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March 4, 2024

Mr. Joris Jabouin, CPA Chief Auditor Office of the Chief Auditor Broward County Public Schools 600 SE 3<sup>rd</sup> Avenue, 8<sup>th</sup> Floor Fort Lauderdale, Florida 33301

Re: Follow-up Consulting Assessment Regarding the Findings within the Forensic Examination Report of FY22-001 – Education Case Management Software

Dear Mr. Jabouin:

Our firm was engaged to conduct a follow-up regarding the thirteen (13) findings identified within the Forensic Examination Report of FY22-001 – Education Case Management Software to determine whether the findings have been resolved and the recommendations implemented by Broward County Public Schools management. Additionally, CRI was asked to perform a funding assessment for Agreements FY22-001 and FY23-256. Attached is Carr, Riggs & Ingram, LLC's Follow-up Consulting Analysis Report detailing the procedures performed and the resulting findings.

We have performed this engagement in accordance with the *Professional Standards for Consulting* as promulgated by the American Institute of Certified Public Accountants (AICPA). While our work involved analysis of accounting records, our engagement did not constitute an audit in accordance with generally accepted auditing standards, an examination of internal controls, or any other attestation or review service in accordance with standards established by the AICPA. Had other procedures been performed, other matters may have come to our attention that may have affected the findings reported herein.

This report is intended solely for the use of Broward County Public Schools and should not be used for any other purpose without prior permission from Carr, Riggs & Ingram, LLC. We have no obligation, but reserve the right, to update this report for information that comes to our attention after the date of this report.

Sincerely.

Carr, Riggs & Ingram, LLC Certified Public Accountants

Carr, Riggs & Ungram, L.L.C.

## Broward County Public Schools FY22-001 Education Case Management Software

Follow-up Consulting Analysis Report and Supplementary Information

March 4, 2024

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#### **Executive Summary**

Carr, Riggs & Ingram, LLC (CRI) was engaged to conduct a follow-up regarding the thirteen (13) findings identified within the Forensic Examination Report of FY22-001 — Education Case Management Software Agreement (FY22-001 Agreement, Agreement FY22-001) to determine whether or not the findings have been resolved and the recommendations implemented by Broward County Public Schools (BCPS) management. The FY22-001 Agreement was a contract with BCPS vendor, Public Consulting Group (PCG).

CRI performed certain procedures on BCPS books and records for October 1, 2022 through June 30, 2023 (review period). These procedures included, but were not limited to, interviews with key BCPS personnel, procurement analysis, grant documents, invoice approvals, agreement reviews and other supporting documentation analysis. CRI's original 13 findings and the current status of these findings, based on the additional analysis performed, are listed below.

| Total | Resolved√ | Not Resolved X |
|-------|-----------|----------------|
| 13    | 10        | 3              |

| Original Findings   | Status            |
|---|-------------------|
| 1. A. Lack of Compliance with the Procurement Rules and Standards in        | Not Resolved X    |
| Claiming an Exemption in the Purchase of Goods/Services without             |                   |
| Competitive Solicitation.   |                   |
| 1.B. Lack of Policy that defines what constitutes "Educational Services"    | Resolved <b>√</b> |
| 2. Potential Duplicate Cost   | Not Resolved X    |
| 3. Lack of Specificity and Clarity related to Contract Amounts, Pricing and | Resolved ✓        |
| Invoicing Terms and Conditions  |                   |
| 4. Lack of Clarity regarding Line Items Contractually Obligated             | Resolved ✓        |
| 5. Certain Invoices Paid with Service Period Dates prior to the Effective   | Resolved ✓        |
| Date of the Agreement   |                   |
| 6. Lack of Proper Contractual Approval of Additional Spending Authority     | Resolved ✓        |
| Request   |                   |
| 7. Potential Front Loaded Billings  | Resolved <b>√</b> |
| 8. Lack of Timely Submission  | Resolved ✓        |
| 9. Deletion of Cell Phone Data  | Resolved <b>√</b> |
| 10. Lack of Retention Policy/Lack of Retention of BCPS Text Messages,       | Resolved ✓        |
| Voicemails, and Call Histories  |                   |
| 11. No Established Policy Regarding Use of Personal Cell Phone for BCPS     | Not Resolved X    |
| Business  |                   |
| 12. Noncompliance with BCPS Travel Reimbursement Policy                     | Resolved 🗸        |

This report addresses the disposition of the original 13 findings noted above.



The following table describes three findings that were not resolved as well as summarizes three new observations identified in the course of our procedures. The perceived Risk to the District is also described below.

| Rating | Description   |
|--------|---|
| High   | Items are of immediate concern and could cause significant financial issues if not    |
|        | addressed soon.   |
| Medium | Items should be addressed as soon as possible, as they either pose a financial and/or |
|        | budgeting risk to the District or the risk of reoccurrence is likely.                 |
| Low    | Items could escalate into financial issues but can be addressed through the normal    |
|        | course of conducting business; risk of reoccurrence is low.                           |

|    | Observation  | Responsible<br>Party              | Estimated<br>Completion<br>Date | Risk<br>To<br>District |
|----|--|-----------------------------------|---------------------------------|------------------------|
| 1. | Lack of Compliance with the Procurement Rules and Standards in Claiming an Exemption in the Purchase of Goods/Services without Competitive Solicitation (Continued) — BCPS included three Student Education Plans and Accommodations (SEPA) applications that were subsequently determined to be undeveloped software after Agreement FY23-256 was approved and as such were not exempt from the competitive solicitation process. | Information<br>Technology<br>(IT) | May 2024                        | Medium                 |
| 2. | Potential Duplicate Costs Presented in Exhibit F (Continued) — BCPS is currently in mediation with PCG to resolve a potential duplicate cost as listed in Exhibit F of the FY22-001 Agreement.   | IT                                | June 2024                       | High                   |
| 3. | No Established Policy Regarding Use of Personal Cell Phone for BCPS Business (Continued) – BCPS has not adopted a policy regarding the usage of a personal cell phone for BCPS business by BCPS board members and department directors. Various BCPS board members and department directors utilize personal cell phones for BCPS business.  | IT                                | June 2024                       | Low                    |
| 4. | <b>Payment of Uncompleted/Undelivered SEPA Applications (New)</b> — BCPS paid for three (3) SEPA applications subsequently determined to be incomplete software after Agreement FY23-256 was approved by the Board totaling \$382,576.   | IT                                | May 2024                        | High                   |



|    | Observation   | Responsible<br>Party   | Estimated<br>Completion<br>Date | Risk<br>To<br>District |
|----|---|------------------------|---------------------------------|------------------------|
| 5. | Item invoiced and paid under wrong Agreement (New) – BPCS incorrectly paid Invoice 102740 in the amount of \$95,133.50 under PO 7523003187 which was issued under Agreement FY22-001; this invoice should have been paid under PO 7523007101 which was issued under new Agreement FY23-256. | Academics /<br>Finance | December<br>2025<br>(ARIBA)     | Medium                 |
| 6. | Lack of Compliance regarding Use Agreements (New) – BCPS was not ensuring that all employees have executed Cellular Device Acceptable Use Agreement as required by its new policy adopted in May 2023.  | IT                     | June 2024                       | Low                    |

BCPS should consider implementing additional processes/controls related to the above continued or new findings within this report. The follow-up analysis procedures performed by CRI and the resulting findings are discussed in greater detail within the Follow-up Consulting Analysis Report. This executive summary is not intended to stand alone without the additional context included within the Follow-up Consulting Analysis Report.



#### **Background**

BCPS was established in 1915. It is governed by nine elected board members (Board), who appoint a Superintendent of Schools to supervise the daily operations of BCPS. BCPS is the 2<sup>nd</sup> largest school system in Florida and the 6th largest school system in the United States.<sup>1</sup> BCPS serves over 250,000 students.

BCPS has been working with Public Consulting Group (PCG), a public sector management and consulting and operations improvement firm since October of 2002. The original agreement with PCG was procured through a competitive solicitation bidding process in 2002, but since then all subsequent agreements with PCG were procured via direct negotiation and contracted without competitive solicitation, claiming a software exemption under the Florida Procurement Standards *Rule 6A-I.012 11(b), Florida Administrative Code as authorized by Section 1010.04(4)(a), Florida Statutes.* In the original agreement, PCG provided goods and services related to the development of an Exceptional Student (E.S.E.) Internet-based Electronic Management System (EMS). Each of the subsequent direct negotiated contracts with PCG through June 30, 2021 included subscription renewal of previous developed software as well as goods and services as an augmentation of existing software or development of new software, including consulting services including:

- Medicaid Billing to assist administrators and teachers with the reporting requirements of the Individuals with Disabilities in Education Act of 2004 (IDEA),
- EasyFAX,
- SmartScan,
- Gifted Module,
- PaperClip,
- ESPE,
- Advance Reporting,
- Behavior Plus,
- EDplan,
- Student Impacts Information Application,
- EDPlan Connect,
- Student Threat/Behavioral Threat Assessment Module,
- Suicide Risk Assessment addition to the Behavioral Threat Assessment Module.

During the May 18, 2021 School Board of Broward County, Florida (School Board, SBBC or Board) meeting, the Board approved a three-year agreement with PCG (July 1, 2021 – June 30, 2024). The agreement was directly negotiated by BCPS management and approved by the Board during the May 18, 2021 Board meeting without competitive solicitations. The three-year agreement had a potential approximate total contract amount ranging from \$16.5 million to \$18.5 million. It was referred to in the Board minutes and elsewhere as "FY22-001 – Education Case Management Software (EasyIEP)" (FY22-001 Agreement or FY22-001) and it was intended to provide services required by the Exceptional Student Education, Student Support and Initiatives & Recovery, and the Office of School Performance and Accountability divisions/departments. Amendments to the

<sup>&</sup>lt;sup>1</sup> BCPS Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021.



Agreement (i.e. First and Second Amendments) were approved by the Board on August 24, 2021 and January 11, 2022, respectively. The FY22-001 Agreement also included various non-software related goods and services. BCPS management included the following description in the Executive Summary presented to the Board as part of its description of the scope of goods and services to be provided:

"Under this umbrella contract, which will now integrate the preceding siloed contracts, PCG will provide a portfolio of services, content, and experiences to support and extend Broward County Public Schools (BCPS) staff in ensuring safe and engaging instruction resulting in college-ready graduates. Personalized professional learning programs, coaching services, and consulting support provide high-quality professional learning to teachers, instructional facilitators, administrators, and other staff is embedded throughout the individual contracted services. These services cultivate an equitable, inclusive, and diverse environment for all stakeholders with the goal of shifting mindsets, closing disparities in absolute levels of achievement, learning gains, and opportunities to ensure the highest and most equitable outcomes for all students."

On July 12, 2022, Carr, Riggs & Ingram, LLC (CRI) was engaged to perform an inquiry concerning the procurement for FY22-001 — Education Case Management Software. This inquiry was predicated on an anonymous complaint filed with the Florida Department of Education, Office of Inspector General, alleging that a former BCPS employee, Jillian Haring, pressured BCPS Board members and administrators into favorable contracts with a BCPS vendor, Public Consulting Group LLC (PCG). Our procedures included an analysis of the procurement process and compliance with procurement policies and procedures and other related Board policies and procedures.

