

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
**AUDIT COMMITTEE**  
**CURRENT STATUS REPORT – FOLLOW-UP ITEMS**  
**CRI – Internal Audit of Procurement & PPO Operations Contracting**

NAME OF AUDIT		REFERENCE DATE	RECOMMENDATION	TARGET/ IMPLEMENTATION DATE	CURRENT STATUS	RESPONSIBLE PERSON/DEPARTMENT
1	Internal Audit of Procurement & PPO Operations Contracting - Policies & Procedures - Overall	1/11/2024 Audit Committee Meeting	<p>PWS management should review and revise existing policies and procedures for the procurement function for consistency, organization, completeness, and ease of use.</p> <p>Topics to be addressed include but are not limited to the following:</p> <ul style="list-style-type: none"> <li>• Purchase requisition &amp; purchase order creation</li> <li>• Competitive Solicitations</li> <li>• Organization and retention of procurement documentation</li> </ul>	02/2024 - 06/2024	<p>The draft policy is tentatively scheduled for proposed Rule Making in January or February of 2024.</p> <p>PWS is developing a new purchasing manual that will be enacted shortly after the School Board policy is adopted to ensure that they are congruous. The purchasing manual will reference all stages and functions of the procurement process, including the functions referenced by the auditor, including but not limited to the purchase requisition and purchase order creation, competitive solicitations, and organization and retention of procurement documentation.</p> <p>PWS will develop a checklist for each type of solicitation that each Purchasing Agent will utilize to ensure continuity with all ITBs, RFPs, and RFQs. All documentation is kept electronically in accordance with the Florida Administrative Code General Records Schedule GS1-SL</p>	Mary Coker, Procurement & Warehousing Services Department
2	Internal Audit of Procurement & PPO Operations Contracting – Competitive Solicitation completeness & Responsiveness	1/11/2024 Audit Committee Meeting	<p>PWS management should perform the following:</p> <ul style="list-style-type: none"> <li>• Develop checklist templates that can be customized for each solicitation and used to identify/track required submittals by each bidder.</li> <li>• Review standard bid language for consistency and clarity.</li> <li>• Periodically train staff on: <ul style="list-style-type: none"> <li>o Determining if bids are responsive.</li> <li>o Working with vendors to obtain additional information for incomplete bid documentation.</li> <li>o Rejecting unresponsive or incomplete bids</li> </ul> </li> </ul>	08/2024	<ul style="list-style-type: none"> <li>• PWS revised a checklist template used by the Purchasing Agents to identify and track the required submittals from each bidder.</li> <li>• In addition, PWS reviewed and will revise, in conjunction with General Counsel, the language of the standard templates used to create the solicitations, which have been modified to properly reflect the standards that are required and marked as not needed</li> </ul>	Mary Coker, Procurement & Warehousing Services Department

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
**AUDIT COMMITTEE**  
**CURRENT STATUS REPORT – FOLLOW-UP ITEMS**  
**CRI – Internal Audit of Procurement & PPO Operations Contracting**

NAME OF AUDIT		REFERENCE DATE	RECOMMENDATION	TARGET/ IMPLEMENTATION DATE	CURRENT STATUS	RESPONSIBLE PERSON/DEPARTMENT
					<ul style="list-style-type: none"> <li>and the measures that are requested but not mandatory. PWS will schedule training with the Purchasing Agents and staff assisting in reviewing the solicitation documents to align their practices with the soon-to-be revised purchasing manual.</li> </ul>	
3	Internal Audit of Procurement & PPO Operations Contracting – Price Lists & Catalog Discounts (ITB FY21-041)	1/11/2024 Audit Committee Meeting	PWS management should provide more detail in ITB terms and request vendors to provide catalog or price list references to ensure consistency of base pricing.	01/2024	<p><u>Update 12/19/2023</u>            The Board approved the new Economic Development &amp; Diversity Compliance Director on November 8, 2023.</p> <p>The new Director took the opportunity to make changes to the ITB and RFP solicitation templates.</p> <p>The solicitation template is in the final stage of revision.</p> <p><u>Original Response</u>            PWS will work with the Office of General Counsel to revise the language of the standard solicitation templates. The catalog list or price lists will be requested from bidders to be provided with the bid submission.</p> <p>In addition, additional staff will be assigned to assist the purchasing agents in reviewing whether each bid meets the minimum submittal requirements.</p>	Executive Director, Operations  Economic Development & Diversity Compliance Director

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
**AUDIT COMMITTEE**  
**CURRENT STATUS REPORT – FOLLOW-UP ITEMS**  
**CRI – Internal Audit of Procurement & PPO Operations Contracting**

