

Miami-Dade County Public Schools



Internal Audit Report

Audit of the Purchasing Card (P-Card) Process at Non-School Site Departments *(Other Than School Board Members and Their Direct Reports)*



No evidence of material fraud, waste, or abuse was found in the P-Card expenditures testing at non-school site departments for the period tested. The audit disclosed instances of non-compliance with relevant policies and procedures and identified certain processes/controls needing improvement.

July 2024

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

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Miami-Dade County Public Schools

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July 15, 2024

The Honorable Chair and Members of The School Board of Miami-Dade County, Florida
Members of The School Board Audit and Budget Advisory Committee
Dr. Jose L. Dotres, Superintendent of Schools

Ladies and Gentlemen:

We performed an Audit of the Purchasing Card (P-Card) Process at Non-School Site Departments in accordance with the modified Audit Plan for the 2023-2024 Fiscal Year. The Audit Plan was modified as a result of a Board Agenda item, proffered by the School Board Chair and unanimously co-sponsored and approved on January 17, 2024, that directed the Chief Auditor to adjust the current annual audit plan for 2023-2024 and prioritize the audit of the P-Card process during this school year. This audit was previously scheduled for the 2024-2025 school year.

The objective of this audit was to assess compliance with applicable P-Card laws, policies and procedures in place during the audit period, and to make recommendations for improved efficiency, effectiveness and compliance. The audit scope for purchasing compliance covered non-school site P-Card transactions for the period of July 1, 2021 to January 31, 2024. Other audit tests and procedures were applied to the 2023-2024 fiscal year.

We found no evidence of material fraud, waste, or abuse in our P-Card expenditures testing at non-school site departments for the period tested. However, the audit disclosed instances of non-compliance with relevant policies and procedures and identified certain processes/controls needing improvement.

We would like to thank the management and staff of the Accounts Payable P-Card Department and various other offices for their cooperation and courtesies extended to our staff during this audit.

Sincerely,

Jon Goodman, CPA, CFE
Chief Auditor

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EXECUTIVE SUMMARY

Miami-Dade County Public Schools (M-DCPS) established the P-Card program in 1997 to enable authorized District employees to purchase small dollar goods and services through a more efficient process. The P-Card program is governed by a Purchasing Card Program Policies and Procedures Manual (P-Card Manual) and is an extension of School Board Policy 6320 – Purchasing and School Board Policy 6424 – Purchasing Cards.

A new system platform, SAP Concur, was purchased by the District in October 10, 2023, and implemented effective June 1, 2024. SAP Concur is currently being used by the District's P-cardholders to reconcile each of the purchases/transactions made on their bank P-Cards by uploading the related support documents to include the *Purchase Authorization Form* (FM-5707), required quotes or bid documentation, invoice(s), and any other necessary documentation.

Following a joint investigation conducted by the M-DCPS Office of the Inspector General (OIG) and the Miami-Dade State Attorney's Office involving Purchasing Card and Travel Card alleged fraud by a former M-DCPS School Board member, current School Board Chair Maria Teresa Rojas proffered Good Cause Item H-2 Revised 2, which was unanimously co-sponsored and approved by all School Board members. This agenda item, among other actions, directed the Superintendent of Schools to take immediate action regarding various aspects of the P-Card and Travel Card, to include reviews of procedures, policy revisions and/or recommendations. The agenda item also directed the Chief Auditor to adjust the current annual audit plan for 2023-2024 and prioritize the audit of the P-Card process during this school year. This audit was previously scheduled for the 2024-2025 school year.

The objective of the audit was to assess compliance with applicable P-Card laws, policies and procedures in place during the audit period, and to make recommendations for improved efficiency, effectiveness and compliance.

The audit scope for purchasing compliance covered P-Card transactions for non-school site departments (other than School Board members and their direct reports) for the period of July 1, 2021, to January 31, 2024. Other audit tests and procedures were applied to the 2023-2024 fiscal year.

The audit resulted in five findings and 11 corresponding recommendations highlighted as follows:

FINDING 1 RESULTS OF P-CARD EXPENDITURES TESTING

We found no evidence of material fraud, waste, or abuse in our P-Card expenditures testing. However, the audit testing disclosed instances of non-compliance with relevant policies and procedures.

At one location of the 23 tested, the original documentation was not provided to the auditor. Instead of original documents, the auditor was provided copies and, in some instances, documents needed to be reconstructed. With the implementation of SAP Concur, P-Card documents should be archived electronically and additionally follow the State of Florida General Records Schedule and M-DCPS policy for managing public records. (Please see page 9.)