On November 3, 2022, CRI issued a Forensic Examination Report of FY22-001 – Education Case Management Software with thirteen (13) associated findings. In and around the issuance of our report, BCPS suspended activity under the FY22-001 Agreement with PCG and subsequently terminated the FY22-001 Agreement (December 13, 2022 Board Meeting) and directly negotiated a new contract in its place: FY23-256 – Electronic Management Student Educational Plan (FY23-256, or FY23-256 Agreement).

#### Timeline

- July 12, 2022 CRI Engaged to perform an inquiry concerning procurement for FY22-001.
- November 3, 2022 CRI issued a Forensic Examination Report of FY22-001.
- December 13, 2022 FY22-001 Agreement was terminated by the School Board.
- December 20, 2022 FY23-256 Agreement (effective 1/14/23) approved by the Board.
- May 16, 2023: CRI was engaged to conduct a follow-up analysis for PCG FY22-001, including the new agreement (Agreement PCG FY23-256), and to review funding mechanisms for both pursuant to a request by the School Board and issue a report. Concurrently, CRI was engagement to conduct a forensic examination of PCG Contract 58-132E (issued as separate report).



The following represents a comparison summary of the three PCG contracts reviewed by CRI:

| PCG Contract<br>Contract Period    | 58-132E<br>(July 1, 2016 - June 30, 2021)  | FY22-001*<br>(July 1, 2021 – June 30, 2024)  | FY23-256 (FY22-001 Follow-up)*<br>(January 14, 2023 – June 30, 2024)   |
|------------------------------------|--|--|--|
| Good/Services<br>Description       | Software Subscription and Software<br>Development  | Software Subscription, Software Development, Tutoring Services, Education Recovery Services, Project Management, and Various Consulting Services   | Software Subscription and Software Development   |
| Procurement<br>Method              | Pursuant to School Board Policy 3320, Section II, H, and the Department of Education, Rule 6A-1.012, (11)(b), Florida Administrative Code as authorized by Section 1010.04(4)(a), Florida Statues, the requirement for requesting competitive solicitation for commodities or contractual services' from three or more sources is hereby waived as for the SBBC's purchase of computer software. | Rule 6A-1.012, 11(b), and 14, Florida Administrative Code and School Board Policy 3320, Section II.H, authorizes the purchase of any type of copyrighted materials, instructional materials and computer software without competitive solicitations. | Rule 6A-1.012, (11)(b), and 14, Florida Administrative Code and School Board Policy 3320, Section II H, the requirement for requesting competitive solicitations for commodities or contractual services from three or more sources is hereby waived as authorized by Section 1010.04(4)(a), Florida Statutes for computer software. |
| Contract Amount/Spending Authority | \$5,302,265  | \$16,299,502   | \$4,480,981  |
| Funding Types                      | General Fund   | ESSER: Elementary and Secondary School Emergency Relief Fund CRRSA ESSER II ARP ESSER III Title II, Part A: Supporting Effective Instruction & Title IV, Part A - Student Support and Academic Enrichment  | General Fund   |
| Grant Funding Amount               | None   | \$5,544,255  | None   |
| General Funding                    | \$4,637,003  | \$4,441,958  | \$1,442,040  |
| Number of<br>Invoices              | 43   | 54   | 12   |
| Disbursement<br>Total              | \$4,637,003  | \$9,986,213  | \$1,442,040  |
| Review Period                      | June 2016 – June 2021  | January 2020 – Sept. 2022  | October 2022 – June 2023   |

<sup>\*</sup>The School Board cancelled the PCG FY22-001 contract without cause during the December 13, 2022 board meeting and approved the PCG FY23-256 at the December 20, 2022 board meeting effective January 14, 2023.



CRI was engaged on May 16, 2023 to provide consulting services for BCPS. The purpose of these consulting services was to conduct a follow-up analysis regarding the thirteen (13) findings identified within the *Forensic Examination Report of Agreement FY22-001* including a review of the FY23-256 Agreement to determine whether the updated management responses adequately resolved the findings and whether or not the recommendations have been adequately implemented. Additionally, CRI was asked to perform a funding compliance assessment for Agreements FY22-001 and FY23-256.

#### Scope

For certain procedures, our scope included the period of July 1, 2021 through September 30, 2023 (review period). Our work was limited to those specific areas identified by the Office of the Chief Auditor. Had additional documents been provided to CRI or additional individuals interviewed, additional information may have been discovered that could impact the findings in this report. No additional interviews were deemed necessary by CRI.

#### Approach

We have performed this engagement in accordance with the Statement on Standards for Consulting Services (SSCS) No. 1 as promulgated by the American Institute of Certified Public Accountants (AICPA). While our work involved analysis of accounting records, our engagement did not constitute an audit in accordance with generally accepted auditing standards, an examination of internal controls, or any other attestation or review service in accordance with standards established by the AICPA. Had other procedures been performed, other matters may have come to our attention that may have affected the findings reported herein.

According to the SSCS, "Consulting services differ fundamentally from the CPA's function of attesting to the assertions of other parties. In an attest service, the practitioner expresses a conclusion about the reliability of a written assertion that is the responsibility of another party, the asserter. In a consulting service, the practitioner develops the findings, conclusions, and recommendations presented. The nature and scope of work is determined solely by the agreement between the practitioner and the client." This statement implements general standards that should be followed during a consulting engagement. These standards include that an AICPA member should have the professional competence to perform the engagement and exercise due professional care during the performance of the engagement. These standards were followed during the course of our engagement.

It should not be construed that attest standards (i.e., audit related engagements under the professional standards) would be more applicable to the subject engagement or yield a different/more reliable result. It should be noted that auditors conducting financial statement audits consider fraud, specifically as to whether it would result in a material misstatement of the financial statements.<sup>2</sup> It is an organization's management that is responsible for the design, implementation of programs and controls to prevent, deter and detect fraud.<sup>3</sup> The SSCS requires that practitioners "obtain sufficient relevant data to afford a reasonable basis for conclusions or

<sup>&</sup>lt;sup>2</sup> AU Section 316, Consideration of Fraud in a Financial Statement Audit.

<sup>&</sup>lt;sup>3</sup> Ibid.



recommendations." CRI obtained such sufficient relevant data to support the basis for its conclusions and recommendations.

We confirm that the authors and other professional staff involved in preparing this report acted independently and objectively. The fees for this engagement were based on professional time expended. Our fees were not contingent upon the final results, conclusions or resolutions. Using the data provided to us, we performed the procedures enumerated in our engagement letter dated May 16, 2023 as delineated below.

#### **Expert Qualifications**

Carr, Riggs & Ingram, LLC (CRI) is a regional certified public accounting and consulting firm with roots going back to 1972. Currently ranked among the top 25 public accounting firms in the United States, CRI is the South's largest regional firm. The CRI forensic team provides a spectrum of forensic and litigation services ranging from prevention to detection in response to fraud. The CRI engagement team members include Certified Public Accountants (CPA), Certified Construction Auditor (CCA), Certified Fraud Examiner (CFE) Certified Valuation Analysis (CVA) and Certified in Financial Forensics (CFF).

#### Rob Broline, CPA, CCA

Rob Broline has over 30 years of proven skills and experience in public accounting. Mr. Broline provides a variety of consulting and internal audit services for governments, construction firms and other organizations. These services include entity-wide risk assessments, process risk/control assessments, internal audits, operational audits, construction cost audits and forensic reviews.

Mr. Broline is a Certified Public Accountant, which is the premier designation in the accounting industry. The Certified Public Accountant license is regarded as a symbol that an accountant has mastered the vital elements of the accounting profession and is a high standard that is globally recognized as an assurance of skill, dedication and quality. Mr. Broline speaks regularly on risk assessments, internal audits and controls and related topics for various governmental organizations. A summary of Mr. Broline's résumé and qualifications is included in Appendix A of this report.

#### Ben Kincaid, CPA, CFE, CVA, CFF

Ben Kincaid has over 11 years of experience in public accounting and in providing a variety of forensic accounting services. These forensic accounting services include litigation support, financial fraud investigations, business valuations, lost profit calculations, etc. Mr. Kincaid has served as a consultant for several state, county and other local law enforcement agencies/governments and has served on the Florida Institute of Certified Public Accountant's Valuation, Forensic Accounting and Litigation Committee.

Additionally, Mr. Kincaid is a Certified Public Accountant, which is the premier designation in the accounting industry. The Certified Public Accountant license is regarded as a symbol that an accountant has mastered the vital elements of the accounting profession and is a high standard that is globally recognized as an assurance of skill, dedication and quality. Mr. Kincaid has also



received the Certified Fraud Examiner and Certified in Financial Forensics designations. These forensic accountant designations are considered to be the most valuable forensic certifications. Holders of these forensic accountant designations are required to demonstrate a high level of knowledge and competence within the field of forensic accounting. Mr. Kincaid is also a Certified Valuation Analyst, which is the most widely recognized business valuation credential. A summary of Mr. Kincaid's résumé and qualifications is included in Appendix A of this report.

#### Donna Melillo, CPA, CFE

Donna Melillo has over six years of experience in accounting and consulting services. She specializes in forensic accounting, fraud detection and fraud prevention. Ms. Melillo has extensive experience performing forensic investigation and consulting services for a wide variety of clients including for-profit, nonprofit and local governments. She has also provided internal control consulting to clients.

Additionally, Ms. Melillo is a Certified Public Accountant, which is the premier designation in the accounting industry. The Certified Public Accountant license is regarded as a symbol that an accountant has mastered the vital elements of the accounting profession and is a high standard that is globally recognized as an assurance of skill, dedication and quality. Ms. Melillo has also received the Certified Fraud Examiner designation. This forensic accountant designation is considered to be one of the most valuable forensic certifications. Holders of this forensic accountant designation are required to demonstrate a high level of knowledge and competence within the field of forensic accounting. A summary of Ms. Melillo's résumé and qualifications is included in Appendix A of this report.

#### Kayla Spellman, CPA, CCA

Kayla Spellman has over 15 years of proven skills and experience in public accounting. Ms. Spellman provides a variety of consulting and internal control services for governments, construction firms and other organizations. These services include entity-wide risk assessments, process risk/control assessments, internal audits, operational audits, construction cost audits and forensic reviews.

Ms. Spellman is a Certified Public Accountant, which is the premier designation in the accounting industry. The Certified Public Accountant license is regarded as a symbol that an accountant has mastered the vital elements of the accounting profession and is a high standard that is globally recognized as an assurance of skill, dedication and quality. A summary of Ms. Spellman's résumé and qualifications is included in Appendix A of this report.

#### **Summary of Procedures Performed**

#### Follow-up Procedures

1. Reviewed the updated management responses related to the findings and recommendations identified within Forensic Examination Report of FY22-001 – Education Case Management Software. Our review included Agreement FY23-256 - Electronic Management Software.



