised the threshold for this requirement from twenty-thousand dollars (\$20,000) to thirty-five thousand dollars (\$35,000). Based on a thorough review of historical purchase history, a new default profile has been established with single transaction limits well below the previous and current Statement of Financial Interest Form required thresholds. A strong majority of cardholders have been assigned the new default profile which consists of a credit limit of ten thousand dollars (\$10,000) and a single transaction limit of four thousand nine hundred ninety-nine dollars (\$4,999). Any cardholders that require credit or single transaction limits greater than the established default profile must have a demonstrated need, either through historical purchase history or documented future needs. All must be approved by the cardholder approver and reviewed for necessity through P-Card Administrators.</p> <p>In relation to the activities being performed as referenced in Management's response to Observation #1 contained herein, the P-Card Training covers this requirement extensively. Based on the limits requested on the updated applications/acknowledgements, any cardholder who meets or exceeds the \$35,000 single transaction threshold will be informed of their obligation to submit the Statement of Financial Interest Form. Updated applications/acknowledgements are currently being collected and will be reviewed to identify cardholders who meet this requirement.</p> <p>In agreement with Recommendation # 2.1, Procurement &amp; Warehousing Services will provide a list of cardholders that are required to file the Statement of Financial Interest. Additionally, to further support this requirement, P-Card Administration will, at minimum, provide courtesy notifications immediately upon assignment of a profile which exceeds the single transaction threshold, and again one month prior to the due date in June 2020.</p> <p>Note: For more information please see Exhibit A.</p>
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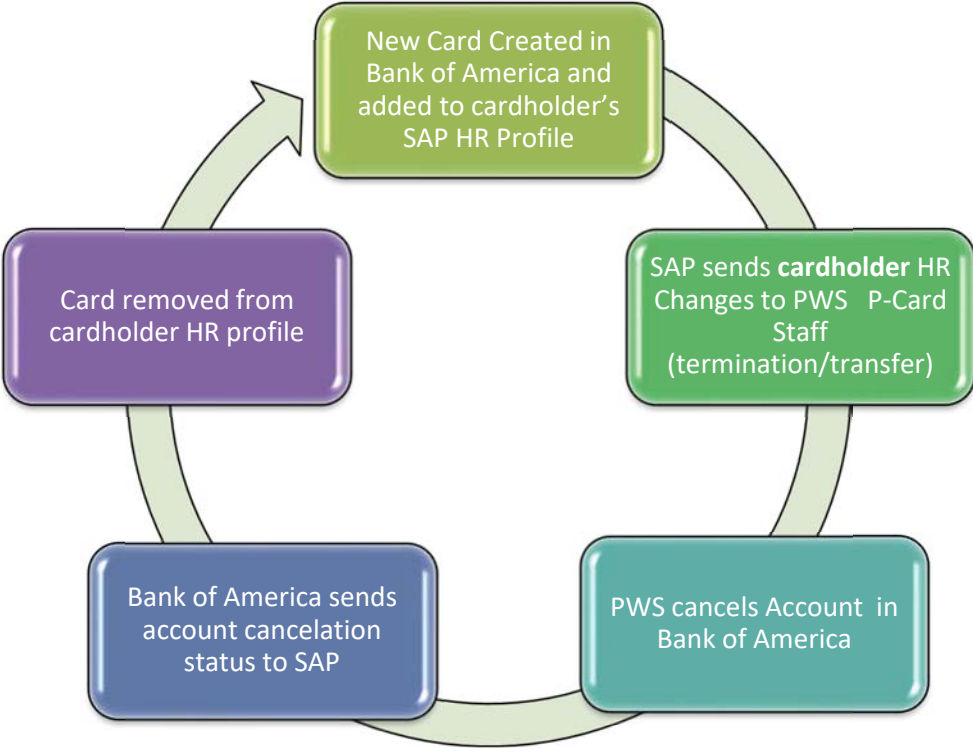


## **FOLLOW UP – OBSERVATIONS FROM PRIOR OCA P-CARD AUDIT**



<b>Observation 1</b>	<b>Purchasing Cards were not timely deleted after Employee's Termination Date.</b>
<b>Division</b>	<b>Strategy &amp; Operations</b>
<b>Department</b>	<b>Procurement &amp; Warehousing Services</b>
<b>Recommendation 1.1</b>	The Purchasing Card (P-Card) Services staff should review Board agenda items (G. Office of Human Resources) related to employment changes after each Board meeting to ensure procedures for timely cancellation of P-Cards have been completed for employees when they have separated from their departments or locations.
<b>Original Management's Response 1.1</b>	<p>Disagree. PWS does not consider it an effective measure for the P-Card team to consistently check the Regular School Board agenda for changes in personnel (leave, transferances, or retirements) since doing so does address the root cause of the problem. It is preferred that this responsibility stay within the user group.</p> <p><b>ALTERNATIVE ACTION:</b> Procurement &amp; Warehousing Services will commit to reiterate, during training sessions, the procedures to be followed when a change in personnel occurs. Also, the recommendation to send out periodic reminders to card holders, principals, and department heads will be executed.</p>
<b>Analysis 1.1</b>	<p>The Program Administrator recently created a process using SAP to verify when a disqualifying job status happens with a cardholder that is not dependent on notification from the Departments. The process should enable the Program Administrator to find discrepancies.</p> <p>The OCA tested the existing purchasing card database in August 2019 and noted no former employees with an active credit card. This issue is considered closed.</p>
<b>Updated Management's Response 1.1</b>	<p>In response to Recommendation 1.1, the review of the Board agenda items (G. Office of Human Resources) may help, but not eliminate the issue due to the timing of board meetings and actual termination of employment. With this solution, there is still an opportunity for delay in account closure. Instead, a timelier and semi-automated solution has been defined and developed.</p> <p>When a cardholder's employment status changes, through termination or transfer, the previous process for notification by schools/departments and subsequent cardholder account closure left room for risk of card misuse. To address this area of concern, in collaboration with the Information &amp; Technology Department, the following activities have been completed, or after a period of activity, are under review for some minor corrections.</p> <p>Cancellations are now on a cycle update where information is passed from the Bank of America WORKS system to the District ERP System.</p>



	 <pre> graph TD     A[New Card Created in Bank of America and added to cardholder's SAP HR Profile] --&gt; B[SAP sends cardholder HR Changes to PWS P-Card Staff (termination/transfer)]     B --&gt; C[PWS cancels Account in Bank of America]     C --&gt; D[Bank of America sends account cancellation status to SAP]     D --&gt; E[Card removed from cardholder HR profile]     E --&gt; A         </pre> <p>Note: For more information please see Exhibit A</p>
<b>Recommendation 1.2</b>	<p>The Procurement Card Services staff should require that all Cardholders comply with the policies and procedures. They should ensure the SBBC Purchasing Card Notification of Personnel Change Form is completed and forwarded to the Purchasing Card Administrator along with the cancelled Procurement Card cut in half, as required.</p>
<b>Original Management's Response 1.2</b>	<p>Agree. All procedures should be followed by the employees, including the use of the Notification of Personnel Change form to address changes in personnel.</p> <p><b>ALTERNATIVE ACTION:</b> PWS will commit to reiterate during training sessions, the procedures that are to be followed when a change in personnel occurs. Staff believes it is better to invest in continuous education efforts to achieve better results moving forward.</p>



<b>Analysis 1.2</b>	<p>The Program Administrator recently created a process using SAP to verify when a disqualifying job status happens with a cardholder that is not dependent on notification from the Departments. The process should enable the Program Administrator to find discrepancies.</p> <p>The OCA tested the existing purchasing card database in August 2019 and noted no former employees with an active credit card. This issue is considered closed.</p>
<b>Updated Management's Response 1.2</b>	<p>In response to Recommendation 1.2, the requirement for cardholder locations to notify P-Card Administrators of changes to cardholder employment or position was reiterated during P-Card Training. With this solution, there is still an opportunity for delay in account closure as P-Card Administration is still dependent on the cardholder location providing information. Instead, a timelier and semi-automated solution has been defined and developed.</p> <p>When a cardholder's employment status changes, through termination or transfer, the previous process for notification by schools/departments and subsequent cardholder account closure left room for risk of card misuse. To address this area of concern, in collaboration with the Information &amp; Technology Department, the following activities have been completed, or after a period of activity, are under review for some minor corrections.</p> <p>Cancellations are now on a cycle update where information is passed from the Bank of America WORKS system to the District ERP System.</p>

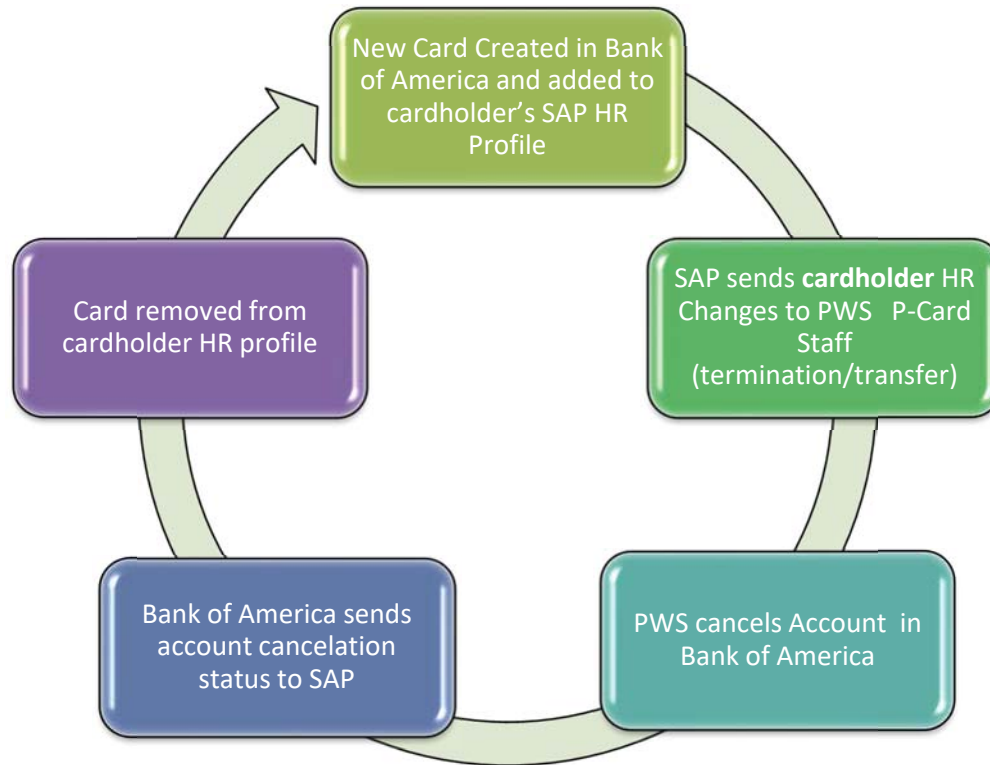


	<pre> graph TD     A[Card removed from cardholder HR profile] --&gt; B[New Card Created in Bank of America and added to cardholder's SAP HR Profile]     B --&gt; C[SAP sends cardholder HR Changes to PWS P-Card Staff (termination/transfer)]     C --&gt; D[PWS cancels Account in Bank of America]     D --&gt; E[Bank of America sends account cancellation status to SAP]     E --&gt; A         </pre> <p>Note: For more information please see Exhibit A</p>
<b>Recommendation 1.3</b>	<p>Periodically, the Purchasing Card Administrator should send out a blast email to Cardholders, Principals, Department Heads or designees reminding them of the importance of completing the SBBC Purchasing Card Notification of Personnel Change Form in a timely manner, when a location incurs a transfer, termination, retirement or other type of employee leave.</p>
<b>Management's Response 1.3</b>	<p>Agree.</p> <p><b>ALTERNATIVE ACTION:</b> PWS will send quarterly email blasts to cardholders, principals, and department heads reminding them that once employees are terminated, the P-Card Administrator is to be contacted to cancel the card.</p>





<b>OCA's Follow Up to Management's Response</b>	OCA noted that management did not disagree with Finding No. 1; however, they disagreed with OCA's Recommendation No. 1 regarding the PWS staff's review of Board agenda items (G. Office of Human Resources). We still strongly recommend the PWS review the agenda items related to employment changes after each Board meeting, since the current system is not adequately capturing the cancellation process that we identified in the audit.
<b>Analysis</b>	<p>The Program Administrator recently created a process using SAP to verify when a disqualifying job status happens with a cardholder that is not dependent on notification from the Departments. The process should enable the Program Administrator to find discrepancies.</p> <p>The OCA tested the existing purchasing card database in August 2019 and noted no former employees with an active credit card. This issue is considered closed.</p>
<b>Updated Management's Response</b>	<p>In response to Recommendation 1.3, the requirement for cardholder locations to notify P-Card Administrators of changes to cardholder employment or position was reiterated during P-Card Training. With this solution, there is still an opportunity for delay in account closure as P-Card Administration is still dependent on the cardholder location providing information. Instead, a timelier and semi-automated solution has been defined and developed.</p> <p>When a cardholder's employment status changes, through termination or transfer, the previous process for notification by schools/departments and subsequent cardholder account closure left room for risk of card misuse. To address this area of concern, in collaboration with the Information &amp; Technology Department, the following activities have been completed, or after a period of activity, are under review for some minor corrections.</p> <p>Cancellations are now on a cycle update where information is passed from the Bank of America WORKS system to the District ERP System.</p>



Note: For more information please see Exhibit A



<b>Observation #2</b>	The Audit Identified Eleven (11) of Twenty-Three (23) Purchasing Card Purchases Made by PPO that Exceeded the Single Purchase Credit Limit without Supporting Documentation of Approval
<b>Division</b>	<b>Strategy &amp; Operations</b>
<b>Department</b>	<b>Procurement &amp; Warehousing Services</b>
<b>Recommendation 2.1</b>	Obtain written approvals by the Cardholder's Principal, Department Head or designee and communicate the credit limit change request to the Director of Procurement & Warehousing Services (PWS) staff prior to changing the Cardholder's single purchase credit limit profile, as required by the Purchasing Card Program Policies and Procedures Manual (P-Card Manual).
<b>Original Management's Response 2.1</b>	<p>Disagree. PWS Management disagrees with the P-Card purchases made by PPO exceeded the single purchase credit limit without the supporting documentation of approval. PWS evaluated the audit report within the P-Card Program team. During the analysis, all eleven (11) items that were missing backup documentation were found (additional support from the departments was requested and promptly provided). Staff validated that all audit trail documentation was being kept on paper copies only; this process was immediately re-defined.</p> <p><b>ALTERNATIVE ACTION:</b> All approvals, documentation, and any other important backup files will be saved in a specific folder in the shared drive, keeping the backup in an electronic format.</p>
<b>Analysis 2.1</b>	A review was conducted of each cardholder's total monthly purchasing card limit. It was found that there were a few instances where the single transaction limit was exceeded, but the amount it was exceeded by was considered immaterial. In addition, in August 2019, all of the credit limits assigned were reviewed based on cardholder's historical spend activity. The credit limit for all cardholder's were adjusted and lowered to their historical spend. As a result, this finding is considered closed.
<b>Updated Management's Response 2.1</b>	<p>In response to recommendation 2.1 and analysis notes provided, a review of account profiles and approval requirements will continue to be reviewed upon completion of material findings.</p> <p>All approvals, documentation, and any other important backup files are saved in a specific folder in the shared drive, keeping the backup in an electronic format.</p>
<b>Recommendation 2.2</b>	Maintain records of Cardholder profiles on an electronic database to ensure quick identification of P-Card spending limit controls.
<b>Management's Response 2.2</b>	<p>Agree.</p> <p><b>ALTERNATIVE ACTION:</b> All maintenance and validation of cardholder profiles is currently saved in the official P-Card system (Works).</p>



<b>Analysis 2.2</b>	All credit limits and single transaction limits are controlled by the Bank of America Works system online in real time. The OCA noted that all of the cards and card holders' profiles are available for active cards in real time. No issues were noted during the review. This issue is considered closed.
<b>Updated Management's Response 2.2</b>	Cardholder profiles continue to be saved in the Bank of America WORKS system.
<b>Recommendation 2.3</b>	Increase staff to assist in the monitoring of daily transactions in order to comply with the Purchasing Card Program Policies and Procedures Manual and manage the large volume of P-Card documentation.
<b>Management's Response 2.3</b>	Disagree. At this time, additional staff is not required.  <b>ALTERNATIVE ACTION:</b> In order to properly manage the large volume, as mentioned in the recommendation, PWS will implement in 2017 the expense report system, available with Bank of America. This system allows all P-Card holders the ability to digitally attach receipts/comments and submit through an approval workflow, to be defined by the District, all expenditures occurred in the usage of the P-Cards. This tool is free and will add a great value to the P-Card Program, as well as support all audit efforts.
<b>Analysis 2.3</b>	The Purchasing Card Coordinator was replaced in April 2019 and works with two other employees to ensure compliance with the Purchasing Card Program Policies and Procedures Manual. In addition, recent changes to systems have been implemented to review and audit on a monthly basis the Purchase Card transactions. This issue is considered closed.
<b>Updated Management's Response 2.3</b>	The replacement P-Card Coordinator was hired in April 2019, this was not additional staff added, but replaced an existing position that was vacated due to retirement. The Sr. Process Analyst was also brought in as an additional resource in November 2018 to assist while the P-Card Coordinator position was vacant, and to provide program oversight and process improvement action subsequent to the Coordinator's hire. Additionally, an existing Procurement Agent Specialist was added as a part-time resource to support P-Card Program requirements. In summary, the P-Card Program staff historically consisted of 2 full-time staff. It now consists of 1 supervisor (who oversees the P-Card Program and other Procurement sub-divisions), 1 full-time P-Card Coordinator, 1 full-time Purchasing Specialist, and 1 part-time Purchasing Specialist for a total staff of 3.5 FTEs.  An interim solution has been put in place to accurately track and enforce statement requirements. The WORKS solution is not targeted for implementation in the immediate future but is currently in the one-year roadmap for implementation in fiscal year 2020.