FINDING 2 MANAGEMENT OVERSIGHT NEEDS IMPROVEMENT OVER CREDIT LIMIT INCREASES AND P-CARD UTILIZATION

The Accounts Payable P-Card Department, and those assigned with P-Card related duties, must ensure rigorous monitoring and oversight of the P-Card credit limit increases and P-Card utilization. As required by the P-Card Manual, the Accounts Payable P-Card Department must conduct a periodic review of the number of cardholders and usage. This review should be of all P-cardholders, regardless of the P-cardholder's position or title. (Please see page 12.)

FINDING 3 OPPORTUNITIES EXIST TO IMPROVE THE P-CARD CANCELLATION PROCESS

The Administration must ensure there is a system in place that timely reports a change in employment status for P-cardholders that promotes the timely closing of P-Card accounts in accordance with existing applicable P-Card policy and procedures. Since there is reliance among departments in this process, the District would benefit greatly with the integration and interconnectivity between the various SAP modules/platforms (For example, between SAP HCM used by the Office of Human Capital Management and SAP Concur for P-Card processes). (Please see page 17.)

FINDING 4 IMPROVEMENTS NEEDED IN LEVERAGING TECHNOLOGY INVOLVING P-CARD RELATED PROCESSES/SYSTEMS

District staff involved in the implementation process should immediately communicate with SAP Concur staff to confirm and understand the SAP Concur data analytics and reporting capabilities available to the District, including any custom report services offered and end date of said services. The District should leverage SAP Concur technology to generate useful, standard reports or carefully designed custom reports that can assist District management in efficiently analyzing and monitoring P-Card utilization, identifying split transactions or other non-compliance, and generating spending reports. (Please see page 20.)

FINDING 5 SECONDARY REVIEW/APPROVAL OF P-CARD TRANSACTIONS ABSENT FOR SCHOOL SITE ADMINISTRATORS

Upon our office's review of updated District policies, procedures, forms, and directives from the School Board and Administration, it came to our attention that a secondary review/approval control for school site administrators has not been implemented.

With the implementation of SAP Concur effective June 1, 2024, where approvals occur electronically within this system platform, the second layer of review/approval is not required for school sites, specifically for school administrators.

All school site administrators' P-Card reconciliations, transactions, and all relevant documentation should be subject to improved internal controls and a second layer of review/approval. (Please see page 22.)

Management's responses to the findings (and recommendations) are included on pages 9 through 23 following each individual finding, and in memorandum format as received by our office starting on page 24.

BACKGROUND

Miami-Dade County Public Schools established the P-Card program in 1997 to enable authorized District employees to purchase small dollar goods and services through a more efficient process. The P-Card program is governed by a Purchasing Card Program Policies and Procedures Manual (P-Card Manual) dated March 2022, and as noted in the P-Card Manual, the P-Card is an extension of School Board Policy 6320 – Purchasing and School Board Policy 6424 – Purchasing Cards.

The P-Card Manual provides a list of allowed and disallowed items when using the P-Card. Allowable items include those associated with the day-to-day operations of the worksite and items associated with Curriculum and Instructional Support. Items disallowed include Furniture, Fixture & Equipment (FF&E) unit priced items greater than \$999.99, items procured by Stores & Mail Distribution (S&D), rental agreements/maintenance repairs above \$999.99, travel, registration, hospitality, decorations, personal items, awards, utilities and telephone expenses.

The P-Cards have single transaction limits, daily spending limits, number of daily transaction limits, and monthly purchasing limits. Limits are defined by the worksite groups. Non-school site location monthly limits are typically \$6,000. In some instances, P-cardholders may request higher limits due to the amount of spending required in their location. A *Limit Increase Request Form* (FM-7476) is used to request credit limit increases for a specific period of time not to exceed one year.

The P-Card is not intended to circumvent purchasing rules and procedures. It is designed to streamline the purchase process for purchases generally less than \$3,000 and reduce the use of purchase orders.

The P-Card program is administered by the Accounts Payable P-Card Department. Their responsibilities include processing the Purchasing Cardholder Set-Up Form, coordinating the issuance of cards, processing credit limit increase requests with the bank (JP Morgan), providing training to new P-cardholders, cancelling credit cards, approving monthly P-Card journal vouchers, and providing daily assistance to P-cardholders.