- 2. Analyzed supporting documentation as needed, such as: relevant policies and procedures, internal controls/processes, training, purchase requisitions, purchase orders, vendor contracts, and vendor invoices related to the management responses. CRI conducted interviews with the following BCPS personnel to obtain an understanding of the procurement process, BCPS policies and procedures, Agreement FY23-256 and related supporting documentation:
  - a. Director of Procurement and Warehousing Services;
  - b. Chief Information Officer, Operations;
  - c. Director, Accounting and Financial Reporting, Finance; and,
  - d. Executive Director, Operations.
- 3. Determined whether or not the updated management responses adequately resolved the findings and whether or not the recommendations have been adequately implemented.

#### **Funding Sources Review**

4. Reviewed the funding mechanisms for Agreements FY22-001 and FY23-256, as applicable.

FY22-001 had components funded by the following Federal programs:

- Elementary and Secondary School Emergency Relief (ESSER) Fund ESSER I, ESSER II, American Rescue Plan ESSER III
- Title II, Part A: Supporting Effective Instruction
- Title IV, Part A Student Support and Academic Enrichment

CRI obtained a report of the all purchase orders related to agreement FY22-001 downloaded from SAP as of August 10, 2023, and supporting documents for grants used as the payment source for FY22-001 (notate the grant information i.e. grant description, amount, effective date, budget period, etc.), and verified the following:

- Services/products listed on invoices were allowed under the grant.
- Invoice description matched the executed grant agreements. For ESSER awards, we validated invoices against line item budgets approved by the grantor.
- Purchase order amount did not exceed the amount allocated to the project.
- Invoice was paid during the budget period of the grant.

See Appendix C for description of the above funds.

CRI performed the testing procedures listed above, with no compliance exceptions in the areas of allowable activities, cost, or period of performance for the federal award incurred expenses. See table below.



| Federal<br>Program   | Assistance<br>Listing<br>Number | Total<br>Award | Award<br>Funds<br>Allocated<br>to the<br>Contract | Project No.<br>(Purchase<br>Order) | Purchase Order<br>Description &<br>Services   | PO Amount  |
|--|---------------------------------|----------------|---|------------------------------------|---|------------|
| Title II, Part A:<br>Supporting<br>Effective<br>Instruction            | 84.367A                         | \$13,480,152   | \$50,000  | 060-2242B-2CT01<br>(7522005513)    | PCG Leadership<br>Subscription<br>PCG Module:<br>2.1.1.1. Leadership<br>Playbook                    | \$50,00    |
| Title IV, Part A -<br>Student<br>Support and<br>Academic<br>Enrichment | 84.424                          | \$9,063,000    | \$725,000*  | 060-2412A-2C001<br>(7522005399)    | PCG Module:<br>2.1.2.1.<br>Courageous<br>Conversations<br>About Race                                | \$725,00   |
| Elementary<br>and Secondary  | 84.425D                         | \$61,986,936   | \$2,857,190                                       | 060-1240A-1C001<br>(7522002277)    | University Instructors PCG Modules: 4.1 – 4.9 Services TutorED Virtual Tutoring 4.9 - Bank Services | \$2,685,44 |
| School<br>Emergency<br>Relief (ESSER)                                  | 84.425D                         | \$182,383,670  | \$207,560   | 060-1241E-1CR01<br>(7522005373)    | Electronic Health<br>Record   | \$207,560  |
| Funds  | 84.425U                         | \$462,078,003  | \$2,080,200                                       | 060-1211A-2C001<br>(7522006830)    | University Instructors – Tutoring  PCG Modules: 3.7 SEPA 4.1. – 4.9                                 | \$1,876,25 |

<sup>\*</sup>Note: initially \$700,000 of award funds was allocated to module 2.1.2.1. Based on correspondence with the grantor, additional monies were subsequently approved for this module. For a listing of allowable activities for each award and further details regarding PO description of services, see Appendix C.

For FY23-256, CRI obtained and reviewed purchase orders extracted from SAP provided by the District to identify and document the type of funding expended (i.e. operation, capital, SMART Bond, federal grant, state grant, etc.) in the payment of the PCG invoices related to FY23-256 agreement. During our testing procedures, CRI noted that federal awards were not utilized for contract FY23-256 as of August 10, 2023. CRI also confirmed with the Budget Department's management team that all funds used towards PO 7523007101 as of August 10, 2023 under



contract FY23-256 were general/operating fund 1000.

#### **Source Documentation**

We reviewed and relied upon the documentation listed in Appendix B of this report during our analysis. These documents included, but were not limited to, BCPS agreements, payment documentation, invoices and management responses.

As part of our funding compliance testing, we reviewed payment documentation related to both the FY22-001 and FY23-256 Agreements.

CRI performed invoice and disbursement testing for both FY22-001 and the FY23-256 Agreements for all PCG invoices approved and paid through June 30, 2023 verifying the following:

- Invoice was approved by the appropriate personnel as evidence by approver signature/initials and date approved documented on the invoice.
- Invoice included period of service and was within effective period of the agreement.
- Invoice period of service matched period of service in the agreement.
- Invoice description matched the purchase order description.
- Purchase order documented on the invoice matched the purchase order in SAP.

See detailed testing and results for the FY22-001 and FY23-256 agreements in Detailed Procedures, Analysis and Results below.

#### **Detailed Procedures, Analysis and Results**

As previously indicated, on November 3, 2022, CRI issued a Forensic Examination Report of FY22-001 – Education Case Management Software with thirteen (13) findings and corresponding recommendations. As part of the follow-up analysis, CRI requested and obtained updated management responses related to the original findings and corresponding recommendations. In the following sections of this report, both the original and updated management responses are presented and identified accordingly. CRI also obtained any available documentation including the FY23-256 Agreement from management to address the matters accordingly. The documentation of the specific procedures, analysis and corresponding results are presented under the corresponding original findings/recommendations.

## 1. A. Lack of Compliance with the Procurement Rules and Standards in Claiming an Exemption in the Purchase of Goods/Services without Competitive Solicitation.

Finding Status: Not Resolved X

Finding: The FY22-001 Agreement was directly negotiated by BCPS management and approved by the School Board during the May 18, 2021 School Board meeting without competitive solicitations. BCPS' documented basis for claiming this waiver was that these goods/services were copyrighted materials, including software and instruction materials, and therefore exempt from the requirement of requesting competitive solicitations pursuant to



Purchasing Policy 3320, Section II H, and the Department of Education, Rule 6A-1.012 (11)(b), Florida Administrative Code as authorized by Section 1010.04(4)(a), Florida Statutes.

#### Follow-Up Analysis:

In order to address this finding, CRI obtained the new agreement that replaced FY22-001 and its subsequent amendments with Agreement FY23-256 and related documentation, including BCPS executive summaries, board minutes, as detailed below:

1) CRI obtained and reviewed Agreement FY23-256 that replaced Agreement FY22-001 for compliance with the procurement standards. We noted that BCPS directly negotiated Agreement FY23-256 without competitive solicitation as cited in the FY23-256 Agreement: "Rule 6A-1.012, (11)(b), and 14, Florida Administrative Code and School Board Policy 3320, Section II H, the requirement for requesting competitive solicitations for commodities or contractual services from three or more sources is hereby waived as authorized by Section 1010.04(4)(a), Florida Statutes for computer software."

However, computer software in general is not exempt from the competitive solicitation process, but vendor copyrighted, fully developed computer software as noted in the full quotation of Rule 6A-1012,(11)(b):

#### Rule 6A-1.012, (11)(b):

The purchase by district school boards of educational services and any type of copyrighted materials including, without limitation... computer software...where such materials are purchased directly from the producer or publisher, the owner of the copyright, an exclusive agent within the state, a governmental agency or a recognized educational institution.

Further, Rule 6A-1.102, 14 also does not apply to the development of computer software in this case since it speaks of purchased or leases software etc.

#### Rule 6A-1.012, 14:

A district school board, when acquiring, whether by purchase, lease, lease with option to purchase, rental or otherwise, information technology, as defined in Section 282.004(11), F.S., may make any acquisition through the competitive solicitation process as described herein or by direct negotiation and contract with a vendor or supplier, as best fits the needs of the school district as determined by the district school board.

Based on inspection of Agreement FY23-256 and based on interviews with the Chief Information Officer (CIO) the following three (3) SEPA applications (out of the 13 applications/modules included in the FY23-256 Agreement) were subsequently determined to be incomplete/undeveloped software after the agreement was approved. Per the CIO, PCG subsequently reached out to him to schedule "Project reset" meetings May 12, 2023 related to project completion for the following three SEPA applications:



- SEPA Case Administrator Application \$115,847.42
- SEPA Case Manager Application \$121,934.77
- SEPA Student Application \$144,793.69

In neither case do these provisions in Rule 6A - 1012, (11)(b) or 14 properly apply to undeveloped computer software.

Thus, as noted above the CIO agreed with this interpretation and the School Board's procurement policies that these three SEPA items should have been excluded from the other services/products included in Agreement 23-256. The SEPA products listed above were invoiced under Agreement FY23-256 and were authorized for payment on July 11, 2023. The amount paid for this period totaled \$382,575.88. The CIO concurred with CRI that since these SEPA software modules were being developed by PCG that they should not have been included in Agreement FY23-256. The CIO stated that BCPS agreed to pay the above development costs. Finally, the CIO indicated there was an amendment in process to remove these three incomplete SEPA applications from the FY23-256 Agreement and to not pay the remaining respective contract values:

- SEPA Case Administrator Application \$252,758.00
- SEPA Case Manager Application \$266,039.50
- SEPA Student Application \$315,913.50

Further, the CIO indicated that there was no project charter or inventory of PCG software related to past agreements or the Agreement that identified PCG copyrighted software, including software that was not completed.

- 2) CRI obtained and reviewed a screenshot verifying that FY23-256 Agreement was reviewed and approved by PWS, User Departments, IT and Legal without exception.
- 3) CRI obtained and reviewed the *Vendor Exemption from Competitive Solicitation Form* verifying that this form was completed by PWS. A sample is included below.

Based on our follow-up procedures, this finding was not resolved since the new agreement included three SEPA software modules that were in development. To qualify as a software exemption under Rule 6A-1.012, (11)(b), the software must be copyrighted — i.e. fully developed; not in the process of being developed. (Refer to Additional and/or Continued Findings, Effective, and Recommendations Section below).