<b>Observation #3</b>	Several Locations did not Comply with the Purchasing Card Reconciliation Processes. The Purchasing Card (P-Card) Services does not Currently have an Adequate System of Filing and Reconciling P-Card Statements and Supporting Documentation.
<b>Division</b>	<b>Strategy &amp; Operations</b>
<b>Department</b>	<b>Procurement &amp; Warehousing Services</b>

<b>Recommendation 3.1</b>	Provide training to all Principals, Department Heads and designees on the requirements of the Purchasing Card Program Policies and Procedures Manual.
<b>Management's Response 3.1</b>	Agree.  <b>ALTERNATIVE ACTION:</b> As mentioned previously, PWS will keep investing in continuous education activities to reiterate the program policy and procedures.
<b>Analysis 3.1</b>	In September 2019 mandatory trainings were conducted for all P-Card users and related personnel. This issue is considered closed.
<b>Updated Management's Response 3.1</b>	The first annual mandatory p-card training was announced in August and 24 sessions were provided throughout September. Annual training is required moving forward in order to maintain an active account.
<b>Recommendation 3.2</b>	Maintain a comprehensive log noting monthly P-Card activity and have a system of identifying locations that have not submitted their monthly P-Card statements with supporting documentation.
<b>Management's Response 3.2</b>	Agree.  <b>ALTERNATIVE ACTION:</b> PWS will implement features currently available in the system (Works) to properly control the large volume of transactions, reconciliation activities, and management of the program.
<b>Analysis 3.2</b>	The Program Administrator recently implemented a process beginning July 1, 2019 to verify if activity has been reported on a Purchasing Card, if statements were provided, if signatures were provided, and if the receipts were included This prior issue is considered closed as this concern is now covered under observations 2 and 3 of this report.
<b>Updated Management's Response 3.2</b>	The following actions are performed for each statement period for each active card with activity: <ol style="list-style-type: none"> <li>1. A log has been created to track statements and backup from cardholders</li> <li>2. A report is generated by the P-Card Administrators for all transactions occurring during the statement period which is added to the log each month</li> <li>3. There is an automatic flag assigned for any taxes charged based on the report results</li> <li>4. Upon receipt of the statement, a high level review of all statements received is performed to identify if:</li> </ol>



	<ul style="list-style-type: none"> <li>a. Was the statement received at all</li> <li>b. If received, did the statement have the two required signatures</li> <li>c. If received, did the statement have receipts attached</li> <li>d. If there was a tax flag applied, did they attach copies of efforts to obtain reimbursement for taxes from vendors</li> </ul> <p>5. A “traffic light” system is used to easily identify any occurrences of statement concerns, as well as their frequency.</p> <ul style="list-style-type: none"> <li>a. Red light = one or more statement issues were identified</li> <li>b. Yellow light = cardholder contacted P-Card Admins prior to due date explaining any issues or delays</li> <li>c. Green light = cardholder submitted everything to pass the initial check</li> </ul> <p>6. An escalation path has been defined to address any repeat issues</p> <ul style="list-style-type: none"> <li>a. First occurrence - Email notification from Procurement &amp; Warehousing Team to Cardholder including details of missing or erroneous information, corrective action needed, and due date for resolution</li> <li>b. Second occurrence - Email notification from Procurement &amp; Warehousing Team to Cardholder &amp; Cardholder Approver, including details of missing or erroneous information, corrective action needed, and due date for resolution</li> <li>c. Third occurrence - Email notification from Procurement &amp; Warehousing Team including details of missing or erroneous information, corrective action needed, and due date for resolution AND recommendation to PWS leadership for account suspension</li> </ul> <p>There are two areas where the area must submit signed statements, but they must keep the receipts at their location due to the volume of transactions and the physical space available to store documentation at the P-Card Administrative location at the TSSC Building. These areas are District Maintenance (Warehouse and PPO Support), and Business Support Center (BSC) for internal funds purchases. To ensure compliance, these areas have been informed that they must provide copies of receipts immediately upon request. One or more statements for each area will be included in the in-depth review described below as part of monthly program self-audit activities.</p> <p>Consistent with the update to the State Auditor General reports, an in-depth monthly review of receipts will be performed by P-Card Administrators for 20% of statements received. The statements will be randomly selected for all areas and thoroughly reviewed for compliance with program requirements. BSC and District Maintenance will automatically be included in this monthly self-audit activity, but the cardholder from these areas will be randomly selected from among those departments’ cardholders.</p> <p>Note: For more information please see Exhibit A.</p>
<b>Recommendation 3.3</b>	Add additional staff due to the increased volume of P-Card activity to ensure all P-Card statements are reviewed and filed in a systematic way.
<b>Management’s Response 3.3</b>	Disagree. At this time, additional staff is not required.



	<b>ALTERNATIVE ACTION:</b> The Works application is a Web-based, user-friendly electronic card payment management service that automates, streamlines, and integrates existing payment authorization and reconciliation processes while providing management reporting and spending controls.
<b>Analysis 3.3</b>	The Program Administrator recently implemented a system beginning July 1, 2019 to verify if activity has been reported on a P-Card, if statements were provided, if signatures were provided, and if the receipts were included. This issue is considered closed.
<b>Updated Management's Response 3.3</b>	<p>The replacement P-Card Coordinator was hired in April 2019, this was not additional staff added, but replaced an existing position that was vacated due to retirement. The Sr. Process Analyst was also brought in as an additional resource in November 2018 to assist while the P-Card Coordinator position was vacant, and to provide program oversight and process improvement action subsequent to the Coordinator's hire. Additionally, an existing Procurement Agent Specialist was added as a part-time resource to support P-Card Program requirements. In summary, the P-Card Program staff historically consisted of 2 full-time staff. It now consists of 1 supervisor (who oversees the P-Card Program and other Procurement sub-divisions), 1 full-time P-Card Coordinator, 1 full-time Purchasing Specialist, and 1 part-time Purchasing Specialist for a total staff of 3.5 FTEs.</p> <p>An interim solution has been put in place to accurately track and enforce statement requirements. The WORKS solution is not targeted for implementation in the immediate future but is currently in the one-year roadmap for implementation in fiscal year 2020.</p> <p>Note: For more information please see Exhibit A</p>
<b>Recommendation 3.4</b>	Deactivate P-Cards for non-compliance with the Purchasing Card Program Policies and Procedures Manual.
<b>Management's Response 3.4</b>	<p>Agree.</p> <p><b>ALTERNATIVE ACTION:</b> The recommendation of deactivating P-Cards for noncompliance will be adopted, per the Purchasing Card Program Policies and Procedures Manual.</p>
<b>OCA's Follow Up to Management's Response 3.4</b>	OCA noted that management did not disagree with Finding No. 3; however, they disagreed with OCA's Recommendation No. 3 regarding the additional staff needed. Although there will be enhancements to the filing system with the Works application, with only two people handling all procurement processes, additional staff may still be needed in the future to handle the expansion of the P-Card program and the existing 891 P-Card holders.
<b>Analysis 3.4</b>	The Program Administrator recently implemented a system beginning July 1, 2019 to verify if activity has been reported on a P-Card, if statements were provided, if signatures were provided, and if the receipts were included. For P-Card users who are determined non-compliant, a three-step process has been established to suspend the account of non-compliant card holders. This issue is considered closed.





<p><b>Updated Management's Response 3.4</b></p>	<p>The following actions are performed for each statement period for each active card with activity:</p> <ol style="list-style-type: none"> <li>1. A log has been created to track statements and backup from cardholders</li> <li>2. A report is generated by the P-Card Administrators for all transactions occurring during the statement period which is added to the log each month</li> <li>3. There is an automatic flag assigned for any taxes charged based on the report results</li> <li>4. Upon receipt of the statement, a high level review of all statements received is performed to identify if: <ol style="list-style-type: none"> <li>a. Was the statement received at all</li> <li>b. If received, did the statement have the two required signatures</li> <li>c. If received, did the statement have receipts attached</li> <li>d. If there was a tax flag applied, did they attach copies of efforts to obtain reimbursement for taxes from vendors</li> </ol> </li> <li>5. A "traffic light" system is used to easily identify any occurrences of statement concerns, as well as their frequency. <ol style="list-style-type: none"> <li>a. Red light = one or more statement issues were identified</li> <li>b. Yellow light = cardholder contacted P-Card Admins prior to due date explaining any issues or delays</li> <li>c. Green light = cardholder submitted everything to pass the initial check</li> </ol> </li> <li>6. An escalation path has been defined to address any repeat issues <ol style="list-style-type: none"> <li>a. First occurrence - Email notification from Procurement &amp; Warehousing Team to Cardholder including details of missing or erroneous information, corrective action needed, and due date for resolution</li> <li>b. Second occurrence - Email notification from Procurement &amp; Warehousing Team to Cardholder &amp; Cardholder Approver, including details of missing or erroneous information, corrective action needed, and due date for resolution</li> <li>c. Third occurrence - Email notification from Procurement &amp; Warehousing Team including details of missing or erroneous information, corrective action needed, and due date for resolution AND recommendation to PWS leadership for account suspension</li> </ol> </li> </ol> <p>There are two areas where the area must submit signed statements, but they must keep the receipts at their location due to the volume of transactions and the physical space available to store documentation at the P-Card Administrative location at the TSSC Building. These areas are District Maintenance (Warehouse and PPO Support), and Business Support Center (BSC) for internal funds purchases. To ensure compliance, these areas have been informed that they must provide copies of receipts immediately upon request. One or more statements for each area will be included in the in-depth review described below as part of monthly program self-audit activities.</p> <p>Consistent with the update to the State Auditor General reports, an in-depth monthly review of receipts will be performed by P-Card Administrators for 20% of statements received. The statements will be randomly selected for all areas and thoroughly reviewed for compliance with program requirements. BSC and District Maintenance will automatically be included in this monthly self-audit activity, but the cardholder from these areas will be randomly selected from among those departments' cardholders.</p> <p>Note: For more information please see Exhibit A.</p>
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<b>Observation #4</b>	The Physical Plant Operations Department did not Adequately Manage and Ensure Compliance with the Terms and Conditions of District Bid 53-087R for Cypress Bay High School's Carpet Project.
<b>Division</b>	<b>Strategy &amp; Operations</b>
<b>Department</b>	<b>Procurement &amp; Warehousing Services</b>

<b>Recommendation 4.1</b>	The Physical Plant Operations Department manage and ensure vendor compliance with the terms and conditions of District contracts.
<b>Management's Response 4.1</b>	Physical Plant Operations agrees with Office of the Chief Auditor and will ensure compliance with terms and conditions of all District contracts.
<b>Analysis 4.1</b>	The review of the vendor compliance falls outside of the scope of this Purchasing Card audit. Vendor contract compliance will be reviewed during audits of the PPO Department.
<b>Recommendation 4.2</b>	The PPO staff visit the site in order to verify quantities installed and document any excess materials as compared to the vendor's approved estimate of quantities and cost.
<b>Management's Response 4.2</b>	Physical Plant Operations agrees with the Office of the Chief Auditor and will visit every project before, during, and after the work to verify quantities installed and document any excess materials.
<b>Analysis 4.2</b>	The review of the vendor compliance falls outside of the scope of this Purchasing Card audit. Vendor contract compliance will be reviewed during audits of the PPO Department.
<b>Recommendation 4.3</b>	The PPO department should ensure that the Attic Stock/Receipt of Materials Form required by the contract is completed to document the excess carpet tiles.
<b>Management's Response 4.3</b>	Physical Plant Operations has requested and obtained a credit for the overpayment of \$893.16 due to "double payment" of \$6.00 per square yard for the 148.86 square yards of Luxury Vinyl Tile. There is not an overpayment for 48.86 square yards of carpet. That amount of carpeting, about 5 percent of the total, was the amount of scrap carpeting created in executing the complex flooring pattern designed for the Media Center (please refer to the attached Cypress Bay Floor Plan, Attachment C). At the completion of the work, the remaining 104 square yards of carpet were left at Cypress Bay as "attic stock" for future needs or repairs. To minimize errors in calculating the correct cost of installation on complex projects, a new <b>Flooring Verification Form</b> (Attachment A) will be used on all projects involving flooring. This form will include the Notice to Proceed (with project scope clearly defined), the work order number, the bid number, and two dated field inspections documenting quantity verification by PPO Staff. To ensure that all stakeholders concur on the amount of attic stock remaining on site, all future flooring projects will include a signed <b>Bin Receipt Document</b> (Attachment B), acknowledging receipt of remaining flooring by



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	the project school. An authorized representative from the school and the Flooring Department will sign the Bin Receipt Document and a copy of the form will be retained at the location with the remaining flooring.
<b>Analysis 4.3</b>	The review of the vendor compliance falls outside of the scope of this Purchasing Card audit. Vendor contract compliance will be reviewed during audits of the PPO Department.



## **EXHIBITS**

# P-Card Program

UPDATES & IMPROVEMENTS

PROCUREMENT & WAREHOUSING SERVICES



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## Limits/Activity

In order to address the findings related to Purchasing Card (P-Card) limits and activity, a series of analytical activities have been performed, resulting in the initial implementation of changes to cardholder profiles, with additional changes forthcoming.

### Historical Spend Analysis

P-Card Spend for July 1, 2018 through June 30, 2019 (Fiscal Year 2018/2019), was analyzed to identify actual usage per cardholder and per card. The first purpose of this exercise was to determine whether or not the assigned limits were appropriate for actual card activity. Therefore, analysis was performed based on Credit Limit, Single Transaction Limit, and total annual usage. Additionally, a review of current available profiles was performed to identify areas for consolidation and standardization to improve efficiencies in cardholder maintenance.

Due to the volume of cardholder accounts and variety of current cardholder profiles, the plan is to implement the cardholder changes in two phases.

- **Phase 1** – Analyze cardholder accounts clearly indicating limits exceeding activity
- **Phase 2** – Analyze cardholder more complex cardholder accounts and act accordingly
- **Phase 3** – Analyze results of Phase 1 and Phase 2 and adjust as needed

### Implementation of Changes to Limits

With assessment and planning complete, the next activity is to implement.