The P-Card program provides credit cards to certain employees and is intended for official Miami-Dade County Public Schools (M-DCPS) business purposes only. In order to receive a P-Card, an employee must attend training and sign a user agreement form before a card is issued. The P-cardholder assumes the responsibility for the protection and proper use of their P-Card.

Misuse of the P-Card can result in loss of card privileges, disciplinary action up to and including termination, personal responsibility for inappropriate charges and/or referral to law enforcement authorities for prosecution.

Each worksite participating in the P-Card program will have a P-Card Administrator to manage the card program, someone to initiate P-Card purchases, an individual to download the monthly P-Card statement, and someone to reconcile the monthly P-Card statement that will generate the journal voucher. This represents the process for the period under audit.

Beginning in January 2024, the P-Card process has undergone significant changes, specifically the various aspects of the reconciliation, to include the submission of documents, review, and

approval. However, this audit tested compliance of the policies and practices in place prior to these changes.

Following a joint investigation conducted by the M-DCPS Office of the Inspector General (OIG) and the Miami-Dade State Attorney's Office involving Purchasing Card and Travel Card alleged fraud by a former M-DCPS School Board member and Vice-Chair, the following actions were immediately taken by the School Board and Administration.

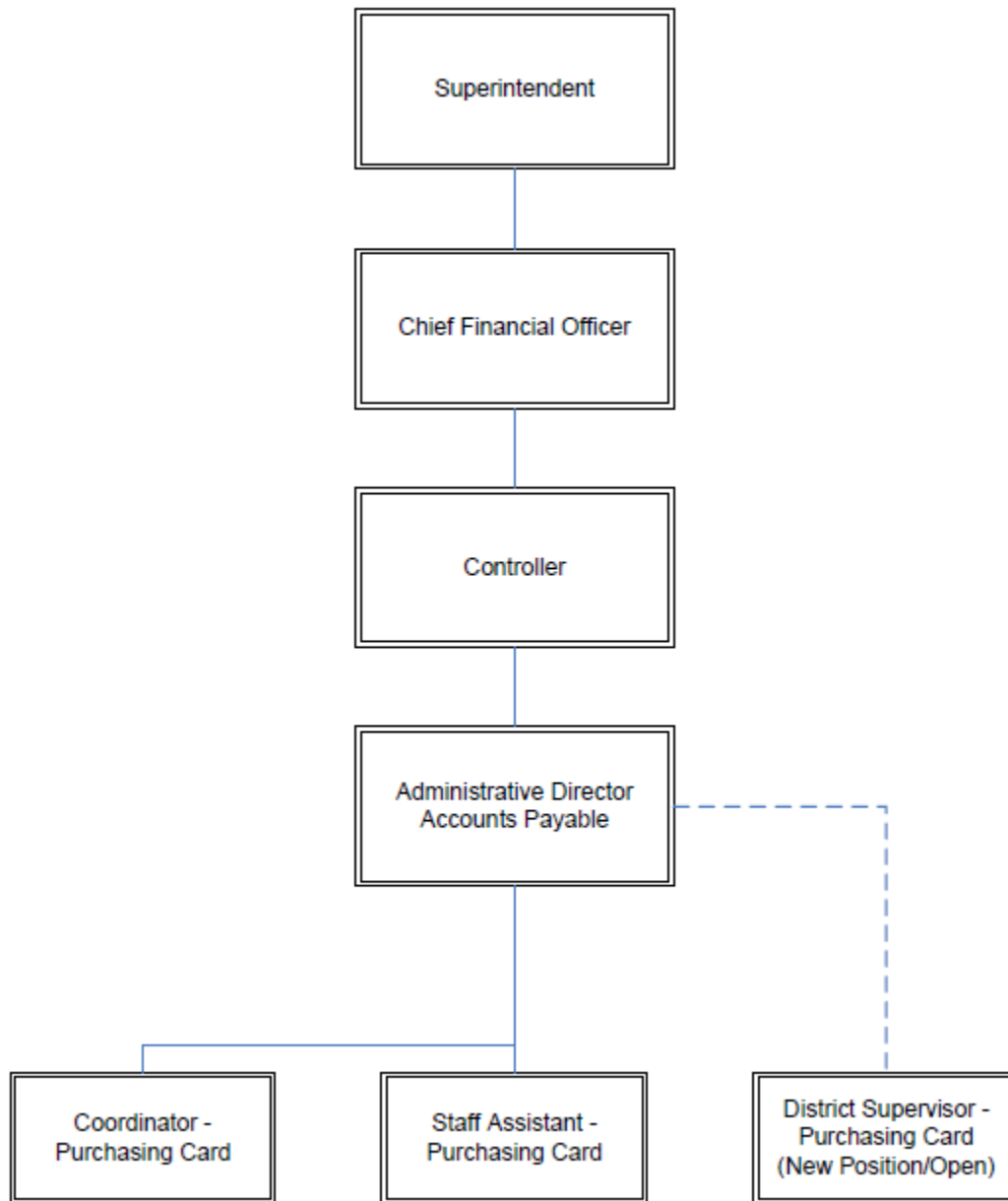
At the School Board Meeting of January 17, 2024, School Board Chair Maria Teresa Rojas proffered Good Cause Item H-2 Revised 2, which was unanimously co-sponsored and approved by all School Board members. This agenda item, *Immediate Review and Audit of Purchasing Procedures Related to Pcard and Travel Card Expenditures in Miami-Dade County Public Schools, including the Offices of School Board Members, and Support Further Review/Audits by the Office of the Inspector General*, among other actions, directed the Superintendent of Schools to take immediate action regarding various aspects of the P-Card and Travel Card, to include reviews of procedures, policy revisions and/or recommendations. The agenda item also directed the Chief Auditor to adjust the current annual audit plan for 2023-2024 and prioritize the audit of the P-Card process during this school year. This audit was previously scheduled for the 2024-2025 school year.