Vendor Exemption from Competitive Solicitation Form

Authorized Sources for Purchases in accordance with Florida Administrative Code 6A-1.012(11)

The requirement for requesting competitive solicitations for commodities or contractual services from three or more sources may be waived as authorized by Section 1010.04(4)(a), F.S., for purchases referenced in State Board Rule 6A-1.012(11). Departments wishing to purchase commodities or services exempt from the competitive solicitation process must document the reasons the procurement is exempt from competitive solicitation as outlined in 6A-1.012(11). After review of this form, the School Board of Broward County, or its delegate, will determine whether competitive solicitation may be waived.

| Requesting Department  |  |                        |                         |  |
|--|--|------------------------|-------------------------|--|
| Requesting Department:   | Contact Person Name:   | Title of Contact Pe    | rson:                   |  |
| Research, Evaluation & Accountability  | Richard Baum   | Director               |                         |  |
|  |  |                        |                         |  |
| Vendor Name Information  |  |                        |                         |  |
| Vendor Name:   |  | Vendor Contact Person: |                         |  |
| College Board, Inc.  |  | Mirynne Iguala         | da                      |  |
|  |  |                        |                         |  |
| VendorAddress:   |  | Vendor Telephon        | e (Ext. if applicable): |  |
| 250 Vesey St. New York City, NY  | 10281  | 954-874                | -4371                   |  |
| (a) Vendor Providing Professional S  | ervices Exempt from Competitive Solidta                                    | ion                    |                         |  |
| □ArtisticServices  | □ Academic Program Reviews   | □Lectures by Indi      | viduals                 |  |
| □Auditing Services not subject to  | □ Legal Services, including attorney                                       | □Health se             | rvices Involving        |  |
| Section 218.391, F.S.  | Paralegal, expert witness, court   | examination, di        | agnosis, treatment,     |  |
|  | reporting, appraisal, or mediator  |                        | ical consultation, or   |  |
|  | services   | administration         |                         |  |
| □ Educational Services   | ☐ A contract for regulated utilities or                                    |                        |                         |  |
| D. Vender follow Considered  | government-franchised services<br>Materials Exempt from Competitive Solici |                        |                         |  |
| (b) Vendor Selling Copyrighted  Educational Tests  | ☐ Textbooks  | □Printed Instruct      | ional Materials         |  |
| □ Computer Software  | Offilms  | ☐ Filmstrips           | Unai Materiais          |  |
| □Videotapes  | □ DVDs   | ☐ Disc or Tape Rec     | rordinas                |  |
| Digital Recordings   | ☐ Similar Audit-Visual Materials   | □Library Books         | Lorungs                 |  |
| □ Reference Books  | □ Printed Library Cards  | Distary cooks          |                         |  |
|  | Selling Copyrighted Materials Exempt from                                  | n Competitive Solici   | tation                  |  |
| ☐ Producer or Publisher  | ☐The Owner of the Copyright  | _                      | ent within the State    |  |
| ☐ Governmental Agency  | ☐ A Recognized Educational Institution                                     |                        |                         |  |
| Additional Clarification/Questions   |  |                        |                         |  |
| Does this company also sell products tha   | t do not qualify as bid exempt?  | □Yes                   | ■No                     |  |
| If yes, please provide a list of the Bid Exe   | mpt Products in addition to this form.                                     |                        |                         |  |
| Are the Bid Exempt Products Available through other resellers?                                     |  | □Yes                   | ■No                     |  |
| Chief/Cabinet Member Approval  |  |                        |                         |  |
| <ol> <li>473.47. (2017). a. (2017). [Conf. Phys. B 100 (100 (100 (100 (100 (100 (100 (10</li></ol> | Cabinet Member's approval of the procu                                     | rement of this proc    | fuct or service without |  |
| competitive solicitation.  |  |                        |                         |  |
| Chief/Cabinet Member Signature:  | Chief/Cabinet Member Name & Title:   | Date:                  |                         |  |
| Sumall   | Saemone Hollingsworth, Chief Academic Officer                              | 7110112-               |                         |  |
| aurvana  |  | 7/18/23                | ß                       |  |

Version 1 | April 2023

#### 1.B. Lack of Policy that defines what constitutes "Educational Services"

Finding Status: Resolved Y

Finding: BCPS does not have a documented policy that defines what items qualify as "educational services" that may be exempt from competitive solicitations under Rule 6A-1.012 (11)(b).

Follow-Up Analysis: BCPS management provided a revision to Purchasing Policy 3320 with Purchasing Policy 3800 (draft form). This proposed revision still does not provide a definition for "educational services" as it appears in the revised Procurement Policy 3800 Section D. However, for purposes of this PCG follow-up analysis, since FY23-256 does not claim an exemption from competitive solicitation on the basis of the goods/services being "educational services" this matter is considered closed.

#### 2. Potential Duplicate Costs Presented in Exhibit F

Finding Status: Not Resolved X

Finding: The spending authority of \$8,289,938 submitted with the FY22-001 Agreement by and approved by the Board in the May 18, 2021 meeting appeared to include duplicate costs, as detailed in the Financial Impact Table in the Executive Summary as well as Exhibit F of the FY22-001 Agreement, in the amount of \$675,000 (1.1.6 Documentation Language Translation). Further, the spending authority request of \$5,929,384 in the June 15, 2021 Board meeting appeared to include duplicate costs, as detailed in the Financial Impact Table in the Executive Summary as well as Exhibit F of the FY22-001 Agreement, in the amount of \$150,000 (BTA PaperClip (1.1.7). This finding was subsequently addressed in the Supplemental Memorandum regarding FY22-001 dated January 23, 2023. As part of Procedure 2 of the Supplemental Memorandum, CRI concluded that the 1.1.7 BTA PaperCip (\$150,000) were not duplicative costs and was the result of a scrivener's error. However, CRI concluded that the 1.1.16 Document Language Translation appeared to be a duplicative cost in the FY22-001 Agreement. The contractual amount was \$675,000 of which the billed amount of \$75,000 appeared to be an overbilling.

#### Follow-Up Analysis:

- CRI noted that BCPS management is in mediation with PCG regarding the above potential duplicate cost related to 1.1.16 Document Language Translation. This matter has not been resolved.
- 2) CRI obtained all 13 invoices billed under Purchase order 7523003187, 7522006830, & 7522003138 covering the period from October 1, 2022, to June 30, 2023 pertaining to disbursements associated with FY22-001 totaling \$1,428,151.66, and performed the following procedures:
  - Verified that all necessary data was included (invoice date, invoice number, invoice amount, invoice due date, service period, description of service/goods).
  - Ensured invoices were posted to the correct period.
  - Verified that the purchase order on the invoice matched the purchase order number.
  - Verified that invoices included an authorized approver.
  - Matched the invoice description of services to the services listed in the agreement.

- Compared FY22-001 contact spend report and invoice numbers and descriptions, and contracts agreements against contract FY23-256 spend report, invoice numbers and description, and contract agreement to identify if there were any duplicate charges.
- Conducted a comparison of the 13 invoices paid between October 1, 2022 through June 30, 2023, under contract FY22-001 with invoices paid from July 1, 2021 through September 30, 2022 to identify any potential duplicates. No duplicate charges were identified.
- 3) CRI acquired training material "PWS Training Guide" and a list of attendees as support that a Semi-Annual training session was held on February 2, 2023. CRI examined and evaluated the training materials provided, noting evidence that the training materials addressed BCPS staff who are responsible for processing invoices for payment and ensuring that good/services are received/rendered prior to payment.

### 3. Lack of Specificity and Clarity related to Contract Amounts, Pricing and Invoicing Terms and Conditions

Finding Status: Resolved

Finding: There are various "Invoicing Line Items" as presented in Exhibit F of the Agreement that lack specificity and/or clarity related to the following: Units/Years or Fee; 3-Year Contract Amounts; Invoice Frequency; and, Start of Spending Authority.

Follow-Up Analysis: CRI obtained the FY23-256 Agreement and verified that the new agreement removed any references to spending authority and clearly distinguished the scope of work, the contract amounts, pricing, invoicing frequency, units of measure, etc., for each item in the agreement. See comparison below between FY22-001 and FY23-256 agreement contract amounts, pricing and invoicing terms and conditions extracted from the respective agreements.

#### PCG FY22-001 Exhibit F Example:

| Invoicing Line Item   | Units/<br>Year | Fee  | 3 Year Contract<br>Amount | Invoicing<br>Frequency | Start of<br>Spending<br>Authority |
|---|----------------|--|---------------------------|------------------------|-----------------------------------|
| 1. Case Management  |                |  |                           |                        |                                   |
| 1.1. Exceptional Student Services   |                |  |                           |                        |                                   |
| Exceptional Student Services Subscription (1.1.1 through 1.1.7)                       |                | FY22 = \$766,722<br>FY23 & 24/Year = \$793,638 | \$2,353,998               |                        | July 1, 2021                      |
| Document Language Translation<br>(1.1.6 Document Language Translation)                |                | FY22 = \$75,000<br>FY23 & 24/Year = \$300,000  | \$675,000                 |                        | July 1, 2021                      |
| 504 Module Subscription<br>(1.1.9 504 Module)   |                | \$47,500/Year                                  | \$142,500                 |                        |                                   |
| 504 Module Installation<br>(1.1.9 504 Module)   |                | \$10,000                                       | \$10,000                  |                        |                                   |
| Progress Track Subscription<br>(1.1.10 Progress Track for EasyIEP)                    |                | \$135,292/Year                                 | \$405,876                 |                        |                                   |
| Progress Track Installation<br>(1.1.10 Progress Track for EasyIEP)                    |                | \$10,000                                       | \$10,000                  |                        |                                   |
| EasyTrac Medicaid Billing<br>(1.1.11 EasyTrac Medicaid Billing)                       |                | \$144,000/Year                                 | \$432,000                 |                        |                                   |
| EasyTrac Medicaid Billing Installation<br>(1.1.11 EasyTrac Medicaid Billing)          |                | \$10,000                                       | \$10,000                  |                        |                                   |
| Behavioral & Mental Health Subscription<br>(1.1.12 Behavioral & Mental Health Module) |                | \$194,588/Year                                 | \$583,764                 |                        |                                   |

#### PCG FY23-256 Agreement

#### 2.10 Cost.

- (a) The grand total cost to SBBC for the software products under this Agreement is Four Million, Four Hundred Eighty Thousand, Nine Hundred Eighty-One Dollars and 22/100 Cents (\$4,480,981.22) as specifically outlined below:
  - 1) Exceptional Student Education Package. The cost of the Exceptional Student Education Package to SBBC, which includes the EDPlan IEP Module, EDPlan Gifted Plan Module, EDPlan Service Plans for Private Schools Module, EDPlan Connect Module, EDPlan Advanced Reporting Module, and EDPlan Paperless Solutions (PaperClip) is Three Hundred Sixty-Three Thousand, Seven Hundred Fifty Dollars and 75/100 Cents (\$363,750.75) for the time period of January 14, 2023 through June 30, 2023; and Seven Hundred Ninety-Three Thousand, Six Hundred Thirty-Eight Dollars and 00/100 Cents (\$793,638.00) for the time period of July 1, 2023 through June 30, 2024; for a total of One Million, One Hundred Fifty-Seven Thousand, Three Hundred Eighty-Eighty Dollars and 75/100 Cents (\$1,157,388.75).

#### 4. Lack of Clarity regarding Line Items Contractually Obligated

Finding Status: Resolved >

Finding: The total contract amount for all line items with amounts in the 3-Year Contract Amount as notated in Exhibit F of the FY22-001 Agreement did not match the amounts presented in the Financial Impact tables in the respective Executive Summaries ("spending authorities").

Follow-Up Analysis: CRI obtained the FY23-256 Agreement (approved by the School Board on December 20, 2022) and verified that the contract amount in the new agreement matched the financial impact amount presented to the Board in the executive summary. CRI also verified that contract terms clearly identified, defined, and mapped the maximum contractually obligated amount within the agreement: \$4,480,981.22.