#### Phase 1

During Phase 1 and based on the analysis performed, there were two areas of concentration; removal of access for those no longer needed, and the creation of a new default cardholder profile to reduce risk for those who still require cardholder access.

A new cardholder profile has been established that sets standard credit limits to ten thousand dollars (\$10,000) and the single transaction limits to four-thousand nine hundred ninety-nine dollars (\$4,999). A majority of cardholders fall within these credit and single transaction limits. Prior to this change, credit limits for the cardholders with changes ranged from twenty-thousand dollars (\$20,000) to sixty thousand dollars (\$60,000). Single transaction limits ranged from five thousand (\$5,000) to twenty-thousand dollars (\$20,000).

#### Phase 1 Status

- **673** card accounts were updated in phase 1 in preparation for the start of the 2020 school year (8/14/19)
- This represents **73.49%** of active cardholders at the close of fiscal year 2019
- Of the 672 card accounts, **132** cards were deleted due to inactivity, reported lost/stolen, or replacement cards issued
- The remaining **541** accounts were reduced to the new default limits
- A credit limit of \$10,000 indicates that budgets can be loaded UP TO that amount
- The actual spending limit is set at the amount of budget approved and loaded onto a card. This number can be less than the credit limit but not greater.
- Completed 8/9/19



### Phase 2

During Phase 2, in progress, requires a deeper analysis of credit and single transaction limits to reduce risks of potential misuse.

- **244** remaining accounts require this in depth analysis
- This represents **26.51 %** of active cardholders
- **67** of these accounts currently have credit and/or single transaction limits set *lower* than the new default limit
- **178** of the remaining accounts have limits currently above the new default limit and have purchase history indicating demonstrated need.
- **Further Analysis** required to determine how best to consolidate and standardize, or remain as is, to reduce risk while supporting operational needs
- **Status:** Target completion for Phase 2 is 9/30/19.

### Initial Results

Overall Profile Assessment Results	# of Cardholders to Update	% of Cardholders
Phase 1 - Assign Default Profile	<b>673</b>	73.49%
Phase 2 - Assess Profile Consolidation	244	26.51%
<b>Grand Total</b>	<b>917</b>	<b>100.00%</b>

Table 1

Phase 1 – Results of Cardholder Profile Updates	# of Cardholder Accounts Addressed
Complete	540
Deleted	133
<b>Phase 1 Total # of Profiles Updated</b>	<b>673</b>

Table 2

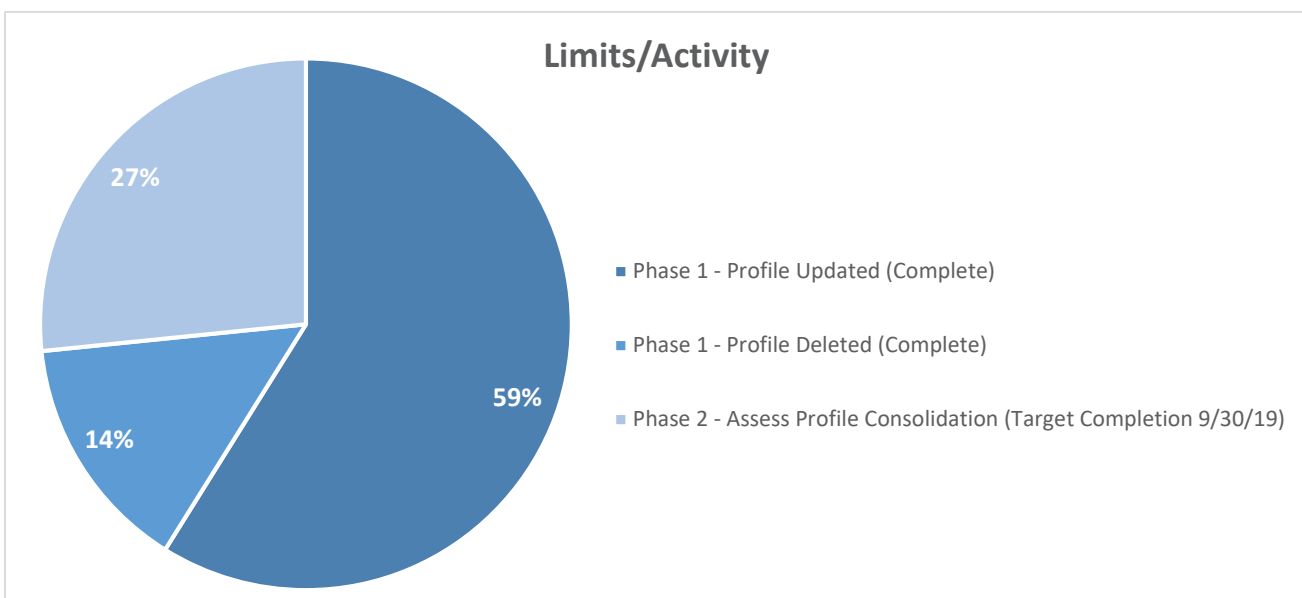


Figure 1



## Transactions

In order to address the findings related to Purchasing Card (P-Card) transactions, templates including critical areas of focus have been created to more effectively track compliance with transactions and statement requirements on a monthly basis.

### Statement Analysis Requirements

There are several areas to be reviewed for each statement. To accommodate monthly and overall program tracking, a database was created to highlight specific criteria to be reviewed on a monthly and cumulative basis.

1. A database was created with all active cardholders
2. For each active card for each Statement Period (currently the 5<sup>th</sup> through the 4<sup>th</sup> of the following month)

Category	Monthly Tracking & Analysis
Usage	Was there activity on the card
Statement – Submitted	If there was usage, did the cardholder submit the statement to the P-Card Admins
Statement – Signatures	If the statement was submitted, were there two valid signatures on the statement
Statement – Receipts	If statement was submitted, were receipts attached
Report – Taxes	If there was usage, was tax applied to any purchases?
Monthly Audit	Randomly select 20% of submitted statements for in depth review/analysis of statements received

Table 3

3. Cumulative Tracking

Category	Overall Tracking & Analysis
Usage	If there are more than 3 consecutive statement periods without activity, recommend suspension of card
Statement – Submitted	If there are 3 or more missing statements at any time during the fiscal year, recommend suspension of card
Statement – Signatures	If there are 3 or more statements submitted with missing signatures, recommend suspension of card
Statement – Receipts	If there are 3 or more statements submitted without receipts, recommend suspension of card
Report – Taxes	If there are 3 or more statements submitted with taxes charged and not credited, recommend suspension of card

Table 4

4. The first tracking exercise begins at the close of the first statement period, on the statement due date, which is 8/15/19.





### Statement Analysis Process Overview

The statement analysis process is performed using a combination of system reporting and manual statement tracking/data entry. This is the short-term solution created to ensure compliance while research and planning are performed in preparation for the implementation of a more permanent and automated solution.

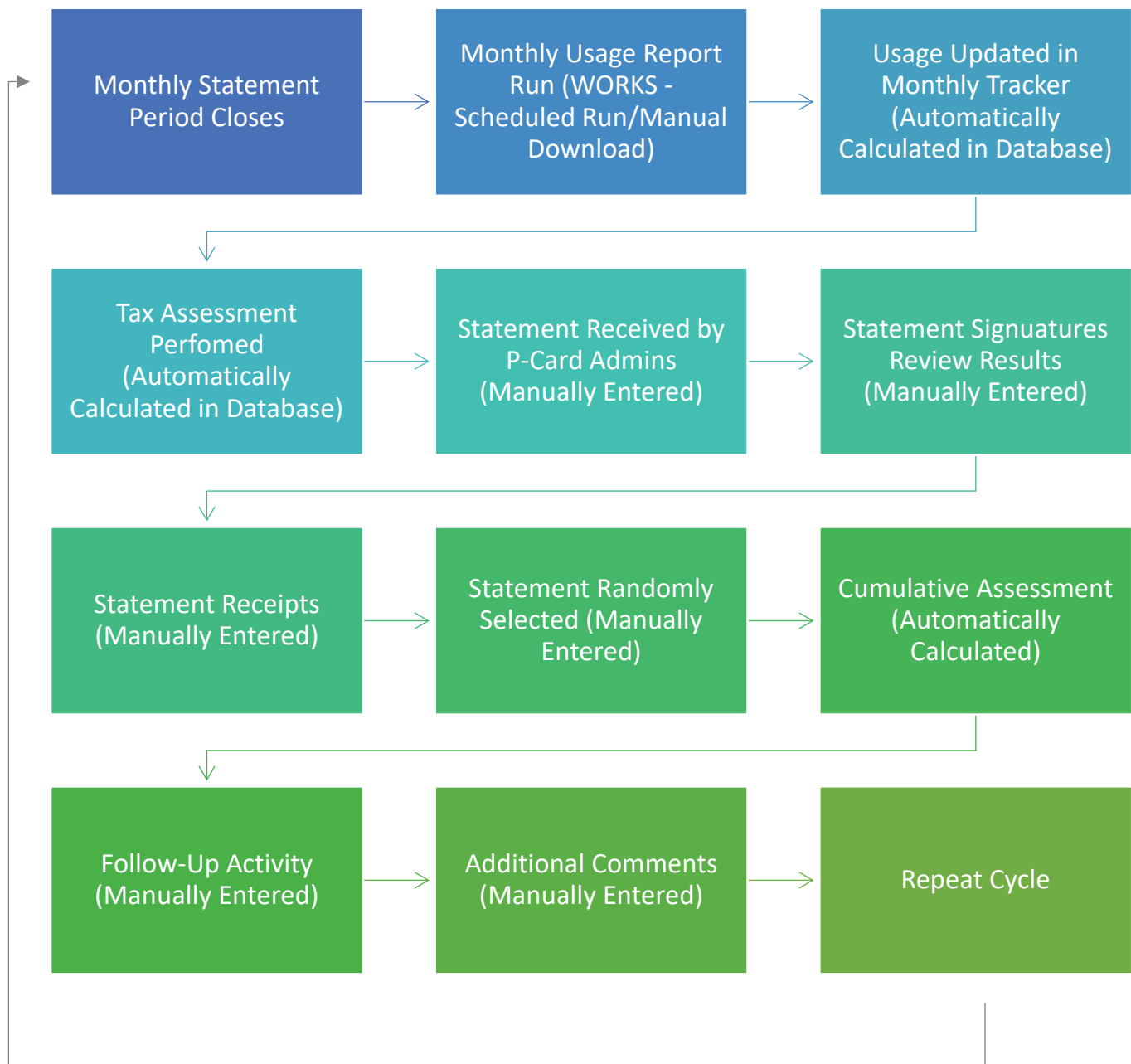


Figure 2



### Suspension Recommendation Process Overview

As outlined in Table 4 above, the results of the cumulative monthly statement analysis will be reported if there are 3 or more occurrences of any of the critical tracking elements found.

In order to minimize findings, cardholders will be informed when they have met any of the criteria being tracked and will be allowed time for corrective action.

<b>First occurrence</b>	Email notification from Procurement & Warehousing Team including details of missing or erroneous information, corrective action needed, and due date for resolution
<b>Second occurrence</b>	Email notification from Procurement & Warehousing Team including details of missing or erroneous information, corrective action needed, and due date for resolution
<b>Third occurrence</b>	Email notification from Procurement & Warehousing Team including details of missing or erroneous information, corrective action needed, and due date for resolution AND recommendation to PWS leadership for account suspension

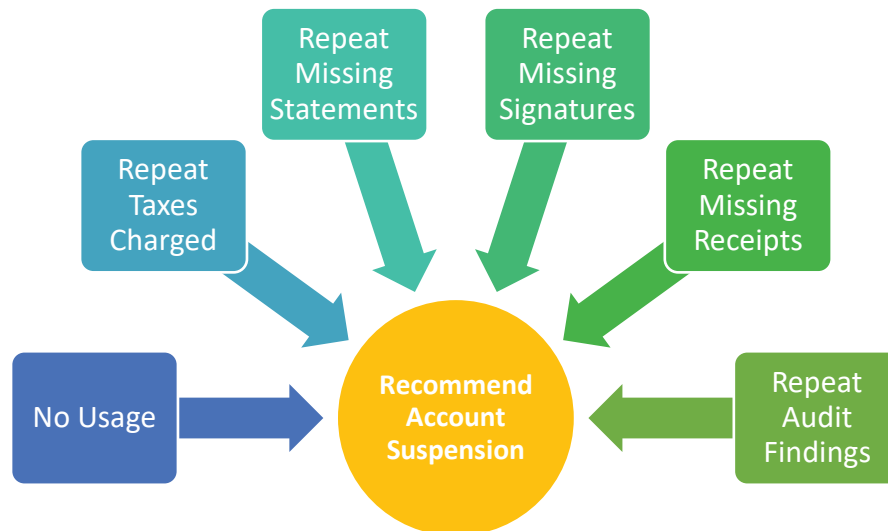


Figure 3

**If Suspended** Suspend account in WORKS system and notify cardholder of suspended status by email, including Principal/Department Head



Figure 4



### Statement Tracking – Demonstration of Activities Completed & In Progress

In order to establish a monthly tracking cycle, there were pre-requisite activities that needed to be completed prior to implementation. Once the pre-requisite activities were completed, the monthly statement tracking activities can be performed.

#### Statement Tracking Pre-Requisite Details

##### 1. Pre-Requisite Activity 1: Create Template for Tracking (One-time setup)

###### **Complete - Template Created**

- A. Includes Active Cardholders
- B. Includes ability to track per month and on a cumulative basis
- C. Includes ability to add monthly usage report into separate sheets for detailed analysis

A

B

C

General Cardholder Account Information							Statement Period 1 - July 5 through Aug 4						Cumulative Tracking						
Card Account Number	Card Last 4 Digits	Card Status (As of Start of Fiscal Year 2020)	Card Active	CH Last Name	CH First Name	Card Employee ID	Usage	Taxes	Statement Submitted	Statement has 2 Signatures	Statement Included Receipts	Selected for Random Audit	Overall Usage	Overall Taxes	Overall Statements Submitted	Overall Statements Signed	Overall Statements Receipts	Overall Included in Audit Results	
4715292987401720	1727	Active	Y	Abend	Eric	P00088211	No	NA					1	1					
4715291208810910	0914	Active	Y	Adams	Marie	P00045530	No	NA					1	1					
4715290016466270	6273	Active	Y	Adams	Marie	P00045530	Yes	Yes					0	1					
4715291201571790	1794	Active	Y	Addison-Russell	Melody	P00046604	No	NA					1	1					
4715292948986210	6214	Active	Y	Aguiayo	Jessica	P00062132	No	NA					1	1					
4715290015170440	0447	Active	Y	Aiello	Ralph	P00077151	No	NA					1	1					
4715291205523890	3890	Active	Y	Albano	Tom	P00109675	No	NA					1	1					
5405820015295930	5935	Active	Y	Albano	Caroline	P00061991	No	NA					1	1					
4715291204710230	0233	Active	Y	Alexander	Ronley	P00036420	No	NA					1	1					
4715290008034170	4170	Active	Y	Allen	Tayondric	P00038527	No	NA					1	1					
4715290008141660	1660	Active	Y	Allen	Cynthia	P00011547	No	NA					1	1					
4715290010697210	7212	Active	Y	Alvarez	Rolando	P00018192	Yes	No					1	0					
4715290012866350	6351	Active	Y	Ambersley	Jocelyn	P00051946	No	NA					1	1					
4715291206640360	0362	Active	Y	Anderson	Stephanie	P00009823	No	NA					1	1					
4715290008191020	1020	Active	Y	Anderson	Stephanie	P00009823	No	NA					1	1					
5405820016949520	5926	Active	Y	Anderson	Stephanie	P00009823	Yes	Yes					1	1					
4715291202000210	0215	Active	Y	Andriesse	Mark	P00043790	No	NA					1	1					
5405820013393320	3328	Active	Y	Arche	Marjorie	P00010325	Yes	No					1	0					
5405820017570390	0392	Active	Y	Archibla	Gloria	P00087534	No	NA					1	1					
4715291104719240	9243	Active	Y	Arias	Shannon	P00031865	No	NA					1	1					
5405820012367690	7695	Active	Y	Arias	Shannon	P00031865	Yes	No					0	0					
4715291102934420	4422	Active	Y	Arrojo	Jimmy	P00027102	No	NA					1	1					
4715292964939550	9554	Active	Y	Artanis	Onyka	P00029157	No	NA					1	1					
4715291208415450	5458	Active	Y	ASHTON	CLAIRE	P00039745	No	NA					1	1					
4715291204612760	2769	Active	Y	ASHTON	CLAIRE	P00039745	No	NA					1	1					
4715291206709210	9217	Active	Y	ASHTON	CLAIRE	P00039745	No	NA					1	1					
4715290009444520	4527	Active	Y	ASHTON	CLAIRE	P00039745	Yes	No					0	0					
4715290014195700	5700	Active	Y	ASHTON	CLAIRE	P00039745	Yes	No					0	0					
4715290014390520	0525	Active	Y	ASHTON	CLAIRE	P00039745	Yes	No					0	0					
4715290008433530	3539	Active	Y	ASHTON	CLAIRE	P00039745	No	NA					1	1					
4715292372354330	4333	Active	Y	ASHTON	CLAIRE	P00039745	Yes	No					0	0					
4715292677146070	0704	Active	Y	ASHTON	CLAIRE	P00039745	Yes	Yes					0	1					
Consolidated Report																			
		Statement Period 1		Statement Period 2		Statement Period 3		Statement Period 4		Statement Period 5		Statement Period 6		Statement Period 7		Summary			