NAME OF AUDIT		REFERENCE DATE	RECOMMENDATION	TARGET/ IMPLEMENTATION DATE	CURRENT STATUS	RESPONSIBLE PERSON/DEPARTMENT
4	Internal Audit of Procurement & PPO Operations Contracting – Physical Plant Operations Purchase Requisition Approval	1/11/2024 Audit Committee Meeting	PWS management should work with PPO to develop an understanding of the approval process and how that approval is documented. PPO and PWS should collaborate with IT to develop an understanding of the Maximo-SAP integration to support PWS review of purchase requisition approvals prior to creating purchase orders.	06/2024	PWS We agree with this observation. The release strategy for all Purchase Orders that originate from Maximo must be approved by the Director or Department Head to process future purchase requisitions to purchase orders. The implementation of a more robust Ariba system will allow for better integration.	Mary Coker, Procurement & Warehousing Services Department
					<b>PPO</b> In the short term, PPO staff will engage appropriate Procurement & Warehouse Services (PWS) staff to identify the existing process for requisition requests including documentation with physical signature approvals and how these approvals will be consistently uploaded to Maximo and integrated to SAP. To enhance this process PPO will work with PWS and Information Technology (IT) to create a fully electronic process which includes, at a minimum, approvals by PPO within Maximo which can be reviewed by PWS. In addition, as programmatically viable, this approval information will be transferred from Maximo to SAP	Mark Dorsett – Physical Plant Operations Department
5	Internal Audit of Procurement & PPO Operations Contracting – Competitive Procurement	1/11/2024 Audit Committee Meeting	PWS management should perform the following: • Consider establishing a policy exempting organizational memberships from competitive requirements.	06/2024	The conversion of purchase requisitions to purchase orders is a manual process that requires specialized expertise in procurement rules on behalf of the purchasing specialist. As a	Mary Coker, Procurement & Warehousing Services Department

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
**AUDIT COMMITTEE**  
**CURRENT STATUS REPORT – FOLLOW-UP ITEMS**  
**CRI – Internal Audit of Procurement & PPO Operations Contracting**

NAME OF AUDIT		REFERENCE DATE	RECOMMENDATION	TARGET/ IMPLEMENTATION DATE	CURRENT STATUS	RESPONSIBLE PERSON/DEPARTMENT
			<ul style="list-style-type: none"> <li>Periodically train PWS and District location staff on competitive procurement requirements and the need to upload all quotes to SAP to facilitate review by Purchasing Agents.</li> <li>Periodically train Purchasing Agents on identifying single or sole-source purchases and the required process of public posting, establishing intent, and obtaining superintendent or Board approval, as applicable.</li> </ul>		result of the findings, additional regular training will be provided to purchasing specialists and Purchasing Agents on the various processes in procurement, such as the conversion of a purchase requisition to a purchase order and requirements for sole source purchasing. In addition, in the revised Purchasing Policy 3320, additional exemptions for purchases that would not usually be competitively solicited, such as memberships on behalf of the District, will be added. Lastly, the future purchasing manual will include additional controls and clarifications that will reduce the amount of purchase requisitions converted to purchase orders that are not compliant	
6	Internal Audit of Procurement & PPO Operations Contracting – Small, Minority, and Women-Owned Business enterprise Vendor Quotes	1/11/2024 Audit Committee Meeting	EDDC management should coordinate with PWS management to perform the following: <ul style="list-style-type: none"> <li>Periodically notify District locations of the requirement to obtain S/M/WBE vendor quotes when available and how to research/identify relevant S/M/WBE vendors.</li> <li>Develop a process for District locations to attest that S/M/WBE vendor were considered and identify quotes obtained from S/M/WBE vendors.</li> </ul>	06/2024	EDDC, in conjunction with PWS, will develop the requirements and process in which S/M/WBE vendors will be considered and have increased utilization in District purchases. These requirements will be documented in the revised 3330 Supplier Diversity Outreach Program policy. Establishing a Goals Setting Committee in which staff from PWS, EDDC, and the user department meet to discuss the scope/goods being solicited will strengthen the communication process and inclusion on S/M/WBE vendors. Additionally, EDDC will publicize the link that	Mary Coker, Procurement & Warehousing Services Department

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
**AUDIT COMMITTEE**  
**CURRENT STATUS REPORT – FOLLOW-UP ITEMS**  
**CRI – Internal Audit of Procurement & PPO Operations Contracting**

NAME OF AUDIT		REFERENCE DATE	RECOMMENDATION	TARGET/ IMPLEMENTATION DATE	CURRENT STATUS	RESPONSIBLE PERSON/DEPARTMENT
			PWS management should develop and document procedures for evaluation of S/M/WBE vendor quotes as part of the purchase order creation process		all locations can utilize to find certified vendors to obtain quotes from	
7	Internal Audit of Procurement & PPO Operations Contracting – Emergency Procurement -Ex Post Facto Board Approval	1/11/2024 Audit Committee Meeting	<p>PWS management should perform the following:</p> <ul style="list-style-type: none"> <li>• Review Policy 3320, identify any duplicative or obsolete reporting, and provide a proposed policy revision to the Board, as needed.</li> <li>• Develop a consolidated comprehensive procurement report for all reporting required by policy 3320 to be presented at least monthly to the Board.</li> </ul>	06/2024	A revised draft of School Board Purchasing Policy 3320 has been redacted to reflect the best practices and controls instituted at other school Districts and public agencies. The revised policy is scheduled to be presented in a January/February 2024 school board workshop where the Board will be able to provide input on the frequency that they would like to be reported on for Emergency Procurements, among other items. In addition, PWS will develop a comprehensive procurement report for all procurement items that need to be reported to the School Board per Policy 3320	Mary Coker, Procurement & Warehousing Services Department