FY23-256 was approved at the December 20, 2022 Special Board Meeting - effective January 14, 2023 through June 30, 2024 (excerpt from Board Executive Summary):

| Description   |               | Total Cost of |  |
|---|---------------|---------------|--|
|   | Service       |               |  |
|   | Contract Term |               |  |
| Exceptional Student Education Package                                       | \$            | 1,157,388.75  |  |
| Document Language Translation   | \$            | 439,516.13    |  |
| Electronic Health Record Module Subscription                                | \$            | 302,693.50    |  |
| Behavioral Threat Assessment Module and                                     | \$            | 378,360.00    |  |
| Suicide Prevention Module Package   |               |               |  |
| Behavioral Threat Assessment Annual Roster and User Integration with Clever | \$            | 45,572.92     |  |
| Zendesk Support Desk Licenses   | \$            | 8,750.00      |  |
| Behavioral Threat Assessment PaperClip                                      | \$            | 72,916.67     |  |
| SEPA Teacher Application  | \$            | 645,267.33    |  |
| SEPA Provisioning and Rostering Services Application                        | \$            | 159,301.04    |  |
| SEPA Case Administrator Application   | \$            | 368,605.42    |  |
| SEPA Case Manager Application   | \$            | 387,974.27    |  |
| SEPA Student Application  | \$            | 460,707.19    |  |
| Digital Signature Capability  | \$            | 53,928.00     |  |
| Total for the term of the Contract  | \$            | 4,480,981.22  |  |

## Agreements FY22-001 and FY23-256 Follow-Up Consulting Analysis Report

#### 5. Certain Invoices Paid with Service Period Dates prior to the Effective Date of the Agreement

*Finding Status:* Resolved ✓

Finding: The Agreement approved by the Board in the May 18, 2021 Board meeting and the Exhibit F of the Second Amendment approved in the January 11, 2022 Board meeting included certain contract line item amounts with start of spending authority dates (i.e., May 1, 2021) prior to the Agreement's effective date (i.e., July 1, 2021). BCPS was invoiced for goods/services totaling \$1,743,057 with service periods dated prior to the effective date of the Agreement in part or in whole. For example, some periods of service (i.e., May 1, 2021 - July 22, 2022) overlapped with the effective date of July 1, 2021.

Follow-Up Analysis: CRI reviewed cost terms agreed upon in the FY23-256 Agreement. The agreement period is January 14, 2023 through June 30, 2024. CRI obtained the agreement noting it does not include any payment requests (spending authority) prior to the effective date of January 14, 2023. CRI also performed invoice and disbursement testing for the FY23-256 Agreement for invoices approved by BCPS management and paid through June 30, 2023 verifying the following:

- Invoice was approved by the appropriate personnel as evidenced by approver signature/initials and date approved documented on the invoice.
- Invoice included period of service and was within effective period of the agreement.
- Invoice period of service matched period of service in the agreement.
- Invoice description matched the purchase order description.
- Purchase order documented on the invoice matched the purchase order in SAP.

No PCG invoices with service periods prior to the effective date of the agreement were noted.

#### 6. Lack of Proper Contractual Approval of Additional Spending Authority Request

Finding Status: Resolved

Finding: The Additional Spending Authority Request was approved by the Board in the June 15, 2021 Board meeting and included line items that had not been authorized contractually in Exhibit F of the Agreement as notated by a date in the "Start of Spending Authority" column.

Follow-Up Analysis: CRI obtained Agreement FY23-256 noting the new agreement does not contain any reference to spending authority request or "Start of Spending Authority." See comparison below.

#### PCG FY22-001

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

(hereinafter referred to as "SBBC"), a body corporate and political subdivision of the State of Florida, whose principal place of business is 600 Southeast Third Avenue, Fort Lauderdale, Florida 33301

and

#### PUBLIC CONSULTING GROUP LLC

(hereinafter referred to as "PCG"), whose principal place of business is 148 State Street, 10<sup>th</sup> Floor, Boston, Massachusetts 02109

This contract contains information that describes each functional area that SBCC requires services from PCG. Additional information on the scope of services for each functional area is contained in the exhibits. The payment terms exhibit depicts the services that BCPS has secured spending authority and commitment for payment, along with the remaining services available for purchase.

WHEREAS, the SBBC desires to continue utilizing PCG's internet-based electronic management computer software system called EDPlan™ Suite of Services ("EDPlan") for Individual Educational Plans ("IEP"), Gifted Education Plans and Service Plans for Private School students and to assist administrators and teachers with the reporting requirements of the Individuals with Disabilities Education Act of 2004, (9PL 105-17) ("IDEA"), leadership and equity services, interoperability services, accelerated learning services, granting a non-exclusive license to access PCG's related proprietary systems and documentation.

#### PCG FY23-256

#### PUBLIC CONSULTING GROUP LLC

(hereinafter referred to as "PCG"), whose principal place of business is 148 State Street, 10th Floor, Boston, Massachusetts 02109

WHEREAS, SBBC through its certain district departments requires certain computer software and work to computer software from PCG; and

WHEREAS, the SBBC's district ESE and Innovative Learning departments desire to utilize PCG's internet-based electronic management computer software system called EDPlan<sup>TM</sup> Suite ("EDPlan") for Individual Educational Plans ("IEP") (EDPlan IEP Module), EDPlan Gifted Education Plan Module, EDPlan Service Plans for Private Schools Module to assist administrators and teachers with the reporting requirements of the Individuals with Disabilities Education Act of 2004, (9PL 105-17) ("IDEA"), and to utilize PCG's EDPlan Document Language Translation, EDPlan Paperless Solutions (PaperClip), SEPA Teacher Application, SEPA Provisioning and Rostering Services Application, SEPA Case Administrator Application, SEPA Case Manager Application, and SEPA Student Application; and

WHEREAS, the SBBC's district Student Services department desires to utilize PCG's Electronic Health Record Module; and

#### 7. Potential Front Loaded Billings

*Finding Status:* Resolved ✓

Finding: The total FY22-001 3-Year Contract Amount approved for spending authority through the Second Amendment totaled \$16.3 million. The amount invoiced and paid through September 13, 2022 is approximately \$8.6 million (or 55% of the total contract amount). In approximately 14.5 months since the effective date of the Agreement, over 50% of the 3-Year Contract Amount approved for spending authority had already been invoiced and paid.

Follow-Up Analysis: CRI obtained the FY23-256 Agreement verifying that the scope of work in the agreement is separated into specific products and services including well-defined service and billing periods, respectively. In conjunction with 5. above, CRI performed invoice and disbursement testing for the FY23-256 Agreement for all PCG invoices approved and paid through June 30, 2023, verifying the following:

- Invoice was approved by the appropriate personnel as evidence by approver signature/initials and date approved documented on the invoice.
- Invoice included period of service and was within effective period of the agreement.
- Invoice period of service matched period of service in the agreement.
- Invoice description matched the purchase order description.
- Purchase order documented on the invoice matched the purchase order in SAP.

Additionally, CRI notated evidence of review and written approval by the department designee and the CIO prior to payment.

#### 8. Lack of Timely Submission

*Finding Status:* Resolved ✓

*Finding:* Certain FY22-001 Items submitted to the Board were not submitted timely. This included the FY22-001 Spending Authority Request, the First and Second Amendments and related items that were directly added to the respective Board Agendas only a few days prior to the respective Board meetings.

Follow-Up Analysis: CRI obtained and reviewed "Board Meetings and Workshop Agenda Item Planning Guide" revised August 24, 2023. The document outlines the guideline/process to be followed to ensure that agenda deliveries are provided at least eight (8) days in advance to the Board for review prior to Board Meeting. CRI obtained PWS Agenda Item Process that outlines a timeline to ensure items are delivered to the board in a timely manner. CRI also reviewed video footage from December 13, 2022 noting that the FY23-256 Agreement was provided to the Board prior to the Board Meeting. Additionally, the December 13, 2022 Board Minutes were inspected and Topic O-3 (FY23-256) was not included on the list of "Items Added" to the board meeting on December 13, 2022. Since Board action on FY23-256 was postponed from the December 13, 2022 board meeting, CRI obtained the December 20, 2022 Board Minutes of Special Meeting to validate that Agreement FY23-256 was not included on the list of "Items Added." Thus, the Board was provided with Agreement FY23-256 in a timely manner for review prior to the Board meeting.

#### 9. Deletion of Cell Phone Data

*Finding Status:* Resolved ✓

Finding: BCPS-provided cell phones are generally maintained at a position level. As such, if an individual's employment with BCPS is terminated and the employee was provided a BCPS cell phone, the cell phone is returned to BCPS and reassigned to whomever is hired to fill the now open position. Prior to reassigning the BCPS cell phone, with the exception of the contact information, the cell phone data is erased. It does not appear that BCPS takes any steps to save the cell phone data (i.e., text messages, call histories, etc.) for public records retention purposes.

Effect: BCPS may not be in compliance with Florida Statutes regarding public records retention.

*Recommendation:* BCPS should cease deleting cell phone data and take appropriate actions to retain the appropriate data on BCPS-provided cell phones.

Follow-Up Analysis: The purchase of SMARSH was approved by the Board on March 7, 2023. SMARSH was subsequently implemented in or around April 2023. The purpose of SMARSH is to automate the collection of cell phone data for all District-issued cellular devices, as well as provide a platform to maintain this information for the required timeframes. CRI requested copies of the District's cell phone bills for certain BCPS employees (including a former employee) for June 2023, as well as the corresponding data from SMARSH. Copies of the cell phone bills as well as the corresponding data from SMARSH were provided in a timely manner. The sufficiency of the data captured by SMARSH is discussed in Observation 10 below. Based on the foregoing information, BCPS has ceased deleting BCPS-provided cell phone data and has implemented SMARSH to retain the appropriate data on BCPS-provided cell phones.

### 10. Lack of Retention Policy/Lack of Retention of BCPS Text Messages, Voicemails, and Call Histories

Finding Status: Resolved ✓

Finding: BCPS does not have a centralized system to capture and archive text messages, voicemails, call histories, etc. for BCPS-provided cell phones. BCPS also has not adopted a policy regarding the deletion of cell phone text messages, voicemails, etc. on BCPS-issued devices.

Follow-Up Analysis: As previously indicated, BCPS has implemented SMARSH to retain certain data on BCPS-issued cellular devices. BCPS also revised its Cellular Device Acceptable Use Agreement as of March 28, 2023. This was disseminated to all principals and department heads via a memorandum on May 2, 2023. The policy requires that all personnel who have been issued a BCPS-issued cellular device must complete the Cellular Device Acceptable Use Agreement (use agreement), and the use agreement would need to be re-signed by August 31st of each fiscal year.

The use agreement does not specifically address the deletion of cellular device data. Instead, the use agreement states that the cellular device must not be altered in any way. The disseminated memorandum also advises that users have no expectation of privacy related to the BCPS-issued cellular devices and that all text message data will be archived by BCPS in accordance with Florida's Public Records Act. Per the Information Technology Department, the user department/school is responsible for managing the process/workflow associated with the use agreements and then submitting the forms to the Information Technology Department. CRI obtained the executed use agreements for five of BCPS personnel and Board members previously sampled and reviewed the use agreements for completeness. CRI noted that one use agreement did not have the "SBBC Administrator authorizing" signature, two use agreements were executed after the date of CRI's request and one use agreement was not provided/available. The rate of noncompliance with BCPS' policy related to the use agreement was 80%.