Pursuant to Good Cause Item H-2 Revised 2, on January 24, 2024, the Superintendent of Schools transmitted a memorandum with the subject, *Update Regarding P-cards and Travel Cards*¹, in which he directed the Superintendent's Chief of Staff and District's Chief Financial Officer to have final review of any Purchasing Card (P-Card) or Travel Card spending limit increases. Following this directive, on January 31, 2024, Weekly Briefing ID # 41176 was issued by Accounts Payable. The briefing provided a brief summary of the revisions and attached two revised forms. It provided a revised *Purchasing Card Program Monthly Reconciliation Work Sheet* [FM-5828] which included a second layer of review/approval for District work locations only by the P-Card Administrator's immediate supervisor. The briefing also provided a revised *P-Card Limit Increase Request Form* (FM-7476) which introduced an additional verification of available funds by Accounts Payable, and review and approval by both the Superintendent's Chief of Staff and Chief Financial Officer prior to a P-Card credit limit increase being granted.

At the School Board Meeting of February 13, 2024, Board Member Danny Espino proffered agenda item H-8 Revised 2, *Enhancement to P-card and Travel Card Policy*, which directed the Superintendent and General Counsel to initiate rule-making procedures to, where appropriate, codify many of the new procedures above within School Board policy. The revisions and codifications made were first presented to the School Board at the meeting on April 17, 2024, and were submitted and amended by the School Board at the meeting on June, 18, 2024.

¹ The Superintendent also instructed the Chief Financial Officer to assign an Accounts Payable staff member to review the P-Card and Travel expenditures, including all the required documentation and credit card reconciliations, for the School Board Members, the General Counsel, the Chief Auditor, the Superintendent, and the Chief of Staff. Following this review, the Chief Financial Officer will approve the reconciliations. As P-Card and/or Travel Card usage are being reviewed by the Office of the Inspector General for these offices, the status of this directive was outside the scope of this audit. A new SAP module for P-Cards, representing an overhaul of the paper-form expenditures and reconciliation system, was also among the actions taken.

PARTIAL ORGANIZATIONAL CHART



- - - In accordance with the Superintendent's directive on January 24, 2024, the Accounts Payable P-Card Department will be adding an additional staff member to review the P-Card and travel expenditures, including all the required documentation and credit card reconciliations, for the School Board Members, the General Counsel, the Chief Auditor, the Superintendent, and the Chief of Staff. According to the job description, this District Supervisor will also perform other Accounts Payable Department duties. As of the end of our audit fieldwork, this new position remains open, and advertising is to continue through the end of June.

OBJECTIVES, SCOPE AND METHODOLOGY

We performed this audit in accordance with the revised 2023-2024 Fiscal Year Audit Plan. The audit was originally planned for the 2024-2025 fiscal year but was immediately prioritized for this fiscal year as a result of the Board Agenda Item Good Cause H-2 Revised 2.

The objective of the audit was to assess compliance with applicable P-Card laws, policies and procedures in place during the audit period, and to make recommendations for improved efficiency, effectiveness and compliance.