Statement Period 1 - July 5 through Aug 4					
Usage	Taxes	Statement Submitted	Statement has 2 Signatures	Statement Included Receipts	Selected for Random Audit
No	NA				
No	NA				
Yes	Yes				
No	NA				
No	NA				
No	NA				

Cumulative Tracking					
Overall Usage	Overall Taxes	Overall Statements Submitted	Overall Statements Signed	Overall Statements Receipts	Overall Included in Audit Results
1	1				
1	1				
0	1				
1	1				
1	1				
1	1				
1	1				



## 2. Pre-Requisite Activity 2: Create and Schedule WORKS report (One-time setup)

### **Complete – Report Defined and Scheduled**

A. Schedule Monthly Report to run in WORKS

B. Select Usage Details for tracking

**A**

Bank of America Merrill Lynch Works®

Home Expenses Accounts Reports Accounting Administration

Reports > Scheduled

Updated 1 report.

**Scheduled Reports**

Report Name	Submitted By	For Users	Recurrence
Cardholder List - With Headers	Smith, Marissa	N	Daily
FY20 Statement Reporting per Period	Smith, Marissa	N	Monthly

**B**

Bank of America Merrill Lynch Works®

Home Expenses Accounts Reports Accounting Administration

Reports > Modify/Run

**Create Report** Report data is current as of August 12, 2019 3:49 PM CDT.

\* Category: Spend

\* Template:

**Report Options** Basic Advanced Reset to defaults Use last run settings

**Columns**

**Available**

- Allocation
- GL is Authorized
- GL is Complete
- GL is Valid
- GL: BUSINESS AREA
- GL: BUSINESS AREA Desc
- GL: CONTROL NO.
- GL: CONTROL NO. Desc
- GL: COST CENTER
- GL: COST CENTER Desc
- GL: Contract Number
- GL: Contract Number Desc
- GL: FUNCTIONAL AREA
- GL: FUNCTIONAL AREA Desc
- GL: FUND
- GL: FUND Desc
- GL: GENERAL LEDGER
- GL: GENERAL LEDGER Desc
- GL: Internal Order

**Selected**

- Card Account Number
- Card Embossed Line 1
- Card Embossed Line 2
- Card Last 4 Digits
- Purchase Date
- Post Date
- Txn Number
- Vendor Name
- Item Number
- Item Description
- Item Price
- Item Total
- Item Tax
- Amount
- MCC
- MCC Description
- Card Employee ID

Remove Edit Add Constant

**Column Sort**

A--Z Card Last 4 Digits

Remove Reverse Sort

**Filters**



### Monthly Statement Tracking Details

At the close of each statement period, several activities will be performed by the P-Card Admin team.

- The scheduled report will be generated in WORKS at which time the report will be downloaded by the P-Card Administration Team and loaded into the Monthly Tracking Template
- There is a space for the statement details to be updated each month in the Template
- Two sets of data automatically populate in the Consolidated Report once the statement period is uploaded; Usage (was the active card used?) and Taxes (were taxes applied?)
- The rest of the tracking will be updated manually each month based on the statements and backup received by the P-Card Admin team from the cardholders

Card Account Number	Card Embossed Line 1	Card Embossed Line 2	Card Last 4 Digits	Purchase Date	Post Date	Txn Number	Vendor Name	Item Number	Item Description	Item Price	Item Total	Item Tax	Amount
4715290010440010	DIANE DOULENS	PARK LAKES ELEMENTARY	0019	7/31/2019	8/2/2019	TXN00521679	OFFICE DEPOT #1	2	declining balance S	\$600.00	\$600.00	\$0.00	\$600.00
4715290015430020	NATHANIEL BOWENS	ATLANTIC TECH COLLEGE	0023	7/31/2019	7/3/2019	TXN00517389	THE HOME DEPOT	2	Supplies	\$245.81	\$245.81	\$0.00	\$245.81
4715290015430020	NATHANIEL BOWENS	ATLANTIC TECH COLLEGE	0023	7/31/2019	7/8/2019	TXN00517417	THE HOME DEPOT	2	Supplies	\$5.96	\$5.96	\$0.00	\$5.96
4715290015430020	NATHANIEL BOWENS	ATLANTIC TECH COLLEGE	0023	7/31/2019	7/9/2019	TXN00517718	THE HOME DEPOT	2	Supplies	\$39.90	\$39.90	\$0.00	\$39.90
4715290015430020	NATHANIEL BOWENS	ATLANTIC TECH COLLEGE	0023	7/31/2019	7/15/2019	TXN00518553	LOWES #00704	2	Supplies	\$52.53	\$52.53	\$0.00	\$52.53
4715290015430020	NATHANIEL BOWENS	ATLANTIC TECH COLLEGE	0023	7/31/2019	7/17/2019	TXN00518934	THE HOME DEPOT	2	Supplies	\$419.17	\$419.17	\$0.00	\$419.17
4715290015430020	NATHANIEL BOWENS	ATLANTIC TECH COLLEGE	0023	7/31/2019	7/18/2019	TXN00519065	THE HOME DEPOT	2	Supplies	\$15.98	\$15.98	\$0.00	\$15.98
4715290015430020	NATHANIEL BOWENS	ATLANTIC TECH COLLEGE	0023	7/31/2019	7/18/2019	TXN00519231	THE HOME DEPOT	2	Supplies	\$15.98	\$15.98	\$0.00	\$15.98
4715290015430020	NATHANIEL BOWENS	ATLANTIC TECH COLLEGE	0023	7/31/2019	7/23/2019	TXN00520349	JOHNSTONE SUP	2	Supplies	\$443.64	\$443.64	\$0.00	\$443.64
4715290015430020	NATHANIEL BOWENS	ATLANTIC TECH COLLEGE	0023	7/31/2019	7/24/2019	TXN00520611	BROWARD BOLT	2	Supplies	\$34.20	\$34.20	\$0.00	\$34.20
4715290015430020	NATHANIEL BOWENS	ATLANTIC TECH COLLEGE	0023	7/31/2019	7/25/2019	TXN00520687	LOWES #00704	2	Supplies	\$104.51	\$104.51	\$0.00	\$104.51
4715290015430020	NATHANIEL BOWENS	ATLANTIC TECH COLLEGE	0023	7/31/2019	7/26/2019	TXN00520704	THE HOME DEPOT	2	Supplies	\$221.76	\$221.76	\$0.00	\$221.76
4715290015430020	NATHANIEL BOWENS	ATLANTIC TECH COLLEGE	0023	7/31/2019	7/30/2019	TXN00521020	LOWES #00704	2	Supplies	\$58.38	\$58.38	\$0.00	\$58.38
4715291108610030	ERIC POWELL	BECON	0034	7/10/2019	7/11/2019	TXN00518145	SHERWIN WILLIA	1	SHERWIN WILLIA	\$20.57	\$20.57	\$0.00	\$20.57
4715291108610030	ERIC POWELL	BECON	0034	7/12/2019	7/15/2019	TXN00518656	CDW GOVT #TBL3	1	CDW GOVT #TBL3	\$166.60	\$166.60	\$0.00	\$166.60
4715291108610030	ERIC POWELL	BECON	0034	7/15/2019	7/16/2019	TXN00518760	CHARGE.PREZI.CO	1	CHARGE.PREZI.CO	\$228.00	\$228.00	\$0.00	\$228.00
4715291108610030	ERIC POWELL	BECON	0034	7/16/2019	7/16/2019	TXN00518800	OTHERWORLD.CO	1	OTHERWORLD.CO	\$299.00	\$299.00	\$0.00	\$299.00
4715291108610030	ERIC POWELL	BECON	0034	7/16/2019	7/17/2019	TXN00518875	CDW GOVT #TCB	1	CDW GOVT #TCB	\$25.44	\$25.44	\$0.00	\$25.44
4715291108610030	ERIC POWELL	BECON	0034	7/30/2019	7/31/2019	TXN00521166	CDW GOVT #TFV	1	CDW GOVT #TFV	\$58.48	\$58.48	\$0.00	\$58.48
4715291102260050	KAY BLAKE	1310097240 7802000000	0059	8/1/2019	8/1/2019	TXN00521356	AUDIO-TECHNIC	1	AUDIO-TECHNIC	\$14.70	\$14.70	\$0.00	\$14.70
4715291102260050	KAY BLAKE	1310097240 7802000000	0059	7/23/2019	7/28/2019	TXN00520205	OFFICE DEPOT #1	1	OFFICE DEPOT #1	\$207.02	\$207.02	\$0.00	\$207.02
4715291102260050	ROBERT S. MALONEY	PPD	0062	8/1/2019	8/2/2019	TXN00521518	OFFICE DEPOT #1	2	declining balance S	\$113.89	\$113.89	\$0.00	\$113.89
4715290017450080	MARYANN MAY	ENVIRONMENTAL DEPT	0086	8/1/2019	8/2/2019	TXN00521603	SUNPASS ACC240	2	declining balance S	\$300.00	\$300.00	\$0.00	\$300.00
4715290006440090	LAURIE CURFMAN	STIRLING ELEMENTARY	0096	7/10/2019	7/12/2019	TXN00518320	OFFICE DEPOT #1	2	Supplies	\$560.74	\$560.74	\$0.00	\$560.74
4715290006440090	LAURIE CURFMAN	STIRLING ELEMENTARY	0096	7/25/2019	7/29/2019	TXN00520785	OFFICE DEPOT #1	2	Supplies	\$116.95	\$116.95	\$0.00	\$116.95
4715290006440090	LAURIE CURFMAN	STIRLING ELEMENTARY	0096	7/25/2019	7/29/2019	TXN00520820	OFFICE DEPOT #1	2	Supplies	\$119.41	\$119.41	\$0.00	\$119.41
471529091130100	BRIGITTE VAZQUEZ	COCONUT CREEK HIGH	0105	7/12/2019	7/15/2019	TXN00518580	OFFICE DEPOT #1	2	Supplies	\$71.92	\$71.92	\$0.00	\$71.92
471529091130100	BRIGITTE VAZQUEZ	COCONUT CREEK HIGH	0105	7/12/2019	7/18/2019	TXN00518588	OFFICE DEPOT #1	2	Supplies	\$129.99	\$129.99	\$0.00	\$129.99
471529091130100	BRIGITTE VAZQUEZ	COCONUT CREEK HIGH	0105	7/16/2019	7/18/2019	TXN00519229	OFFICE DEPOT #1	2	Supplies	\$1,088.64	\$1,088.64	\$0.00	\$1,088.64
471529091130100	BRIGITTE VAZQUEZ	COCONUT CREEK HIGH	0105	7/16/2019	7/18/2019	TXN00519248	OFFICE DEPOT #1	2	Supplies	\$638.29	\$638.29	\$0.00	\$638.29
471529091130100	BRIGITTE VAZQUEZ	COCONUT CREEK HIGH	0105	7/18/2019	7/18/2019	TXN00519349	OFFICEMAX/OFF	2	Supplies	\$9.99	\$9.99	\$0.00	\$9.99
471529091130100	BRIGITTE VAZQUEZ	COCONUT CREEK HIGH	0105	7/17/2019	7/18/2019	TXN00519494	OFFICE DEPOT #1	2	Supplies	\$36.96	\$36.96	\$0.00	\$36.96
471529091130100	BRIGITTE VAZQUEZ	COCONUT CREEK HIGH	0105	7/18/2019	7/22/2019	TXN00519668	OFFICEMAX/OFF	2	Supplies	\$45.44	\$45.44	\$0.00	\$45.44
471529091130100	BRIGITTE VAZQUEZ	COCONUT CREEK HIGH	0105	7/18/2019	7/22/2019	TXN00519668	OFFICE DEPOT #1	2	Supplies	\$588.85	\$588.85	\$0.00	\$588.85
471529091130100	BRIGITTE VAZQUEZ	COCONUT CREEK HIGH	0105	7/18/2019	7/22/2019	TXN00519723	OFFICE DEPOT #1	2	Supplies	\$828.68	\$828.68	\$0.00	\$828.68
471529091130100	BRIGITTE VAZQUEZ	COCONUT CREEK HIGH	0105	7/19/2019	7/22/2019	TXN00519740	OFFICE DEPOT #1	2	Supplies	\$163.52	\$163.52	\$0.00	\$163.52
471529091130100	BRIGITTE VAZQUEZ	COCONUT CREEK HIGH	0105	7/22/2019	7/24/2019	TXN00519946	OFFICE DEPOT #1	2	Supplies	\$568.79	\$568.79	\$0.00	\$568.79

Consolidated Report

Statement Period 1

Statement Period 2

### Statement Period 1 - July 5 through Aug 4

Usage	Taxes	Statement Submitted	Statement has 2 Signatures	Statement Included Receipts	Selected for Random Audit
No	NA				
No	NA				
Yes	Yes				
No	NA				
No	NA				
No	NA				
No	NA				
No	NA				
No	NA				





Cumulative “Red Flag” Tracking Details

To increase oversight of statement reconciliation activities, a cumulative overview is provided to identify any patterns in cardholder non-compliance.

- A. Usage – Red Flags are set for cardholders with active cards but no activity
- B. Taxes – Red Flags are set for cardholders who have one or more occurrence of taxes applied to transactions
- C. Statements Submitted – Red Flags are set for cardholders who have activity but do not submit statements
- D. Statements Signed – Red Flags are set for cardholders who submit statements but do not have required signatures
- E. Statement Receipts – Red Flags are set for cardholders who submit statements but do not submit receipts (this is a high level review; detailed review is performed on randomly selected cards each month)
- F. Audit Inclusion – Although randomly selected for audit, the P-Card Team will review random selection to ensure a broad sampling and minimize overlap unless necessary due to repeat occurrences of non-compliance

Cumulative Red Flag Tracking					
Overall Usage	Overall Taxes	Overall Statements Submitted	Overall Statements Signed	Overall Statement Receipts	Overall Included in Random Audits
1	0				
1	0				
0	1				
1	0				
1	0				
1	0				
1	0				
1	0				
1	0				
1	0				
1	0				
0	0				
A	B	C	D	E	F



## Cancellations

When a cardholder's employment status changes, through termination or transfer, the previous process for notification by schools/departments and subsequent cardholder account closure left room for risk of card misuse. To address this area of concern, in collaboration with the Information & Technology Department, the following activities have been completed, or after a period of activity, are under review for some minor corrections.