CRI obtained the cell phone records as well as the corresponding archived SMARSH data for certain BCPS employees with BCPS-issued cellular devices for June 2023. CRI subsequently analyzed these cell phone records and compared the cell phone records to the archived SMARSH data to confirm whether or not the data was retained. This data comparison included, but was not limited to, date sent/received, time sent/received, sender, recipient and attachments.

During this comparison, CRI noted that the date/time information extracted from SMARSH was four hours behind the cell phone records. CRI also identified that SMARSH duplicated the data when the sender and the receiver(s) were utilizing BCPS-issued cellular devices. In other words, if Employee A texted Employee B, the same text message would appear twice in the data search for Employee A (with one instance occurring from Employee A's cellular device and one instance occurring from Employee B's cellular device). In other cases, CRI noted that SMARSH may identify a text message as one occurrence, but BCPS' cellular provider may identify the same text message as two or more text messages due to character/carrier limitations. CRI also obtained and reviewed the 92 attachments (i.e., videos, pictures, GIFs, etc.) sent/received by the selected BCPS personnel and Board members and retained in SMARSH for completeness. No discrepancies were noted.

#### 11. No Established Policy Regarding Use of Personal Cell Phone for BCPS Business

Finding Status: Not Resolved X

Finding: Various BCPS board members and department directors utilize personal cell phones for BCPS business. BCPS has not adopted a policy regarding the usage of a personal cell phone for BCPS business by BCPS board members and department directors.

Follow-Up Analysis: As previously indicated, BCPS has implemented SMARSH to retain certain data on BCPS-issued cellular devices. BCPS also revised its Cellular Device Acceptable Use Agreement as of March 28, 2023. This was disseminated to all principals and department heads on May 2, 2023. The policy requires that all personnel that have been issued a BCPS-issued cellular device must complete the Cellular Device Acceptable Use Agreement, and the agreement would need to be re-signed by August 31st of each fiscal year.

It should be noted that the Cellular Device Acceptable Use Agreement appears to only apply to BCPS employees who have a District-issued cellular device. This agreement does not reference employees using their personal cell phones for BCPS business-related use. CRI confirmed that BCPS has not yet adopted a policy regarding the usage of personal cell phones for BCPS business by BCPS board members and department directors.

#### 12. Noncompliance with BCPS Travel Reimbursement Policy

Finding Status: Resolved

Finding: BCPS policies and procedures do not allow the acceptance of travel related expenses by a BCPS vendor or potential vendor. If a trip is deemed necessary/approved, the travel related expenses are to be paid by BCPS and the BCPS vendor or potential vendor may reimburse BCPS for said travel related expenses. PCG directly paid Ms. Rodger for travel expenses related to a conference that Ms. Rodger served as a PCG panelist. This is contrary to BCPS policies and procedures.

*Effect:* Payment/trip is not in compliance with BCPS policies and procedures.

Recommendation: BCPS should review this trip and payment for compliance with policies and procedures and take appropriate actions.

Follow-Up Analysis: CRI confirmed with management that the subject employee has not yet returned to work, and no additional travel payments were made on behalf of the employee. Management also confirmed no additional travel was paid in this manner during the additional review period. Based on the foregoing, no additional analysis was deemed necessary.

#### Additional and/or Continued Findings, Effects and Recommendations

Based on the aforementioned observations and findings, BCPS should consider implementing the following recommendations for improving its internal controls and vendor compliance:

1. Lack of Compliance with the Procurement Rules and Standards in Claiming an Exemption in the Purchase of Goods/Services without Competitive Solicitation (Existing Finding)

Finding: BCPS included three (3) SEPA items in the FY23-256 Agreement that were subsequently determined to be incomplete/undeveloped software after this agreement was approved by the School Board in January 2023. The CIO concurred with CRI that since these SEPA software

modules were being developed by PCG (not completed, copyrighted software), they should not have been included in Agreement FY23-256. Further, the CIO indicated that there was no project charter or inventory of PCG software related to past agreements or the Agreement that identified PCG copyrighted software, including software that was not completed.

Effect: BCPS is not in compliance with BCPS Purchasing Policy 3320, Section II H, and the Department of Education, Rule 6A-1.012 (11)(b), Florida Administrative Code as authorized by Section 1010.04(4)(a), Florida Statutes in claiming an exemption from the competitive solicitations requirement on the basis that the goods/services contained in the PCG Agreement are copyrighted materials, including software and instruction materials.

*Recommendation:* BCPS should remove these three (3) SEPA undeveloped applications from FY23-256 Agreement. Future procurements should separate software development and software application purchases to minimize the risk of non-compliance with competitive solicitation requirements.

Management Response (Responsive Departments include Information Technology Department): Information Technology Department Response:

As the Chief Information Officer of Broward County Public Schools (BCPS), my role in overseeing the contract with PCG was initiated upon the departure of the former Chief Academic Officer. This responsibility was entrusted to me by Dr. Earlean Smiley, the Interim Superintendent of Schools, to ensure the effective management of the PCG Contract.

Upon my review of the FY23-256 Agreement, it was discovered that three software modules included in the contract were in development stages rather than being completed, copyrighted software. This situation was not in compliance with BCPS Purchasing Policy 3320, Section II H, and the Department of Education, Rule 6A-1.012 (11)(b), Florida Administrative Code.

Recognizing the importance of adherence to procurement policies and the integrity of our processes, immediate action was undertaken:

- Collaboration with PCG: I worked closely with PCG to halt the development of the three specified software modules as of June 30, 2023.
- Compliance Measures: Steps have been implemented to ensure full compliance with procurement standards in future agreements and contracts.
- Continuous Monitoring: We have established more rigorous monitoring and review procedures for contracts, especially those involving technological procurement, to prevent recurrence of such issues.

#### 2. Potential Duplicate Costs Presented in Exhibit F of the FY22-001 Agreement (Existing Finding)

Finding: The spending authority of \$8,289,938 submitted with the FY22-001 Agreement by and approved by the Board in the May 18, 2021 meeting appeared to include duplicate costs, as detailed in the Financial Impact Table in the Executive Summary as well as Exhibit F of the FY22-001 Agreement, in the amount of \$675,000. Further, the spending authority request of \$5,929,384 in the June 15, 2021 Board meeting appeared to include duplicate costs, as detailed in the Financial Impact Table in the Executive Summary as well as Exhibit F of the FY22-001

Agreement, in the amount of \$150,000. This finding was subsequently addressed in the Supplemental Memorandum regarding FY22-001 dated January 23, 2023. As part of Procedure 2 of the Supplemental Memorandum, CRI concluded that the 1.1.7 BTA PaperCip (\$150,000) was not a duplicative cost and was the result of a scrivener's error. However, CRI concluded that the 1.1.16 Document Language Translation appeared to be a duplicative cost in the FY22-001 Agreement. The contractual amount was \$675,000 of which the billed amount of \$75,000 appeared to be an overbilling.

*Effect:* The contract amount of \$675,000 may be duplicative and the amount paid through September 13, 2022 was \$75,000.

*Recommendation:* We recommend that management investigate this matter further to determine whether or not Section 1.1.6 Document Language Translation item is duplicative, and if so, management should cancel any applicable purchase order and related invoices issued and obtain a refund for all amounts paid to date.

Management Response (Responsive Departments include Information Technology Department): Information & Technology Division Response:

The CIO was assigned the responsibility for the follow-up issue related to Potential Duplicate costs in Agreement [FY22-001 Agreement, Exhibit F] noted in the forensic examination reports prepared by CRI dated November 3. The following serves as an update to those audits. The District is currently conducting ongoing discussions with Public Consulting Group leadership to come to a mutually agreed resolution to this matter. See Appendix E attached.

**3.** No Established Policy Regarding Use of Personal Cell Phone for BCPS Business (Existing Finding) Finding: Various BCPS board members and department directors utilize personal cell phones for BCPS business. BCPS has not adopted a policy regarding the usage of a personal cell phone for BCPS business by BCPS board members and department directors.

Effect: BCPS may not be in compliance with Florida Statutes regarding public records retention.

Recommendation: BCPS should consider developing appropriate policies and procedures regarding the retention of BCPS business related cell phone text messages, voicemails, etc. that may exist on BCPS board members and department directors' personal cell phones and not captured elsewhere. BCPS should take appropriate actions to retain the appropriate BCPS business related data that may exist on BCPS board members and department directors' personal cell phones.

Management Response (Responsive Departments include Information Technology Department): Information Technology Department Response:

The IT Division has modified the policy language. However, it has not gone to the board for approval as of yet, due to the overall district policy review project. The new policy language will be found in Policy 8500. Additionally, we sent out a Business Practice Bulletin in March 2023.

#### 4. Payment of Uncompleted/Undelivered SEPA Applications (New Finding)

Finding: BCPS partially paid PCG for three (3) SEPA applications in the FY23-256 Agreement that were subsequently determined to be uncompleted software after this agreement was approved by the School Board in January 2023: SEPA Case Administrator Application - \$115,847.42; SEPA Case Manager Application - \$121,934.77; and SEPA Student Application - \$144,793.69. Further, the CIO indicated that there was no project charter or inventory of PCG software related to past agreements or the Agreement that identified PCG copyrighted software, including software that was not completed. The CIO indicated there was an amendment in process to remove these three incomplete/undelivered SEPA applications from the FY23-256 Agreement since BCPS plans to switch vendors and to remove any obligation regarding the remaining respective contract values for these SEPA applications. The CIO also indicated that BCPS agreed to pay PCG for what was determined to be development costs to date for these three applications.

*Effect:* BCPS paid software development costs to PCG for the above three SEPA applications that were not completed/delivered to BCPS totaling \$382,576. Remaining obligations total \$834,711.

*Recommendation*: In addition to removing these SEPA applications from Agreement FY23-256, BCPS should investigate further possible reimbursement of these development costs paid for undelivered, incomplete applications in consultation with Office of the General Counsel.

Management Response (Responsive Departments include Information Technology Department): Information Technology Department Response

Upon reviewing this agreement, it was identified that BCPS had partially paid PCG a total of \$382,576 for these three applications, which were subsequently determined to be incomplete and undelivered as of the contract approval date by the School Board on December 20, 2022. In light of this discovery, I, Chief Information Officer of Broward County Public Schools (BCPS) have been actively engaged in discussions with the Office of the General Counsel and PCG to explore our options and work out an overall settlement with PCG for all outstanding items. PCG has stopped work on these items as of June 30, 2023. Additionally, we are currently processing an amendment to remove these three incomplete applications from the FY23-256 Agreement which we expect to have to the board by May 2024.

#### 5. Item invoiced and paid under wrong Agreement (New)

Finding: BPCS incorrectly paid Invoice 102740 in the amount of \$95,133.50 under PO 7523003187 which was issued under Agreement FY22-001. Invoice 102740 should have been matched and paid under PO 7523007101 which was issued under new Agreement FY23-256.

Effect: BCPS personnel approved and paid PCG for an invoice matched against the wrong PO and contract.

*Recommendation:* BCPS should consider implementing controls to ensure that all BCPS personnel do not allow invoices to be matched and paid against the wrong PO and/or contract.

Management Response (Responsive Departments includes Academics and Finance Department): Finance Department Response

It is a standard procedure that each BCPS location ensures that all invoices submitted are accurately completed, and a proper purchase order is established. The Accounting and Financial Reporting department (AFRD) verifies all appropriate signatures are in place and funds are available in a valid purchase order. As the District continues with the implementation of ARIBA, an implementation team will be reviewing to strengthen procedures on contract approvals and issuance of purchase orders prior to submission of invoices to AFRD for payment.

Office of Academics

See attached Appendix D for Office of Academics Response.

#### 6. Lack of Compliance regarding Use Agreements (New Finding)

Finding: Per BCPS' policies and procedures, all personnel who have been issued a BCPS-issued cellular device must complete the Cellular Device Acceptable Use Agreement (use agreement), and the use agreement would need to be re-signed by August 31st of each fiscal year. The user department/school is responsible for managing the process/workflow associated with the use agreements and then submitting the forms to the Information Technology Department. CRI obtained the executed use agreements for five BCPS personnel and Board members and reviewed the use agreements for completeness. CRI noted that one use agreement did not have the "SBBC Administrator authorizing" signature, two use agreements were executed after the date of CRI's request and one use agreement was not provided/available. The rate of noncompliance with BCPS' policy related to the use agreement was 80%. BCPS is not ensuring that all employees have executed Cellular Device Acceptable Use Agreement as required by its new policy adopted in May 2023.

*Effect:* BCPS personnel may not be in compliance with BCPS policies and procedures. BCPS personnel may not be aware of BCPS policies and procedures related to cellular devises.

Recommendation: BCPS should consider implementing controls to ensure that all BCPS personnel have executed the Cellular Device Acceptable Use Agreement as required and that these use agreements are retained.

Management Response (Responsive Departments include Information Technology Department): Information Technology Department Response:

Addressing the recent finding of non-compliance with Cellular Device Acceptable Use Agreements within Broward County Public Schools (BCPS), I would like to emphasize the importance of adherence to policy for the integrity and security of our technology use. Traditionally, user departments have been responsible for ensuring compliance with these agreements. However, it has become clear that a more centralized approach is needed to effectively manage this process. As the Chief Information Officer, I am committed to addressing this issue head-on. We are currently in the process of acquiring a comprehensive software solution designed specifically to manage and track compliance with use agreements. This software will allow for a centralized inventory of all cellular devices and their corresponding use agreements, providing a clear and streamlined process for monitoring and ensuring compliance. Additionally, the Information

Technology Division will be taking on the responsibility of overseeing this process. This shift from departmental to central management under the IT Division is a strategic move to enhance oversight, improve efficiency, and ensure full compliance with our policies. We recognize the significance of keeping pace with policy requirements and are dedicated to implementing robust systems that support our staff and uphold the highest standards of operational integrity. This proactive approach demonstrates our commitment to not only address current compliance issues but also to prevent future lapses, ensuring that BCPS remains a leader in responsible and secure technology use.

#### **Conclusion**

Based upon the foregoing information, BCPS has made significant improvements in its contract management processes, internal controls, training and communication. BCPS should consider implementing additional processes/controls related to the five (5) continued/new findings within this report. This includes findings related to compliance with procurement policies, cellular policies, potential payment recovery, the issuance of purchase orders, the allocation of goods/services to the proper agreement and accurately calculating the spend authority for its agreements. BCPS should also provide a definition for "Educational Services" included in the BCPS management's proposed revision to Purchasing Policies 3320, Section H - i.e. Purchasing Policy 3800, Section D (redlined, draft form).

**Supplementary Information** 





Rob Broline, CPA, CCA
Partner in the Consulting and Internal Audit Services Group
(321) 426-3026 phone RBroline@CRIcpa.com

#### Experience

Rob has over twenty years of proven skills and experience in public accounting. Industries served include the following: K-12, Higher Education, State and Local government, Hospitality, Healthcare, Construction, and Commercial. Rob specializes in entity-wide risk assessments, process risk / controls assessments, internal audits, operational audits, construction cost audits and forensic reviews. He also has experience providing these same services to private sector clients including entities in the construction, manufacturing and consumer products industries.

In addition to BCPS, Rob has provided internal and operational audits as well as various consulting services to various other Florida School Boards, including Brevard County, Lake County, Manatee County, Miami-Dade County, Monroe County, Osceola County, Palm Beach County, Seminole County and Sarasota County, Rob is also the engagement lead in providing internal and operational audits for the Brevard County of Commissioners. Areas include, but are not limited to: Purchasing and Procurement, Time-Keeping and OT, Payroll, Human Resources, Finance, Public Works, Facilities (major and minor CIP projects), Talent Management - Recruiting, Hiring, Onboarding, Off Boarding, Public Records, Vendor Contract Compliance and Management.

Rob has spoken at such notable places as the Florida Educational Facilities Planners Association Conference, the Florida Government Finance Officers Association Conference, the Government Finance Officers National Conference, the Florida Association of School Business Officials Conference and local chapters of the IIA.

#### **Education, Licenses & Certifications**

- BA, Accounting, Cedarville University
- Master's, Reformed Theological Seminary
- Master's, Pittsburgh Theological Seminary
- Certified Public Accountant (CPA)
- Certified Construction Auditor (CCA)

#### **Professional Affiliations**

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Institute of Internal Auditors (IIA)
- National Association of Construction Auditors (NACA)
- Speaker Florida Government Finance Officers Association
- Speaker Government Finance Officers Association National Conference





Ben Kincaid, CPA, CFE, CFF, CVA
Partner in the Forensic, Litigation and Valuation Services Group
(850) 837-3141 phone

| BKincaid@CRIcpa.com

#### Experience

Known for his data analytics and translating the data into defensible, investigative results, Ben Kincaid has over 11 years of experience in providing forensic accounting, litigation support and business valuation services across CRI's footprint. These services have included investigating compliance, employee malfeasance, hidden asset schemes, breach of contract claims, business interruption loses, economic damages, due diligence and valuation disputes. Ben has provided these services to a wide range of clients and industries; such as, state, county and local governments as well as private companies, non-profit organizations and publicly traded companies.

Ben speaks regularly on the topics of fraud prevention, fraud detection and business valuations. Ben has also worked with various law firms and law enforcement on civil and criminal matters and presented findings to various law enforcement agencies including the FBI, FDLE, DOJ and GBI. Ben also provides expert witness services and has qualified as an expert witness in various state courts. Ben is a graduate from Pensacola Christian College with a Bachelor of Science Degree in Business with a double concentration in Accounting and Finance. Ben has served on the FICPA's Valuation, Forensic Accounting and Litigation Committee.

#### **Education, Licenses & Certifications**

- BS, Business, Pensacola Christian College
- Certified Public Accountant (CPA) Indiana and Florida
- Certified Fraud Examiner (CFE)
- Certified Valuation Analyst (CVA)
- Certified in Financial Forensics (CFF)

#### Professional Affiliations/Awards

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Association of Certified Fraud Examiners (ACFE)
- National Association of Certified Valuators and Analysts (NACVA)
- 2021 AICPA Forensic and Valuation Services Standing Ovation Award Recipient





Kayla Spellman, CPA
Senior Manager in the Consulting and Internal Audit Services
Group
(321) 426-3013 phone

KSpellman@CRIcpa.com

#### Experience

Kayla is a Florida CPA and has over a decade of experience in audit, IT audit, and consulting. She began her career as an IT auditor for the Florida Auditor General and has also worked for the University of Florida Inspector General/Internal Auditor, and Carr, Riggs & Ingram. She performs IT audit as well as risk and controls assessments, internal and operational audit, single audit, and investigations.

Kayla has experience in IT compliance/audit, security, risk analysis, disaster recovery, system implementation and data migration. Her focus is partnering with clients to identify and achieve their priorities. With every project, her goal is to help clients optimize IT security, system availability, efficiency, and compliance across their organization.

#### Education, Licenses & Certifications

- MS, Decision Information Science, University of Florida
- MAcc, University of Florida
- BBA, Accounting, University of North Florida
- Certified Public Accountant in Florida

#### Professional Affiliations/Awards

- American Institute of Certified Public Accountants (AICPA)
- Institute of Internal Auditors





Donna Melillo, CPA, CFE

Manager in the Forensic, Litigation and Valuation Services Group
(850) 837-3141 phone

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#### Experience

Donna Melillo has over six years of experience in forensic accounting and consulting services. Her forensic experience includes investigating employee malfeasance, breach of contract claims, grant compliance, digital forensic investigations, business valuations and divorce litigation assistance.

Donna specializes in forensic accounting, fraud detection, and fraud prevention. She has extensive experience performing forensic investigation and consulting services for a wide variety of clients including for-profit, nonprofit, and local governments. She has also provided internal control consulting to clients.

#### Education, Licenses & Certifications

- BS, Accounting, University of West Florida
- BS, Mathematics Education, Pensacola Christian College
- BS, Business Education, Pensacola Christian College
- Certified Public Accountant (CPA) Florida
- Certified Fraud Examiner (CFE)

#### **Professional Affiliations**

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Association of Certified Fraud Examiners (ACFE)



We reviewed and relied upon the following documentation during our consulting analysis:

- BCPS Purchasing Policy 3320;
- Rule 6A-I.012 11(b), Florida Administrative Code;
- PWS Department Directory and Commodity List;
- PWS Standard Work Definitions;
- PWS Procurement Process Outline;
- PWS Contract Renewal Standard Operating Procedure;
- PWS RFP Standard Operating Procedures;
- PWS Procurement Overview Standard Operating Procedure;
- PWS Procurement Operational Procedures;
- Agreement FY22-001 dated July 1, 2021;
- Agreement FY23-256 dated January 14, 2023;
- BCPS Meeting Agendas, Minutes and Videos related to Agreement FY23-256;
- BCPS Agenda Request Forms, Executive Summaries and Contract termination related to Agreement FY22-001;
- BCPS Agenda Request Forms, Executive Summaries related to Agreement FY22-001;
- BCPS Purchase Orders related to Agreement FY22-001 during the review period;
- BCPS Purchase Orders related to Agreement FY23-256 during the review period;
- BCPS payment data related to PCG during the review period for Agreement FY22-001;
- BCPS payment data related to PCG during the review period for Agreement FY23-256;
- BCPS Memorandum dated May 2, 2023 regarding District Issued Cellular Devices;
- Grant agreements related to funding for Agreement FY22-001;
- Select SMARSH data including attachments;
- Select BCPS cell phone bills;
- Select Cellular Device Acceptable Use Agreements;
- Documentation supporting updated management responses;
- CRI Forensic Examination Report of Agreement FY22-001; and
- Supplemental Memorandum regarding Agreement FY22-001.