Cancellations are now on a cycle update where information is passed from the Bank of America WORKS system to the district ERP System.

### Assign Cards to Employee HR Records – aka Objects on Loan

#### Complete

Employees with active p-cards have been assigned an "object on loan" designation in their employee profile. This is done by using the Personnel number to link what is in WORKS to what is in the cardholder SAP Profile. To complete this process a series of activities were performed:

- A review of all WORKS active profiles was completed
- The personnel number for each active cardholder was assigned to their WORKS profile
- All active profiles were then exported from WORKS
- This export was provided to IT for upload into SAP
- Using the personnel number as the link between WORKS and SAP, p-cards were assigned as "Objects on Loan" in SAP, and directly associated to the employee's HR profile
- Below is a screenshot from the SAP Report that displays the HR Master Record: Infotype 0040 (Objects on loan). The SubType "23" designates a P-Card is assigned to a particular Cardholder.

PA0040: Display of Entries Found

Table to be searched: PA0040 HR Master Record: Infotype 0040 (Objects on Loan)

Number of hits: 5,927

Runtime: 0 Maximum no. of hits: 2,577,319

Personnel no.	Subtype	Object ID	LI	Start Date	End Date	RNo	Changed on	Changed by
106	23			08/08/2017	08/24/2017		08/24/2017	P00032026
106	23			09/22/2017	09/25/2017		09/25/2017	P00032026
106	23			11/16/2017	12/15/2017		12/15/2017	P00032026
106	23			12/18/2017	01/04/2018		01/04/2018	P00032026
106	23			01/05/2018	03/29/2018		03/29/2018	P00032026
106	23			03/30/2018	04/01/2018		04/01/2018	P00032026
106	23			04/02/2018	04/09/2018		04/09/2018	P00032026
106	23			05/14/2019	05/14/2019		05/14/2019	P00032026
106	23			05/16/2019	12/31/9999		05/16/2019	P00030982

Figure 5



### WORKS & SAP Report Cycle Pilot Program

#### Complete

Once the SAP and WORKS cardholder records were aligned, daily reports are scheduled to maintain both systems.

- An automated report is scheduled to run each night at 8:40 PM from SAP which generates an automatic email to the P-Card Admin team which includes an Object On Loan report. This report notes any changes to a cardholder's employment status. The P-Card Team uses the info in these reports to manually make necessary updates in WORKS.
- An automated report is scheduled to run each night at 10 PM from WORKS to SAP to identify new cards assigned or existing cards removed. This report may be empty if no cardholder activity is performed on a given day.
- On 7/5/19 a report indicated that Mary C Mucenic withdrew from her position
- On 7/8/19 Mary C Mucenic's assigned P-Card was closed
- On 8/10/19 a new card was assigned to a cardholder and the report was sent from WORKS to SAP
- On 8/11/19 an Active P-Card Report included the new P-Card assigned to the cardholder's profile

SUBJECT	RECEIVED	SIZE
XEP22044-1:JO08-ZPAR_CHECK_OBJECT_ON_LOAN	Sat 7/20/2019 8:40 PM	857 KB
XEP20864-1:JO08-ZPAR_CHECK_OBJECT_ON_LOAN	Fri 7/19/2019 8:40 PM	857 KB
XEP19261-1:JO08-ZPAR_CHECK_OBJECT_ON_LOAN	Thu 7/18/2019 8:40 PM	861 KB
XEP16201-1:JO08-ZPAR_CHECK_OBJECT_ON_LOAN	Wed 7/17/2019 8:40 PM	861 KB
XEP10472-1:JO08-ZPAR_CHECK_OBJECT_ON_LOAN	Tue 7/16/2019 8:40 PM	861 KB
XEP7481-1:JO08-ZPAR_CHECK_OBJECT_ON_LOAN	Mon 7/15/2019 8:40 PM	861 KB
XEP191-1:JO08-ZPAR_CHECK_OBJECT_ON_LOAN	Sun 7/14/2019 8:42 PM	861 KB
XEP28199-1:JO08-ZPAR_CHECK_OBJECT_ON_LOAN	Sat 7/13/2019 8:40 PM	861 KB
XEP23498-1:JO08-ZPAR_CHECK_OBJECT_ON_LOAN	Fri 7/12/2019 8:40 PM	863 KB

Figure 6



Home	Expenses	Accounts	Reports	Accounting	Administration
Reports > Completed					
Completed Reports					
		Queued At	Report Name	Status	New
<input type="checkbox"/>			Cardholder List - With Headers		
<input type="checkbox"/>	<input type="checkbox"/>	08/11/2019 10:01 PM CDT	Cardholder List - With Headers	Ready	<input checked="" type="checkbox"/> <a href="#">TXT</a>
<input type="checkbox"/>	<input type="checkbox"/>	08/10/2019 10:01 PM CDT	Cardholder List - With Headers	Ready	<input checked="" type="checkbox"/> <a href="#">TXT</a>
<input type="checkbox"/>	<input type="checkbox"/>	08/09/2019 10:00 PM CDT	Cardholder List - With Headers	Ready	<input checked="" type="checkbox"/> <a href="#">TXT</a>
<input type="checkbox"/>	<input type="checkbox"/>	08/08/2019 10:00 PM CDT	Cardholder List - With Headers	Ready	<input checked="" type="checkbox"/> <a href="#">TXT</a>

Figure 7

SAP: WORKS TO SAP REPORT					
Program: ZPAR_CHECK_OBJECT_ON_LOAN					
Object: ON LOAN Report					
Object	Name	Period	Message	Status	Old Pos. - Old Position Name
P - CARD	MUCENIC, MARY C	08/08/2019	Withdrawn		00144000 11087908, 00000000 00000000
P - CARD	MUCENIC, MARY C	08/08/2019	Withdrawn		00144000 11087908, 00000000 00000000
P - CARD	MUCENIC, MARY C	08/08/2019	Withdrawn		00144000 11087908, 00000000 00000000
P - CARD	MUCENIC, MARY C	08/08/2019	Withdrawn		00144000 11087908, 00000000 00000000
P - CARD	MUCENIC, MARY C	08/08/2019	Withdrawn		00144000 11087908, 00000000 00000000
P - CARD	MUCENIC, MARY C	08/08/2019	Withdrawn		00144000 11087908, 00000000 00000000
P - CARD	MUCENIC, MARY C	08/08/2019	Withdrawn		00144000 11087908, 00000000 00000000
P - CARD	MUCENIC, MARY C	08/08/2019	Withdrawn		00144000 11087908, 00000000 00000000
P - CARD	MUCENIC, MARY C	08/08/2019	Withdrawn		00144000 11087908, 00000000 00000000
P - CARD	MUCENIC, MARY C	08/08/2019	Withdrawn		00144000 11087908, 00000000 00000000

Figure 8





**D**

Card Last 4	Card Employee ID	CH Last Name	CH First Name	Card Status	Card Active	Card Inactive	Card Activation	Card Deactivation	Card Delete Date
8627	P00040525	Mucenic	Mary Claire	Closed	N	Y	9/14/2016		7/8/2019

Figure 9

**E**

File	Edit	Format	View	Help
Card Employee ID	Card Last 4 Digits	Card Active	CH Last Name	CH First Name
P00032656	1191	Y	Zabko-Nista	Christina

Figure 10

**F**

CLIENT:500 USER:P00032026 Program:ZBMPU_PCARD_REPORT				SCHOOL BOARD OF BROWARD COUNTY, FLORIDA Active P Card Report				Page: 13 Date:08/11/19 Time:04:10:56
Emp Id	Subty	Seq-No	Last 4	Employee Name	Begin Date	End Date	Org Unit	Org.Description
00032131	23	000	7978	MARTIN, STEVAN A	20190516	99991231	69722810	VM STOCKROOM
00032204	23	000	5571	BAUGH, FRANCINE KERRY-ANN	20190516	99991231	64772000	MILLENNIUM MIDDLE
00032376	23	000	4962	KRAMER, WILLIAM	20190516	99991231	61151000	CORAL SPRINGS HIGH
00032572	23	000	9896	MCLUNE, DEBRA J	20190516	99991231	69533000	ATHLETICS
00032646	23	000	6441	SEITNER, DORIS JUNE	20190516	99991231	61752000	WHISPERING PINES
00032656	23	000	1191	NISTA, CHRISTINA <b>ZABKO</b>	20190516	99991231	62711000	RAMBLEWOOD MIDDLE

Figure 11

## Finalization of Automation

### In Progress

As with any project with this level of complexity, after go live there are tweaks to be made, but they do not prevent us from using the information. Some examples of tweaks required include;

- Duplicated records in reports from SAP to P-Card Team – This does not impact the team's ability to complete the changes in WORKS, it only makes completing the manual portion of these activities more cumbersome. IT and PWS are working on these corrections.
- Changes in WORKS unrelated to assignment or removal of cards – This does not impact the update to SAP, it could be that a change is made to a cardholder's budget or their cardholder profile unrelated to activation status. This may result in error logs during the posting to SAP, but legitimate card assignments are unaffected.

## Other Program Improvements

In addition to the above mentioned improvements, and in support of overall program initiatives, other changes are soon-to-be implemented as outlined below.

### Annual P-Card Training

For the first time, mandatory P-Card Training will be held throughout the month of September 2019.

- Attendance is required
- 27 sessions available, with morning and afternoon sessions scheduled
- Training will include existing requirements, an overview of program changes, and a question & answer period.



- D. Accounts for Cardholders who do not attend one of the available sessions during September will be closed on October 1, 2019
- E. This will be required each fiscal year
- F. Link to register for training:  
<https://forms.office.com/Pages/ResponsePage.aspx?id=y7Ws7nBTWEOpaqN4PJXUlleBscrBKWdNmC166aW0CZ5UQkVDRjIKMUyYRDUzTk9STEMxWjUzTFhSWC4u>

### Updated Cardholder Application & Acknowledgement Form

Changes to the current Cardholder Application and Acknowledgement Form are in progress. Changes will be finalized prior to training in September 2019.

- A. Improve cardholder data accuracy
- B. Improve cardholder application processing efficiency
- C. Reinforce cardholder requirements, roles, and accountability
- D. The new forms will be reviewed during training
- E. Cardholders will be required to complete and submit the application and cardholder acknowledgement each fiscal year in order to maintain an active card
- F. If updated application & acknowledgement are not received by October 1, 2019, the cardholder's account will be closed.

#### Before

**PROCUREMENT & WAREHOUSING SERVICES**  
THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

**Purchasing Card (P-Card)**  
Application & Cardholder Acknowledgment

Date Requested: \_\_\_\_\_

GENERAL INFORMATION		
School/Department Name:	School/Department Address:	Location # (8 Digits):
CARDHOLDER INFORMATION		
Full Name (First & Last):	Personnel # (P#):	Position Title:
Requested Funds: \$	Please ensure that all information is correct. Any changes must be submitted via a new application.	
APPROVAL SIGNATURES		
Employee Name:	Employee Signature:	Date Signed:
Principal/Director Name:	Principal/Director Signature:	Date Signed:

\*If cardholder is a Principal/Department Head, signature must be from immediate supervisor (i.e. ELT member)

**INDICATE BELOW ACCOUNT INFORMATION FOR THE PURCHASING CARD REQUESTED:**

Business Area (4 digits)	Cost Center (10 digits)	General Ledger (8 digits)	Functional Area (16 digits)	Fund (4 digits)	Description
3101	3101100111	55110000	5652000000000000	1000	Media, Custodial, etc.

**FORM INSTRUCTIONS:**

- All Fields should be filled out electronically
- The following signatures are required in order for this form to be accepted:
  - Page 1 must be signed by BOTH the Cardholder and the Principal/Department Head in the designated areas
  - Page 2 must be signed by the employee who will be the assigned cardholder
- Completed forms should be emailed to the following people:
  - Purchasing Card Coordinator @ [Alfonso.Oilella@browardschools.com](mailto:Alfonso.Oilella@browardschools.com)
  - Copy to Laura Rather @ [Laura.Rather@browardschools.com](mailto:Laura.Rather@browardschools.com)

Figure 12

#### After (DRAFT)

**Procurement & Warehousing Services**  
Broward County Public Schools

**Purchasing Card (P-Card)**  
Application & Cardholder/Approver Acknowledgment

Date Requested: \_\_\_\_\_

**P-Card Application**

- To ensure accuracy, complete information on the P-Card Application electronically (type in form)
- Physical initials and signatures are required on the Cardholder/Approver Acknowledgment
- If cardholder is Principal/Department Head, signature must be from next level supervisor
- \* Indicates section requires completion for the processing of the form
- Email completed forms to [pcard\\_notifications@browardschools.com](mailto:pcard_notifications@browardschools.com)
- Failure to follow the instructions above may result in delays in processing your requests

Location Information					
*School/Department Name	*School/Department Address	*Location #			
Cardholder Information					
*Employee Last Name	*Employee First Name	*Position Title			
*Employee Email	*Employee Phone #				
Account Information					
Use the table below to indicate account information for each P-Card being requested.					
*Business Area (4 digits)	*Cost Center (10 digits)	*General Ledger (8 Digits)	*Functional Area (16 Digits)	*Fund (4 Digits)	*Description

**Card Profile Assessment**

This section will be used to determine the appropriate Card Profile based on anticipated or actual P-card usage.

\*Default Profile: Declining Balance with max Credit Limit (\*) up to \$10k and Single Transaction Limit of \$4999

☐ Default Profile Meets anticipated business needs

If Default Credit Limit does not meet business needs, provide comments/justification below.

NOTE: Single Transaction Limit greater than \$20,000 requires submission of Statement of Financial Interest Form (\*)

\* Indicates required field (\*) Credit limit means budgets can go UP TO this amount (\*) See Acknowledgement Section of this form

**Information below to be completed by Procurement & Warehousing Service P-Card Program Staff**

Received On	Processed By Name	Activated On	Name on Card	Card Account #

Figure 13



### Before



PROCUREMENT & WAREHOUSING SERVICES  
THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

#### Purchasing Card (PCard) Application & Cardholder Acknowledgment

##### CARDHOLDER ACKNOWLEDGEMENT:

SBBC is pleased to offer you the Bank of America Purchasing Card. It represents SBBC's trust in you and your empowerment as a responsible agent to safeguard SBBC assets.

By signing, you hereby acknowledge receipt of the SBBC Purchasing Card Program Policies and Procedures document and confirm that you have read and understand its terms, agree to comply with said document and understand that SBBC is liable to Bank of America for all SBBC approved purchases. Additionally, you agree to the following:

1. To use the Purchasing Card for SBBC approved purchases and agree not to charge personal purchases and understand that SBBC will audit the use of the card and report any discrepancies.
2. You understand that improper use of the card will result in a Security investigation which may lead to disciplinary action, up to and including prosecution and termination of employment. Should you fail to use the card properly, you authorize SBBC to deduct such amount from your salary equal to the total amount of unaccountable expenditures. You also agree to allow SBBC to collect any amounts owed by you even if you are no longer employed by SBBC.
3. In the event that the Purchasing Card is not used as herein stated, you hereby authorize SBBC to release your last known address and any information relating to your use of the card to Bank of America.
4. You understand that SBBC may terminate your right to use the card at any time for any reason.
5. You agree to return the card to SBBC immediately upon request or upon termination of employment.

**PLEASE NOTE:** SBBC is tax exempt, therefore tax should **NEVER** be charged on a transaction. The Federal Tax ID number is located at the top of every purchasing card.

Cardholder Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Figure 14

### After (DRAFT)



Procurement & Warehousing Services  
Broward County Public Schools

#### Purchasing Card (P-Card) Application & Cardholder/Approver Acknowledgment

##### Cardholder/Approver Acknowledgement

By submitting the P-Card Application and the Cardholder Acknowledgement, applicants are entrusted and empowered to utilize and safeguard an important district asset. By initialing and signing this Cardholder/Approver Acknowledgement, you hereby acknowledge receipt of the [Purchasing Card Program Procedures Manual](#), confirm that you have read and understand its contents, and agree to comply with its terms.

Card Holder	Approver	Terms
_____	_____	I acknowledge that I have read and understand the Purchasing Card Program Procedures Manual.
_____	_____	I acknowledge that I am responsible for adhering to ALL requirements as detailed in the Purchasing Card Program Procedures Manual.
_____	_____	I acknowledge that the P-Card is for approved and allowable purchases in compliance with the P-Card Program procedures and associated policies.
_____	_____	I acknowledge that the purchase of restricted items, as outlined in the Purchasing Card Program Procedures Manual, is prohibited, and that use of the card for restricted items will result in required reimbursement from the Cardholder to the District and may result in the cancellation of the Cardholder's participation in the P-Card Program or further corrective action.
_____	_____	I acknowledge that the District is Tax Exempt, that the Tax Exempt ID is printed on each P-Card, that Cardholders are responsible for informing suppliers at the time of purchase of said Tax Exempt status, and that Cardholders are responsible to ensure no taxes are applied to any P-Card transactions.
_____	_____	I acknowledge that I will receive a statement each month where there is activity on the P-Card and that requires reconciliation of all purchases with said statement. Statement reconciliation includes Cardholder and Approver confirmation that: each transaction is for an allowable purchase and has legitimately been made on the P-Card (no fraudulent charges), each transaction is supported by a receipt from the supplier and the charges match the receipts, the statement has been signed and dated by the Cardholder and Approver, and the statement and receipts (1) have been submitted to the P-Card Program Administrators on or before the 15 <sup>th</sup> of each month.
_____	_____	I understand that it is my responsibility to notify P-Card Program Administrators, immediately, if my card is lost, stolen, or if there are any unknown or fraudulent charges on my statement.
_____	_____	I understand that it is the responsibility of the Cardholder School/Department to notify P-Card Program Administrators, immediately, if the Cardholder is terminated/transfers and that the card can no longer be used once the Cardholder is terminated/transfers.
_____	_____	I understand that a single transaction limit exceeding \$20,000 requires annual submission of the Statement of Financial Interest (2). (form and training available)
_____	_____	I understand that failure to comply with the terms of the P-Card Program may result in cancellation of participation in the program or other necessary corrective actions.

(1) Statements, but not receipts, for purchases on behalf of Physical Plant Operations require submission to P-Card Program Administrators by the due date. Receipts must be provided to P-Card Administrators immediately upon request. See P-Card Procedures Manual for further details.

By initialing above and signing below, the Cardholder and Approver agree that the information on the P-Card Application is correct.

Cardholder Name & Title (Print)	Approver Name & Title (Print)
_____	_____
Cardholder Signature	Approver Signature
_____	_____
Date	Date
_____	_____

Figure 15

## Updated P-Card Program Manual

The existing P-Card Program Policies and Procedures Manual is currently being updated to reflect changes to the program requirements. The updates will be completed prior to training in September 2019.



**Date Requested:**

### P-Card Application

- To ensure accuracy, complete information on the P-Card Application electronically (type in form)
- Physical initials and signatures are required on the Cardholder/Approver Acknowledgment
- Cardholder and Principal/Department Signatures are required
- If cardholder is Principal/Department Head, signature must be from next level supervisor
- Email completed forms to [PCardNotifications@browardschools.com](mailto:PCardNotifications@browardschools.com)
- Failure to follow the instructions above may result in delays in processing your requests

Location Information		
School/Department Name	School/Department Address	Location # (8-digit)
<input type="text"/>	<input type="text"/>	<input type="text"/>

Cardholder Information		
Employee Last Name	Employee First Name	Employee Personnel # (P#)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Employee Email	Employee Phone #	Requested Funds (\$)
<input type="text"/>	<input type="text"/>	<input type="text"/>

Account Information					
Use the table below to indicate account information for each P-Card being requested.					
Business Area (4 digits)	Cost Center (10 digits)	General Ledger (8 Digits)	Functional Area (16 Digits)	Fund (4 Digits)	Description
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Card Profile Requested*	
This section will be used to determine the appropriate Card Profile based on anticipated or actual P-Card usage.	
Default Profile:	Declining Balance with max Credit Limit <sup>(1)</sup> up to \$10k and Single Transaction Limit of \$4,999.99 <input type="checkbox"/> Check this box to indicate that the default profile meets the anticipated business needs
If the Default Profile does not meet business needs, provide comments/justification below.	
NOTE: A Single Transaction Limit greater than \$35,000 requires submission of a Statement of Financial Interest Form <sup>(2)</sup>	
Comments	<input type="text"/>

\*Indicates required field <sup>(1)</sup> Credit Limit means budgets can be loaded UP TO this amount at any given time <sup>(2)</sup> See Acknowledgement Section of this form

Information below to be completed by Procurement & Warehousing Service P-Card Program Staff

Received On	Processed By Name	Activated On	Name on Card	Card Account #
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>



### Cardholder/Approver Acknowledgement

By submitting the P-Card Application and the Cardholder Acknowledgement, applicants are entrusted and empowered to utilize and safeguard an important district asset. By initialing and signing this Cardholder Application/Approver Acknowledgment, you hereby acknowledge review of the [Purchasing Card Program Procedures Manual](#), confirm that you have read and understand its contents, and agree to comply with its terms.

**Cardholder Approver (Cardholder and Approver to Initial next to each term below)**

_____	_____	I acknowledge that I have read and understand the Purchasing Card Program Procedures Manual.
_____	_____	I acknowledge that I am responsible for adhering to ALL requirements as detailed in the current and any future versions of the Purchasing Card Program Procedures Manual.
_____	_____	I acknowledge that the P-Card is for approved and allowable purchases in compliance with the P-Card Program procedures and associated policies.
_____	_____	I acknowledge that the purchase of restricted items, as outlined in the Purchasing Card Program Procedures Manual, is prohibited, and that use of the card for restricted items will result in required reimbursement from the Cardholder to the District and may result in the cancellation of the Cardholder's participation in the P-Card Program or further corrective action.
_____	_____	I acknowledge that the District is Tax Exempt, that the Tax Exempt ID is printed on each P-Card, that Cardholders are responsible for informing suppliers at the time of purchase of said Tax Exempt status, and that Cardholders are responsible to ensure no taxes are applied to any P-Card transactions.
_____	_____	I acknowledge that I will receive a statement each month where there is activity on the P-Card and that requires reconciliation of all purchases with said statement. Statement reconciliation includes Cardholder and Approver confirmation that; each transaction is for an allowable purchase and has legitimately been made on the P-Card (no fraudulent charges), each transaction is supported by a receipt from the supplier and the charges match the receipts, the statement has been signed and dated by the Cardholder and Approver, and the statement and receipts <sup>(3)</sup> have been submitted to the P-Card Program Administrators on or before the last day of each month.
_____	_____	I understand that it is my responsibility to notify P-Card Program Administrators, immediately, if my card is lost, stolen, or if there are any unknown or fraudulent charges on my statement.
_____	_____	I understand that it is the responsibility of the Cardholder School/Department to notify P-Card Program Administrators, immediately, if the Cardholder is terminated/transfers and that the card can no longer be used once the Cardholder is terminated/transfers.
_____	_____	I understand that a single transaction limit exceeding \$35,000 requires annual submission of the Statement of Financial Interest <sup>(2)</sup> . ( <a href="#">form</a> and <a href="#">training</a> available)
_____	_____	I understand that failure to comply with the terms of the P-Card Program may result in cancellation of participation in the program or other necessary corrective actions.

<sup>(3)</sup> Statements, but not receipts, for purchases on behalf of Physical Plant Operations require submission to P-Card Program Administrators by the due date. Receipts must be provided to P-Card Administrators immediately upon request. See P-Card Procedures Manual for further details.

**By initialing above and signing below, the Cardholder and Approver agree that the information on the P-Card Application is correct.**

\_\_\_\_\_  
Cardholder Name & Title (Print)

\_\_\_\_\_  
Approver Name & Title (Print)

\_\_\_\_\_  
Cardholder Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Approver Signature

\_\_\_\_\_  
Date



**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**Alan Strauss**  
**Chief Human Resources & Equity Officer**

**Phone: 754-321-1840**

September 27, 2019

TO: Joris M. Jabouin  
Chief Auditor

FROM: Alan Strauss *AS*  
Chief Human Resources & Equity Officer

SUBJECT: **STATEMENT OF FINANCIAL INTEREST FINDING**

This memorandum is in response to your email of Thursday, September 26, 2019 pertaining to names given to us by the Procurement Department for inclusion in the database of employees required to file a Financial Disclosure form.

The Florida Commission on Ethics sends us the database in early January of each year and asks us to update the names of District employees who are required to file a Financial Disclosure form. We will work with the Procurement Department to obtain a list of all employees who have a P-card with a spending limit of \$20,000 or greater and incorporate any employees who are not already in the database.

The estimated completion date to update the database is January 31, 2020, which is the deadline date to provide the Financial Disclosure list to the Florida Commission on Ethics.

Please contact our office at 754-321-1840 if you have any questions.

AS:dp

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

MAURICE L. WOODS  
CHIEF STRATEGY & OPERATIONS OFFICER

October 4, 2019

TO: Joris Jabouin  
Chief Auditor

FROM: Maurice L. Woods *MLW*  
Chief Strategy & Operations Officer

SUBJECT: **RESPONSE - PURCHASING CARD AUDIT OBSERVATIONS**

With respect to the Purchasing Card Audit Observations, the Office of the Chief Strategy & Operations Officer has communicated the relevant points from the audit to its direct reports (a copy of the communication is attached).

In addition, a follow up conversation regarding the observations will be discussed at the next scheduled Strategy & Operations Leadership Team meeting.

MLW:dsc  
Attachment

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA****MAURICE L. WOODS  
CHIEF STRATEGY & OPERATIONS OFFICER**

October 4, 2019

TO: Strategy &amp; Operations Division Direct Reports

FROM: Maurice L. Woods *M.W.*  
Chief Strategy & Operations OfficerSUBJECT: **PURCHASING CARD AUDIT OBSERVATIONS**

During a recent audit by the Office of the Chief Auditor of the District's Purchasing Card (P-Card) processes and controls and adherence to policies and procedures, the following issues were noted:

1. Departments are not providing the P-Card Program Administrator with their approved bank statements.
2. Departments are not providing the P-Card Program Administrator with their approved statements timely.
3. Departments are not providing the P-Card Program Administrator with the reconciled bank statements, signatures, and/or purchase receipts.
4. Cardholders are paying sales tax on exempt purchases.

Given the importance of P-Card controls and because the District's Chief Auditor will follow up on these issues and because this area is also reviewed by the Florida Auditor General and our external audit firm, I am requiring you to:

1. Discuss this memorandum at your next staff meeting(s).
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.

For questions regarding P-Card usage or process, **contact Mary Coker, Director of Procurement & Warehousing Services Department, with any questions or concerns at 754-321-0501.**

MLW:dsc

cc: Joris Jabouin, Chief Auditor



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA  
OFFICE OF THE CHIEF FINANCIAL OFFICER

JUDITH M. MARTE  
CHIEF FINANCIAL OFFICER

October 2, 2019

TO: Joris Jabouin, Chief Auditor

FROM: Judith M. Marte, Chief Financial Officer

SUBJECT: **RESPONSE - PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

With respect to the P-Card Audit Observations, the Finance department/division has communicated the relevant points from the audit to our direct reports (a copy of the communication is attached). Staff has assured me of adherence to all P-card practices going forward.

JMM:ca

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA  
OFFICE OF THE CHIEF FINANCIAL OFFICER**

**JUDITH M. MARTE  
CHIEF FINANCIAL OFFICER**

October 2, 2019

TO: Finance Division Directors

FROM: Judith M. Marte, Chief Financial Officer 

SUBJECT: **RESPONSE - PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

1. Departments are not providing the P-Card Program Administrator with their approved bank statements.
2. Departments are not providing the P-Card Program Administrator with their approved statements timely.
3. Departments are not providing the P-Card Program Administrator with the reconciled bank statements, signatures, and/or purchase receipts.
4. Cardholders are paying Sales Tax on exempt purchases.

Given the importance of P-Card controls and because the District's Chief Auditor will follow up on these issues and because this area is also reviewed by the Florida Auditor General and our external audit firm, I am requiring you to:

1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

JMM:ca

C: Joris Jabouin, Chief Auditor

*The School Board of Broward County, Florida*  
**Office of Human Resources & Equity**  
*Alan Strauss, Chief of Human Resources & Equity*

October 3, 2019

TO: Joris Jabouin, Chief Auditor

FROM: Alan Strauss *AS*  
Chief Human Resources & Equity Officer

SUBJECT: **Response - Purchase Card (P-Card) Audit Observations**

With respect to the P-Card Audit Observations, I have communicated the relative points from the audit to my Direct Reports in the Human Resources & Equity Division.

In addition, I have done the following:

1. A staff meeting was held with all HR&E Directors to discuss the P-Card audit observations.
2. The tax-exempt form for 2019-2024 was provided to appropriate staff in all HR&E Departments.

In regards to the audit observations, I have communicated the following:

1. HR&E Directors will communicate updated P-Card information with their staff members.
2. All P-Card holders in our Division will attend the P-Card training.

JJ/AS:dp  
Attachment

*The School Board of Broward County, Florida*  
**Office of Human Resources & Equity**  
*Alan Strauss, Chief Human Resources & Equity Officer*

October 3, 2019

TO: Directors  
 Human Resources & Equity Division

FROM: Alan Strauss *AS*  
 Chief Human Resources & Equity Officer

SUBJECT: **Purchase Card (P-Card) Audit Observations**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

1. Departments are not providing the P-Card Program Administrator with their approved bank statements.
2. Departments are not providing the P-Card Program Administrator with their approved statements timely.
3. Departments are not providing the P-Card Program Administrator with the reconciled bank statements, signatures, and/or purchase receipts.
4. Cardholders are paying Sales Tax on exempt purchases.

Given the importance of P-Card controls and because the District's Chief Auditor will follow up on these issues and because this area is also reviewed by the Florida Auditor General and our external audit firm, I am requiring you to:

1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

JJ/AS:dp

Cc: Joris Jabouin, Chief Auditor



*The School Board of Broward County, Florida*  
**Office of Safety, Security & Emergency Preparedness**  
*Brian Katz, Chief of Safety, Security & Emergency Preparedness*

October 4, 2019

TO: Joris Jabouin, Chief Auditor

FROM: Brian Katz, Chief of Safety, Security & Emergency Preparedness

SUBJECT: **Response - Purchase Card (P-Card) Audit Observations**

With respect to the P-Card Audit Observations, the Safety, Security & Emergency Preparedness division has communicated the relevant points from the audit to our direct reports (a copy of the communication is attached).

This information will be discussed at my next staff meeting as well.

*The School Board of Broward County, Florida*

**Office of Safety, Security & Emergency Preparedness**

***Brian Katz, Chief of Safety, Security & Emergency Preparedness***

October 4, 2019

TO: All Directors, Safety, Security & Emergency Preparedness Division

FROM: Brian Katz, Chief, Safety, Security & Emergency Preparedness

SUBJECT: **Purchase Card (P-Card) Audit Observations**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

1. Departments are not providing the P-Card Program Administrator with their approved bank statements.
2. Departments are not providing the P-Card Program Administrator with the reconciled bank statements, signatures, and/or purchase receipts.
3. Cardholders are paying Sales Tax on exempt purchases.

Given the importance of P-Card controls and because the District's Chief Auditor will follow up on these issues and because this area is also reviewed by the Florida Auditor General and our external audit firm, I am requiring you to:

1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

Cc: Joris Jabouin, Chief Auditor

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA  
ANTOINE L. HICKMAN  
CHIEF STUDENT SUPPORT INITIATIVES & RECOVERY OFFICER**

October 4, 2019

TO: Joris Jabouin, Chief Auditor

FROM: Antoine L. Hickman, Ed.D.  
Chief Student Support Initiatives & Recovery Officer

**SUBJECT: Response - Purchase Card (P-Card) Audit Observations**

With respect to the P-Card Audit Observations, I was not the Chief of Student Support Initiatives and Recovery during the 2018 calendar year the P-Card Audit was conducted. However, given the significance of P-Card policy, as the current Chief of Student Support Initiatives & Recovery Division, I have communicated the relevant points from the audit to all direct reports (a copy of the communication is attached).