# Broward County Public Schools Agreements FY22-001 and FY23-256

Follow-up Consulting Analysis Supplementary Information Appendix C – Funding Sources Summary

|         |                                   | Federal Awards Used As Payment Source for FY22-001 Agreement  | nt Source f    | or FY22-001                                 | . Agreement                        |  |           |
|---------|-----------------------------------|---|----------------|---|------------------------------------|--|-----------|
| As<br>L | Assistance<br>Listing<br>Number** | Allowable Activities<br>(Compliance Supplement 2023)  | Total<br>Award | Award Funds<br>Allocated to<br>the Contract | Project No.<br>(Purchase<br>Order) | Purchase<br>Order<br>Description &<br>Services   | PO Amount |
| ı oö    | 84.367A                           | The objective of the program is to provide funds to local educational agencies (LEAs) to: (1) increase student achievement consistent with the challenging state academic standards, (2) improve the quality and effectiveness of teachers, principals, and other school leaders who are effective in improving student academic achievement in schools, and (4) provide low-income and minority students greater access to effective teachers, principals, and other school leaders. Allowable activities include:  • Providing professional development to teachers, instructional leadership teams, principals, or other staff focused on improving teaching and student learning and achievement.  • Developing and implementing initiatives to recruit, hire, and retain teachers, principals, and other school leaders.  • Carrying out initiatives that provide teacher, paraprofessional, principal, or other school leader advancement and professional growth, and an emphasis on leadership opportunities, multiple career paths, and pay differentiation. | \$13,480,152   | \$50,000                                    | 060-2242B-2CT01<br>(7522005513)    | PCG<br>Leadership<br>Subscription<br>PCG Module:<br>2.1.1.1.<br>Leadership<br>Playbook | \$50,000  |

# Broward County Public Schools Agreements FY22-001 and FY23-256 Follow-up Consulting Analysis Supplementary Information

Appendix C – Funding Sources Summary

|                                      |  | PO<br>Amount   | \$725,000   | \$2,685,440   | \$207,560   |
|--------------------------------------|--|--|---|---|---|
| Appendix C - runding sources summary |  | Purchase Order<br>Description &<br>Services          | PCG Module:<br>2.1.2.1.<br>Courageous<br>Conversations<br>About Race  | University Instructors PCG Modules: 4.1 - TutorED Virtual Tutoring & 4.2 - TutorEd In- person Tutoring & Interventions 4.6 - Program logistics & Accountability 4.7 - Program Design, Coordination & Management 4.8 - Education Recovery Center of Operations 4.9 - Bank Services   | Electronic Health<br>Record Module<br>Subscription<br>PCG Module:   |
|                                      | ment   | Project No.<br>(Purchase<br>Order)                   | 060-2412A-2C001<br>7522005399   | 060-1240A-1C001<br>7522002277   | 060-1241E-1CR01<br>7522005373   |
| Albeilaide                           | zz-uut Agree   | Award<br>Funds<br>Allocated<br>to the<br>Contract    | \$725,000*  | \$2,857,190   | \$207,560   |
| VE was common to                     | int source for Fr  | Total Award  | \$9,063,000   | \$61,986,936  | \$182,383,670   |
|                                      | rederal Awards Osed As Payment Source for F122-001 Agreement | Allowable Activities<br>(Compliance Supplement 2023) | LEAs may use funds for a broad span of activities designed to improve student academic achievement by improving conditions for learning in three areas: well-rounded education, safe and healthy students, and effective use of technology. | The objective of the ESSER Fund is to provide State educational agencies (SEAs) and LEAs with emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools across the nation. Allowable activities include:  • Purchasing educational technology (including hardware, software, and connectivity) for students who are served by the LEA that aids educational interaction between students and instructors, including low-income students and students with disabilities, which may include assistive technology or adaptive equipment.  • Activities to address the unique needs of low-income children or students, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and foster care youth. | <ul> <li>Addressing learning loss among students,<br/>including low-income students, children with<br/>disabilities, English learners, racial and ethnic</li> </ul> |
|                                      |  | Assistance<br>Listing<br>Number**                    | 84.424  | 84.425D   | 84.425D   |
|                                      |  | Federal  | Title IV,<br>Part A   | ESSER I   | ESSER II  |
|                                      |  | Federal<br>Program                                   | Student Support and Academic Enrichment   | Elementary<br>and<br>Secondary<br>School<br>Emergency<br>Relief<br>(ESSER)<br>Fund***   |   |

# **Broward County Public Schools** Agreements FY22-001 and FY23-256 Follow-up Consulting Analysis Supplementary Information

Appendix C – Funding Sources Summary

|    |           |                |  |                |            | 5               |                   |             |
|----|-----------|----------------|--|----------------|------------|-----------------|-------------------|-------------|
|    |           |                | minorities, students experiencing homelessness,                    |                |            |                 | 1.1.13 Electronic |             |
|    |           |                | and children and youth in foster care.                             |                |            |                 | Health Record     |             |
|    |           |                | <ul> <li>Providing mental health services and supports.</li> </ul> |                |            |                 | Module            |             |
|    |           |                | Other activities that are necessary to maintain                    |                |            |                 | University        |             |
|    |           |                | the operation or and continuity or services in                     |                |            |                 | Instructors –     |             |
|    |           |                | LEAS and continuing to employ existing start of<br>the LEA.        |                |            |                 | Tutoring          |             |
|    |           |                |  |                |            |                 |                   |             |
|    |           |                |  |                |            |                 | PCG Modules:      |             |
|    |           |                |  |                |            |                 | 3.7. SEPA         |             |
|    |           |                |  |                |            |                 | Achievement       |             |
|    |           |                |  |                |            |                 | Assertion         |             |
|    |           |                |  |                |            |                 | 4.1. TutorEd™     |             |
| Am | American  |                |  |                |            |                 | Virtual Tutoring  |             |
| ď  | Rescue    | 1167 70        | 7.3  | \$ 162 070 000 | 0000000    | 060-1211A-2C001 | 4.2- TutorEd In-  |             |
|    | Plan      | 04:470         |  | 402,070,000    | 52,000,200 | 7522006830      | person Tutoring & | \$1,876,255 |
| ES | ESSER III |                |  |                |            |                 | Interventions     |             |
|    |           |                |  |                |            |                 | 4.6. Program      |             |
|    |           |                |  |                |            |                 | Logistics &       |             |
|    |           |                |  |                |            |                 | Accountability    |             |
|    |           |                |  |                |            |                 | 4.7. Program      |             |
|    |           |                |  |                |            |                 | Design,           |             |
|    |           |                |  |                |            |                 | Coordination &    |             |
|    |           |                |  |                |            |                 | Management        |             |
|    |           |                |  |                |            |                 | 4.9. Bank of      |             |
|    |           |                |  |                |            |                 | Services          |             |
| ÷  | 6,040,10  | SIST OF STREET | Total Federal Assessed 14:11:00 CV3 000                            |                |            |                 |                   |             |
| 5  | al reuera | al Awards Oull | Zed 101 F122-001   |                |            |                 |                   | \$5,544,255 |
|    | 1         |                |  |                |            |                 |                   |             |

<sup>\*</sup> Initially \$700,000 of award funds was allocated to module 2.1.2.1. Based on correspondence with the grantor, additional monies were subsequently approved for this module.

<sup>\*\*</sup> The Assistance Listing Number (ALN) is a numeric code assigned to federal award programs that provide grants, loans, scholarships, insurance, and other types of assistance.

<sup>\*\*\*</sup>ESSER Awards – The three ESSER awards were grouped together since the program allowable activities are the same.

<sup>\*\*\*\*</sup>Program Number corresponds to the grant award document for the respective Federal Fund.

## **Broward County Public Schools Agreements FY22-001 and FY23-256**

#### Follow-up Consulting Analysis Supplementary Information Appendix D – Office of Academics Management Response



Office of Academics
Saemone Hollingsworth, Chief Academic Officer
600 Southeast Third Avenue

Fort Lauderdale, FL 33301 phone: 754-321-2618

saemone.hollingsworth@browardschools.com https://www.browardschools.com/domain/12424 The School Board of Broward County, Florida

Lori Alhadeff, Chair Debra Hixan, Vice Chair

> Torey Alston Brenda Fam, Esq. Daniel P. Foganholi Dr. Jeff Holness Sarah Leonardi Nora Rupert Dr. Allen Zeman

Dr. Peter B. Licata Superintendent of Schoo

February 1, 2024

TO: Joris Jabouin, Chief Auditor

Office of the Chief Auditor

FROM: Saemone Hollingsworth

Chief Academic Officer

SUBJECT: OFFICE OF ACADEMICS AUDIT FINDING

This memo is in response to an Audit finding that occurred prior to my appointment as the Chief Academic Officer as of July 1, 2023. The Purchase Order in question will remain open until the Contract expires. The District is working with the company, PCG, to extend the contract through September 1, 2024, to ensure there is continuity with Individualized Education Plans throughout the summer and during the transition period to a new Student Information System.

To address the issue the following procedures will be implemented and reviewed with the Office of Academics Directors and Executive Directors.

When a Purchase Order is required the -

- The Office of Academics staff will work with Procurement to ensure there is a contract/agreement and the purchase order meets the requirements of the contract/agreement.
- Procurement will provide the Purchase Order for the contract/agreement with the services that will be rendered and the amount of funds allocated for the services.
- The Office of Academics staff will engage with the Vendor on the services and will not allow services to be provided prior to the Purchase Order being issued.

## **Broward County Public Schools Agreements FY22-001 and FY23-256**

#### Follow-up Consulting Analysis Supplementary Information Appendix D – Office of Academics Management Response





SUBJECT: OFFICE OF ACADEMICS AUDIT FINDING

PAGE: 2

- The Office of Academics staff will work with Finance on monitoring the amount of the Purchase Order and that services will not exceed the awarded funding amount.
- The Office of Academics staff will monitor the awarded funding amount to ensure services cease when the amount has been depleted.

These procedures will be shared and communicated with the Office of Academics team verbally and in writing.

If I can be of further assistance, please do not hesitate to contact me.

Sincerely,

Saemone Hollingsworth Chief Academic Officer

## **Broward County Public Schools Agreements FY22-001 and FY23-256**

#### Follow-up Consulting Analysis Supplementary Information Appendix E – Information & Technology Division Management Response



#### INFORMATION & TECHNOLOGY DIVISION

#### DR. JOSIAH J. PHILLIPS CHIEF INFORMATION OFFICER

January 26, 2024

TO: Joris Jabouin, Chief Auditor

Chief Auditor Office

FROM: Dr. Josiah J. Phillips, Chief Information Officer

Chief Information Office

SUBJECT: ADDRESSING AUDIT FINDINGS FOR CRI FORENSIC EXAMINATION REPORT

My office was assigned the responsibility for the follow up issue related to the Potential Duplicate Costs in Agreement noted to the forensic examination reports prepared by CRI dated November 3. The following serves as an update to those audits.

#### Broward County Public Schools FY22-001- Education Case Management Software

Potential Duplicate Costs in Agreement:

The district is currently conducting ongoing discussions with Public Consulting Group leadership to come to a mutually agreed resolution to this matter.