In addition, we have done the following:

- Read and reviewed the policy
- Reduced the number of P-Cards assigned to Direct Reports
- Selected members of the Leadership Team to attend the P-Card Training and replicate the training at our October 14, 2019 Direct Reports meeting.

All the above will be done by October 30, 2019.

Thank you.

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
**DR. ANTOINE L. HICKMAN**  
**CHIEF STUDENT SUPPORT INITIATIVES & RECOVERY OFFICER**

October 4, 2019

TO: All Student Support Initiatives and Recovery Leadership Team Members

FROM: Antoine L. Hickman, Ed.D.  
 Chief Student Support Initiatives & Recovery Officer

**SUBJECT: Purchase Card (P-Card) Audit Observations**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures during the 2018 calendar year, the following issues were noted:

1. Departments are not providing the P-Card Program Administrators with their approved bank statements.
2. Departments are not providing the P-Card Program Administrator with the reconciled bank statements, signatures, and/or purchase receipts.
3. Cardholders are paying Sales Tax on exempt purchases.

Although I was not the lead administrator in the SSI&R Division in 2018, given the importance of P-Card controls and because the District's Chief Auditor will follow up on these issues and because this area is also reviewed by the Florida Auditor General and our external audit firm, I am requiring you to:

1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Direct your staff to read the P-Card Policy and review the policy with them to ensure ongoing full compliance.
3. Provide the date and time of the review and the sign-in sheet for those in attendance. An alternate date must be scheduled to include those not in attendance for your team's initial review.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

Thank you.

Cc: Joris Jabouin, Chief Auditor



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA  
OFFICE OF SCHOOL PERFORMANCE & ACCOUNTABILITY

*Valerie S. Wanza, Ph.D.*  
*Chief Officer*

Phone: 754-321-3838

Facsimile: 754-321-3886

October 4, 2019

TO: Joris Jabouin  
Chief Auditor

FROM: Valerie S. Wanza, Ph.D.  
Chief School Performance & Accountability Officer

SUBJECT: **RESPONSE TO PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

This correspondence comes in response to the P-Card Audit Observations for various school locations. This item was discussed in great detail with the cadre directors. Attached is a copy of a memorandum that is being disseminated to all school principals. Additionally, this topic will be discussed in greater detail during the October 7, 2019 All Principals Operational Meeting.

If your office needs additional information relating to this topic, please contact me at 754-321-3827.

VSW:tbm

Attachment

cc: Office of School Performance & Accountability Senior Staff.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA  
OFFICE OF SCHOOL PERFORMANCE & ACCOUNTABILITY

*Valerie S. Wanza, Ph.D.*  
*Chief Officer*

Phone: 754-321-3838

Facsimile: 754-321-3886

October 3, 2019

TO: All Principals  
FROM: Valerie S. Wanza, Ph.D.  
Chief School Performance & Accountability Officer  
SUBJECT: **RESPONSE TO PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

1. Schools are not providing the P-Card Program Administrator with their approved bank statements.
2. Schools are not providing the P-Card Program Administrator with the reconciled bank statements, signatures, and/or purchase receipts.
3. Cardholders are paying Sales Tax on exempt purchases.

Given the importance of P-Card controls, the District's Chief Auditor will follow up on these issues throughout the year. Similarly, this area is also reviewed by the Florida Auditor General and an external audit firm. Therefore, I am requiring you to:

1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

VSW:tbn

cc: Joris Jabouin, Chief Auditor  
Office of School Performance & Accountability Senior Staff

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**JOHN J. SULLIVAN  
DIRECTOR, LEGISLATIVE AFFAIRS**

**Phone: 754-321-2608**

DATE: October 2, 2019

TO: Joris Jabouin, Chief Auditor

FROM: John J. Sullivan, Director



**SUBJECT: Purchase Card (P-Card) Audit Observations**

With respect to the P-Card Audit Observations, the Legislative Department has communicated the relevant points from the audit to our direct reports (a copy of the communication is attached).

In addition, we have done the following:

1. P-Card processes, controls and procedures have been reviewed with all department P-Card holders.
2. Recovered and reconciled bank statements questioned during the audit and followed proper submission procedures.
3. P-Card holders will be required to attend the mandatory P-Card holder training.

All of the above will be done by October 30, 2019.

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**JOHN J. SULLIVAN**  
**DIRECTOR, LEGISLATIVE AFFAIRS**

**Phone: 754-321-2608**

DATE: October 2, 2019  
TO: Legislative Affairs Staff  
FROM: John Sullivan, Director *JS*  
SUBJECT: **Purchase Card (P-Card) Audit Observations**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

1. Departments are not providing the P-Card Program Administrator with their approved bank statements.
2. Departments are not providing the P-Card Program Administrator with the reconciled bank statements, signatures, and/or purchase receipts.
3. Cardholders are paying Sales Tax on exempt purchases.

Given the importance of P-Card controls and because the District's Chief Auditor will follow up on these issues and because this area is also reviewed by the Florida Auditor General and our external audit firm, I am requiring you to:

1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

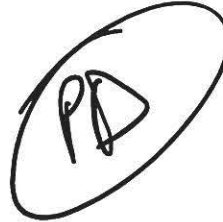
cc: Joris Jabouin, Chief Auditor



*The School Board of Broward County, Florida*  
**Office of the Chief Information Officer**  
*Phillip H. Dunn II, Chief Information Officer*

October 3, 2019

TO: Joris Jabouin  
Chief Auditor



FROM: Phillip H. Dunn II  
Chief Information Officer

SUBJECT: **Response - Purchase Card (P-Card) Audit Observations**

With respect to the P-Card Audit Observations, the Information & Technology Department has communicated the relevant points from the audit to our direct reports (a copy of the communication is attached).

In addition, we have done the following:

1. Discussed the Purchase Card Audit Observations with the Information & Technology Directors.
2. Emailed tax exemption form to all Information & Technology Directors.

All of the above will be done by October 30, 2019.

*The School Board of Broward County, Florida*  
**Office of The Chief Information Officer**  
*Phillip H. Dunn, Chief Information Officer*

October 3, 2019

TO: Directors, Information & Technology

FROM: Phillip H. Dunn II, Chief Information Officer

SUBJECT: **Purchase Card (P-Card) Audit Observations**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

1. Departments are not providing the P-Card Program Administrator with their approved bank statements.
2. Departments are not providing the P-Card Program Administrator with their approved statements timely.
3. Departments are not providing the P-Card Program Administrator with the reconciled bank statements, signatures, and/or purchase receipts.
4. Cardholders are paying Sales Tax on exempt purchases.

Given the importance of P-Card controls and because the District's Chief Auditor will follow up on these issues and because this area is also reviewed by the Florida Auditor General and our external audit firm, I am requiring you to:

1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.


Cc: Joris Jabouin, Chief Auditor



*The School Board of Broward County, Florida*  
**Office of Communications**  
*Katherine Koch, Chief Communications Officer*

October 4, 2019

TO: Joris Jabouin  
Chief Auditor

FROM: Katherine Koch   
Chief Communications Officer

SUBJECT: **Response - Purchase Card (P-Card) Audit Observations**

With respect to the P-Card Audit Observations, the Office of Communications department/division has communicated the relevant points from the audit to our direct reports (a copy of the communication is attached).

In addition, we will do the following:

1. Meet with staff to ensure a thorough review of the District's P-Card policy and ongoing full compliance

All of the above will be done by October 30, 2019.

KK: kc


Attachment

*The School Board of Broward County, Florida*  
**Office of Communications**  
*Katherine Koch, Chief Communications Officer*

October 4, 2019

TO: Rick Reynolds  
 Director/General Manager, BECON

Jose Perez  
 Director, Marketing & Strategic Communications

FROM: Katherine Koch,   
 Chief Communications Officer

SUBJECT: **Purchase Card (P-Card) Audit Observations**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

1. Departments are not providing the P-Card Program Administrator with their approved bank statements.
2. Departments are not providing the P-Card Program Administrator with their approved statements timely.
3. Departments are not providing the P-Card Program Administrator with the reconciled bank statements, signatures, and/or purchase receipts.
4. Cardholders are paying Sales Tax on exempt purchases.

Given the importance of P-Card controls and because the District's Chief Auditor will follow up on these issues and because this area is also reviewed by the Florida Auditor General and our external audit firm, I am requiring you to:

1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

KK:kc

cc: Joris Jabouin, Chief Auditor




*The School Board of Broward County, Florida*

**Office of Chief of Staff**

***Jeffrey Moquin, Chief of Staff***

October 3, 2019

TO: Joris Jabouin  
Chief Auditor

FROM: Jeffrey Moquin   
Chief of Staff

SUBJECT: **Response - Purchase Card (P-Card) Audit Observations**

With respect to the P-Card Audit Observations, the Chief of Staff division has communicated the relevant points from the audit to our direct reports (a copy of the communication is attached).

In addition, we have done the following:

1. A staff meeting was held on August 29, 2019 with all Chief of Staff's Direct Reports to discuss the P-Card audit observations.
2. All staff received the PowerPoint presentation outlining the findings and the new controls established.

It is also important that we communicate the following circumstances regarding this observation:


1. All P-Card holders in our Division will attend the P-Card training.
2. Specific correspondence was issued to Direct Reports identified in the audit findings for not being in full compliance with procedures.
3. Once completed, all Direct Reports will receive the copy of the report and will be advised to share to with applicable staff.

JJ/JS:cm  
Attachment

*The School Board of Broward County, Florida*  
**Office of Chief of Staff**  
*Jeffrey Moquin, Chief of Staff*

October 3, 2019

TO: Robert Hamberger  
 Chief Building Official

FROM: Jeffrey S. Moquin   
 Chief of Staff

SUBJECT: **Purchase Card (P-Card) Audit Observations**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

- Cardholders are paying Sales Tax on exempt purchases.

Given the importance of P-Card controls and because the District's Chief Auditor will follow up on these issues and because this area is also reviewed by the Florida Auditor General and our external audit firm, I am requiring you to:

1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

JJ/JSM:cw

cc: Joris Jabouin, Chief Auditor

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA****DANIEL GOHL  
CHIEF ACADEMIC OFFICER**

October 2, 2019

TO: Joris Jabouin, Chief Auditor

FROM: Daniel Gohl, Chief Academic Officer

SUBJECT: **RESPONSE - PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

With respect to the P-Card Audit Observations, the Chief Academics division has communicated the relevant points from the audit to our direct reports (a copy of the communication is attached).

In addition, we have done the following:

1. Provided P-card Audit memo and P-card Acknowledgement Form at Academics Leadership meeting to all directors. Emailed this information October 2, 2019.
2. Emailed Certificate of Exemption to all directors October 2, 2019.

All of the above will be done by October 30, 2019.

DG: dab

Attachments

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**DANIEL GOHL  
CHIEF ACADEMIC OFFICER**

October 2, 2019

TO: Angela Iudica, Director, Head Start/Early Intervention

FROM: Daniel Gohl, Chief Academic Officer 

SUBJECT: **PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

1. Departments are not providing the P-Card Program Administrator with their approved bank statements.
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4. Cardholders are paying Sales Tax on exempt purchases.

Given the importance of P-Card controls and because the District's Chief Auditor will follow up on these issues and because this area is also reviewed by the Florida Auditor General and our external audit firm, I am requiring you to:

1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

cc: Joris Jabouin, Chief Auditor

DG: dab

Attachment



Re: P-card memo

Angela M. Iudica

Wed 10/2/2019 5:20 PM

To: Danielle Amatulli <danielle.amatulli@browardschools.com>

Cc: Debi J. Davis <debi.davis@browardschools.com>; Daniel F. Gohl <daniel.gohl@browardschools.com>

I have read this email

*Angela M. Iudica, Ph.D.*

*Director, Head Start/Early Intervention,*

***Office of Academics***

754-321-1972

[aiudica@browardschools.com](mailto:aiudica@browardschools.com)

*The School Board of Broward County, Florida, expressly prohibits bullying, including cyberbullying, by or towards any student or employee. See Policy 5.9: Anti-Bullying for additional information.*

*Under Florida law, e-mail addresses, and all communications, including e-mail communications, made or received in connection with the transaction of School Board business are public records, which must be retained as required by law and must be disclosed upon receipt of a public records request, except as may be excluded by federal or state laws.*

*If you do not want your e-mail address released in response to a public records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing.*

---

**From:** Danielle Amatulli <danielle.amatulli@browardschools.com>

**Date:** Wednesday, October 2, 2019 at 2:00 PM

**To:** Angela Iudica <aiudica@browardschools.com>

**Cc:** "Debi J. Davis" <debi.davis@browardschools.com>, "Daniel F. Gohl" <daniel.gohl@browardschools.com>

**Subject:** P-card memo

Good afternoon, Angela.

As a follow-up from the OoA meeting, please review the attached memo and P-card Acknowledgment Form.

Please review (Memo and Acknowledgement Form) with your employees, specifically, ones that are in possession of a P-card.

Make note of the 1st four (4) bullet points, these were some of the common audit exceptions.

Lastly, please **click** that you have read this email. I do not need any of the forms back signed by you.

Thank you for your understanding and compliance with this.

If you have any questions, please do not hesitate to contact me.

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**DANIEL GOHL  
CHIEF ACADEMIC OFFICER**

October 2, 2019

TO: Victoria Saldala, Director, Bilingual/ESOL

FROM: Daniel Gohl, Chief Academic Officer 

SUBJECT: **PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

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2. Departments are not providing the P-Card Program Administrator with their approved statements timely.
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4. Cardholders are paying Sales Tax on exempt purchases.

Given the importance of P-Card controls and because the District's Chief Auditor will follow up on these issues and because this area is also reviewed by the Florida Auditor General and our external audit firm, I am requiring you to:

1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

cc: Joris Jabouin, Chief Auditor

DG: dab

Attachment

**Read: P-card memo**

**Victoria B. Saldala**

Wed 10/2/2019 2:08 PM

**To:** Danielle Amatulli <danielle.amatulli@browardschools.com>

Your message

To: Victoria B. Saldala

Subject: P-card memo

Sent: Wednesday, October 2, 2019 2:03:18 PM (UTC-05:00) Eastern Time (US & Canada)

was read on Wednesday, October 2, 2019 2:08:48 PM (UTC-05:00) Eastern Time (US & Canada).



**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**DANIEL GOHL  
CHIEF ACADEMIC OFFICER**

October 2, 2019

TO: Nicole Mancini, Director, Elementary Learning

FROM: Daniel Gohl, Chief Academic Officer *DG*

SUBJECT: **PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

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3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

cc: Joris Jabouin, Chief Auditor

DG: dab

Attachment

Re: P-card memo

Nicole M. Mancini

Wed 10/2/2019 2:25 PM

To: Danielle Amatulli <danielle.amatulli@browardschools.com>

Cc: Cathy D. Dupuis <cathydupuis@browardschools.com>; Daniel F. Gohl <daniel.gohl@browardschools.com>

There was nothing to click to acknowledgement that I have read the email.

I have received and read the email.

Thanks!

We ARE Broward STRONG!  
*Motivate. Engage. Inspire. Grow.*

Dr. Nicole M. Mancini, CCC-SLP  
Director, Elementary Learning  
754-321-1850  
Twitter: @drnmancini @BCPSElementary

Elementary Learning Canvas Course: <http://bit.ly/ELDCanvasRequest>

Request School Support: <http://bit.ly/ELDSupportRequest>

Questions or Feedback? <http://bit.ly/ELDFeedbackSurvey>



Under Florida law, e-mail addresses, and all communications, including e-mail communications, made or received in connection with the transaction of School Board business are public records, which must be retained as required by law and must be disclosed upon receipt of a public records request, except as may be excluded by federal or state laws. If you do not want your e-mail address released in response to a public records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing.

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**From:** Danielle Amatulli <danielle.amatulli@browardschools.com>

**Date:** Wednesday, October 2, 2019 at 2:01 PM

**To:** "Nicole M. Mancini" <nicole.mancini@browardschools.com>

**Cc:** "Cathy D. Dupuis" <cathydupuis@browardschools.com>, "Daniel F. Gohl" <daniel.gohl@browardschools.com>

**Subject:** P-card memo

Good afternoon, Nicole.


As a follow-up from the OoA meeting, please review the attached memo and P-card Acknowledgment Form.

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**DANIEL GOHL  
CHIEF ACADEMIC OFFICER**

October 2, 2019

TO: Saemone Hollingsworth-Luis, Exec. Director, Exceptional  
Student Learning Support (ESLS)

FROM: Daniel Gohl, Chief Academic Officer 

SUBJECT: **PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

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1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

cc: Joris Jabouin, Chief Auditor

DG: dab  
Attachment



**Read: P-card memo**

Saemone H. Luis

Thu 10/3/2019 12:25 PM

To: Danielle Amatulli <danielle.amatulli@browardschools.com>

Your message

To: Saemone H. Luis

Subject: P-card memo

Sent: Wednesday, October 2, 2019 1:59:57 PM (UTC-05:00) Eastern Time (US & Canada)

was read on Thursday, October 3, 2019 12:25:01 PM (UTC-05:00) Eastern Time (US & Canada).

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**DANIEL GOHL  
CHIEF ACADEMIC OFFICER**

October 2, 2019

TO: Mildred Grimaldo, Director, Literacy

FROM: Daniel Gohl, Chief Academic Officer 

SUBJECT: **PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

1. Departments are not providing the P-Card Program Administrator with their approved bank statements.
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3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

cc: Joris Jabouin, Chief Auditor

DG: dab  
Attachment

**Re: P-card memo****Jessica Brito**

Wed 10/2/2019 2:05 PM

**To:** Danielle Amatulli <danielle.amatulli@browardschools.com>; Mildred C. Grimaldo <mildred.grimaldo@browardschools.com>

**Cc:** Daniel F. Gohl <daniel.gohl@browardschools.com>

Hi Danielle,

We have reviewed the memo and already sent in the application/acknowledgement form signed by Mildred and Lori on 09/16/19.

Please let us know if there is anything else you need.

Thanks!

**Jessica Brito**

Office Manager

Confidential to Mildred Grimaldo, Director

Literacy Department

600 SE 3rd Ave

Fort Lauderdale, FL 33301

Office: 754-321-1866

jessica.brito@browardschools.com

browardschools.com/literacy



Established 1915  
**BROWARD**  
County Public Schools

Educating Today's Students to  
Succeed in Tomorrow's World

Under Florida law, e-mail addresses, and all forms of communications, including e-mail communications, made or received in connection with the transaction of School Board business are public records, which must be retained as required by law and must be disclosed upon receipt of a public records request, except as may be excluded by federal or state laws. If you do not want your e-mail address released in response to a public records request, do not send electronic mail to this entity. Instead, contact this office by phone.

The School Board of Broward County, Florida expressly prohibits bullying, including cyberbullying, by or towards any student or employee. See Policy 5.9: Anti-Bullying for additional information.

---

**From:** Danielle Amatulli <danielle.amatulli@browardschools.com>

**Sent:** Wednesday, October 2, 2019 1:59 PM

**To:** Mildred C. Grimaldo <mildred.grimaldo@browardschools.com>

**Cc:** Jessica Brito <jessica.brito@browardschools.com>; Daniel F. Gohl <daniel.gohl@browardschools.com>

**Subject:** P-card memo

Good afternoon, Mildred.

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**DANIEL GOHL  
CHIEF ACADEMIC OFFICER**

October 2, 2019

TO: Daryl Diamond, Director, Innovative Learning

FROM: Daniel Gohl, Chief Academic Officer *DG*

SUBJECT: **PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

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Given the importance of P-Card controls and because the District's Chief Auditor will follow up on these issues and because this area is also reviewed by the Florida Auditor General and our external audit firm, I am requiring you to:

1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

cc: Joris Jabouin, Chief Auditor

DG: dab  
Attachment



**Read: P-card memo**

**Daryl Diamond**

Wed 10/2/2019 4:38 PM

To: Danielle Amatulli <danielle.amatulli@browardschools.com>

Your message

To: Daryl Diamond

Subject: P-card memo

Sent: Wednesday, October 2, 2019 1:56:12 PM (UTC-05:00) Eastern Time (US & Canada)

was read on Wednesday, October 2, 2019 4:38:12 PM (UTC-05:00) Eastern Time (US & Canada).

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**DANIEL GOHL  
CHIEF ACADEMIC OFFICER**

October 2, 2019

TO: Susan Cantrick, Director, Applied Learning

FROM: Daniel Gohl, Chief Academic Officer 

SUBJECT: **PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

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cc: Joris Jabouin, Chief Auditor

DG: dab


Attachment

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**DANIEL GOHL  
CHIEF ACADEMIC OFFICER**

October 2, 2019

TO: Sonja Clay, Director, Exceptional Student Learning Support  
Secondary

FROM: Daniel Gohl, Chief Academic Officer 

SUBJECT: **PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

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cc: Joris Jabouin, Chief Auditor

DG: dab  
Attachment




**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**DANIEL GOHL  
CHIEF ACADEMIC OFFICER**

October 2, 2019

TO: Lori Canning, Exec. Director, Early Learning & Language Acquisition (ELLA)

FROM: Daniel Gohl, Chief Academic Officer 

SUBJECT: **PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

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4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

cc: Joris Jabouin, Chief Auditor

DG: dab  
Attachment

Re: P-card memo

Lori E. Canning

Thu 10/3/2019 11:05 AM

To: Danielle Amatulli <danielle.amatulli@browardschools.com>

Hi Danielle,

I read and signed the P-CARD Memo.

😊 Lori

Lori Canning Ed.D.

Executive Director, Early Learning Language Acquisition (ELLA)

The School Board of Broward County, FL

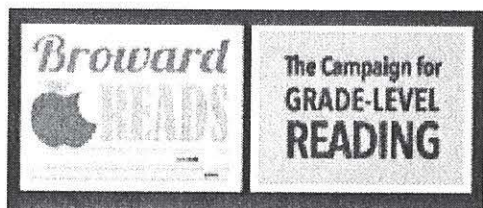
754-321-1953

[lori.canning@browardschools.com](mailto:lori.canning@browardschools.com)

Twitter: @loricanning

CSC Broward Reads: <https://www.cscbroward.org/browardreads>

Broward Reads Resources: <https://browardschools.instructure.com/courses/449656>



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---

**From:** Danielle Amatulli <danielle.amatulli@browardschools.com>

**Sent:** Thursday, October 3, 2019 9:53 AM

**To:** Lori E. Canning <lori.canning@browardschools.com>; Saemone H. Luis

<saemone.hollingsworth@browardschools.com>; Angela M. Iudica <aiudica@browardschools.com>; Daryl Diamond <daryl.diamond@browardschools.com>; Guy Barmoha <guy.barmoha@browardschools.com>;

Luwando L. Wright-Hines <luwando.wright-hines@browardschools.com>; Mildred C. Grimaldo

<mildred.grimaldo@browardschools.com>; Nicole M. Mancini <nicole.mancini@browardschools.com>; Richard

G. Baum <richard.baum@browardschools.com>; Sonja Clay <sonja.clay@browardschools.com>; Susan M.

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**DANIEL GOHL  
CHIEF ACADEMIC OFFICER**

October 2, 2019

TO: Richard Baum, Director, Student Assessment & Research (SAR)

FROM: Daniel Gohl, Chief Academic Officer

SUBJECT: **PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

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Given the importance of P-Card controls and because the District's Chief Auditor will follow up on these issues and because this area is also reviewed by the Florida Auditor General and our external audit firm, I am requiring you to:

1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

cc: Joris Jabouin, Chief Auditor

DG: dab

Attachment



**Read: P-card memo**

Richard G. Baum

Wed 10/2/2019 5:00 PM

To: Danielle Amatulli <danielle.amatulli@browardschools.com>

Your message

To: Richard G. Baum

Subject: P-card memo

Sent: Wednesday, October 2, 2019 1:46:19 PM (UTC-05:00) Eastern Time (US & Canada)

was read on Wednesday, October 2, 2019 4:59:56 PM (UTC-05:00) Eastern Time (US & Canada).



**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**DANIEL GOHL  
CHIEF ACADEMIC OFFICER**

October 2, 2019

TO: Guy Barmoha Director, Secondary Learning

FROM: Daniel Gohl, Chief Academic Officer 

SUBJECT: **PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

1. Departments are not providing the P-Card Program Administrator with their approved bank statements.
2. Departments are not providing the P-Card Program Administrator with their approved statements timely.
3. Departments are not providing the P-Card Program Administrator with the reconciled bank statements, signatures, and/or purchase receipts.
4. Cardholders are paying Sales Tax on exempt purchases.

Given the importance of P-Card controls and because the District's Chief Auditor will follow up on these issues and because this area is also reviewed by the Florida Auditor General and our external audit firm, I am requiring you to:

1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

cc: Joris Jabouin, Chief Auditor

DG: dab  
Attachment

Read: P-card memo

Guy Barmoha

Wed 10/2/2019 1:38 PM

To: Danielle Amatulli <danielle.amatulli@browardschools.com>

Your message

To: Guy Barmoha

Subject: P-card memo

Sent: Wednesday, October 2, 2019 1:35:49 PM (UTC-05:00) Eastern Time (US & Canada)


was read on Wednesday, October 2, 2019 1:38:47 PM (UTC-05:00) Eastern Time (US & Canada).

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**DANIEL GOHL  
CHIEF ACADEMIC OFFICER**

October 2, 2019

TO: Luwando Wright-Hines, Director, Title I, Migrant & Special Programs

FROM: Daniel Gohl, Chief Academic Officer 

SUBJECT: **PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

1. Departments are not providing the P-Card Program Administrator with their approved bank statements.
2. Departments are not providing the P-Card Program Administrator with their approved statements timely.
3. Departments are not providing the P-Card Program Administrator with the reconciled bank statements, signatures, and/or purchase receipts.
4. Cardholders are paying Sales Tax on exempt purchases.

Given the importance of P-Card controls and because the District's Chief Auditor will follow up on these issues and because this area is also reviewed by the Florida Auditor General and our external audit firm, I am requiring you to:

1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

cc: Joris Jabouin, Chief Auditor

DG: dab  
Attachment

Read: P-card memo

Luwando L. Wright-Hines

Wed 10/2/2019 2:04 PM

To: Danielle Amatulli <danielle.amatulli@browardschools.com>

Your message

To: Luwando L. Wright-Hines

Subject: P-card memo

Sent: Wednesday, October 2, 2019 2:04:08 PM (UTC-05:00) Eastern Time (US & Canada)

was read on Wednesday, October 2, 2019 2:04:55 PM (UTC-05:00) Eastern Time (US & Canada).




**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA  
OFFICE OF PORTFOLIO SERVICES**

**LESLIE M. BROWN  
CHIEF PORTFOLIO SERVICES OFFICER**

September 26, 2019

TO: Joris Jabouin  
Chief Auditor

FROM: Leslie M. Brown   
Chief Portfolio Services Officer

SUBJECT: **RESPONSE – PURCHASE CARD (P-CARD AUDIT OBSERVATIONS)**

With respect to the P-Card Audit Observations, the Department of Athletics and Student Activities has communicated the relevant points from the audit to our direct reports (a copy of the communication is attached).

In addition, we have done the following:

1. P-Card Training
2. Office meeting regarding the importance of submitting documentation needed before the due date.
3. Reviewed how to ensure compliance with the Purchasing Card Program Policies and Procedures Manual regarding cardholder's bank statements.
4. Individual discussions with staff regarding discrepancies found on statement spreadsheets provided by the Chief Auditor.
5. Set common practice and procedures for staff to follow for P-Card submission.

All of the above will be done by October 30, 2019.

It is also important that we communicate the following circumstances regarding this observation:

1. Ensure that the department is aware of the content of the P-Card Policy and its contents.
2. Read the P-Card Policy and ensure ongoing full compliance.

**Should you have any questions, please contact Shawn Cerra, Director, Athletics and Student Activities, at 754-321-2550.**

LMB/SC:sw

**Chief Auditor's Note:**

The communication discussed in the memorandum is deemed acceptable but is not attached because it contains information with purchase card numbers.



**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA  
OFFICE OF PORTFOLIO SERVICES**

**LESLIE M. BROWN  
CHIEF PORTFOLIO SERVICES OFFICER**

October 7, 2019

TO: Direct Reports

FROM: Leslie M. Brown  
Chief Portfolio Services Officer

SUBJECT: **PURCHASE CARD (P-CARD) AUDIT OBSERVATIONS**

During a recent audit by the Office of the Chief Auditor of the District's P-Card processes and controls and adherence to policies and procedures the following issues were noted:

1. Departments are not providing the P-Card Program Administrator with their approved bank statements.
2. Departments are not providing the P-Card Program Administrator with their approved statements timely.
3. Departments are not providing the P-Card Program Administrator with the reconciled bank statements, signatures, and/or purchase receipts.
4. Cardholders are paying Sales Tax on exempt purchases.

Given the importance of P-Card controls and because the District's Chief Auditor will follow up on these issues and because this area is also reviewed by the Florida Auditor General and our external audit firm, I am requiring you to:

1. Discuss this memorandum at your next meeting(s) with your direct reports.
2. Ensure that you or a designee attend the P-Card training and communicate the content of the training to your subordinates and ensure that your department is aware of the content of the P-Card policy and its content.
3. Read the P-Card Policy and ensure ongoing full compliance.
4. Contact Mary Coker, Director of Procurement and Warehousing Services, with any questions or concerns.

cc: Joris Jabouin, Chief Auditor

*The School Board of Broward County, Florida*  
**Office of the Chief Auditor**  
*Joris Jabouin, Chief Auditor*

October 3, 2019

TO: Purchase Card Audit File

FROM: Joris Jabouin, Chief Auditor

SUBJECT: Memo to File: **Response - Purchase Card (P-Card) Audit Observations**

10/3/19

With respect to the P-Card Audit Observations, the Chief Auditor department has communicated the relevant points from the audit to our P-Card user as follows:

1. A discussion of audit observations was held with all staff with a P-Card.
2. All staff in our department attended the P-Card training held by Procurement & Warehousing Services Department.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA  
OFFICE OF THE GENERAL COUNSEL

K.C. WRIGHT ADMINISTRATION BUILDING  
600 SOUTHEAST THIRD AVENUE, 11TH FLOOR  
FORT LAUDERDALE, FLORIDA 33301  
Telephone: (754) 321-2050  
Facsimile: (754) 321-2705

BARBARA J. MYRICK  
GENERAL COUNSEL

**MEMORANDUM**

**TO:** Joris Jabouin, Chief Auditor

**FROM:** Barbara J. Myrick, General Counsel

**DATE:** October 7, 2019

**SUBJECT:** Response - Purchase Card (P-Card) Audit Observations

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With respect to the P-Card Audit Observations, the General Counsel's Office has determined the following information.

- August 9, 2018: The P-Card Statement was received in the office.
- August 6 to 19<sup>th</sup> 2018: Marylin Batista was out of the office.
- August 20 to September 6, 2018: Office Bookkeeper was out of the office.
- August 30 to September 11, 2018: Barbara J. Myrick was out of the office.
- September 13, 2018: Barbara J. Myrick signed statement
- September 14, 2018: Bookkeeper returned statement via the pony.

P-Cards previous issued in the names of individual attorneys, with the exception of the General Counsel, were only used for travel, registration and professional dues purposes. Given the new rules for the use of P-Cards for travel, all P-Cards that were previously issued to the attorneys, with the exception of the General Counsel, have been destroyed and attorneys in the General Counsel's office will no longer have P-Cards issued in their name.