The audit scope for purchasing compliance covered P-Card transactions for non-school site departments (other than School Board members and their direct reports) for the period of July 1, 2021, to January 31, 2024. Other audit tests and procedures were applied to the 2023-2024 fiscal year.

Audit procedures included:

- Reviewed applicable policies, procedures, forms and best practices;
- Interviewed various staff of the Accounts Payable P-Card Department, Procurement Management Services, Office of Economic Opportunity and departments selected for testing;
- Obtained an understanding of the P-Card program;
- Examined on a sample basis monthly P-Card statement transactions for compliance requirements;
- Reviewed cardholders for P-card training and termination/separation information;
- Reviewed the P-Card credit limit increase request for reasonableness and proper approval;
- Examined P-Card accounts for activity/usage;
- Attended M-DCPS SAP/Concur weekly virtual meetings to obtain an understanding of the new process;
- Communicated with P-Card bank representatives and the third party vendor leading the SAP Concur implementation;
- Performed various other audit procedures as deemed necessary.

As of February 2024, the population of P-Cards included in our audit procedures was 116 P-Card accounts for non-school sites.² For these P-Card accounts, the following two tables provide further detail regarding their respective credit limits and departments.

² This excludes P-Cards issued to School Board Members, Office of the Superintendent, Office of Management and Compliance Audits and Office of the General Counsel.

Table 1 below shows monthly spending limits for the 116 P-Cards for these non-school sites.

Table 1 – Number of P-Cards by Credit Limits– February 2024			
Monthly Credit Limits	No. of P-Cards	Monthly Credit Limits	No. of P-Cards
\$500	11	\$10,100	1
\$1,000	3	\$15,000	4
\$3,000	4	\$20,000	1
\$5,000	3	\$25,000	3
\$5,500	3	\$40,000	2
\$6,000	66	\$50,000	7
\$9,000	1	\$60,000	1
\$10,000	4	\$75,000	2

Table 2 below shows the 116 non-school site departments with P-Cards.

Table 2 – Departments with P-Cards as of February 2024					
Department	No. cards	Department	No. cards	Department	No. cards
5000 Role Models	1	Federal & State Compliance Office	1	Office of Community Engagement	1
Accounts Payable	2	Financial Operations/Budget	1	Office of Economic Opportunity	1
Adult/Voc Education	2	Financial Services	2	Office of Professional Learning	1
Application Development & Client	2	Florida Diagnostic & Learning Resource	1	Office of School Leadership & Performance	1
Assessment, Research, & Data	1	Food & Nutrition	2	Office of Strategic Planning & Initiatives	1
Athletics/Activities	2	General Accounting	1	The Parent Academy	1
Bilingual Programs	2	Governmental Affairs & Land Use	1	Payroll	1
Building Operations	1	Grants Administration	1	Plant Operations	1
Capital Construction Budgets & Control	1	Graphics/Materials Production	1	Pre-K - ESE	1
Capital Task Force	1	Health Services	1	Procurement Management Services	1
Career & Technical Education	1	Hospitality Services	1	Psychological Services	1
Center For Professional Learning	1	Human Capital Management	1	Records & Forms Management	1
Charter School Compliance & Support	1	Infrastructure & System User Support	1	Region Offices	1
Community Ed Before/After School	1	Inspector General	1	Risk Benefits Management	1
Computer & Facilities Operations	1	Instructional Technology Library Media & Textbooks	1	Safety Environment & Hazard Management	1
Controller	1	Intergovernmental Affairs & Community	1	Schools Choice & Parental Options	5
Data Security, Governance & Compliance	1	Labor Relations	1	School Ops/Special Programs	1
Department of Environmental Management	1	Language Arts/Reading	1	Social Studies/Life Skills	1
Department of Family Support Services	1	Life Skills & Special Programs	1	STEAM	2
District Inspection, Operations & Emergency Management	1	Maintenance Service Center	4	Stores & Mail Distribution	1
District Operations	1	Material Control	1	Student Services	1
Division of Academics	1	Math/Science/Advanced Academics	1	Teenage Parent Program	1
Early Childhood Programs	3	M-DCPS Police	9	Title I Administration	1
Education Facilities Code Compliance	1	Media Programs	2	Title 1 Migrant Education Program	1
Educational Transformation Office	1	Mental Health Services	1	Transportation	3
Facilities ADA Compliance	1	Network, Cybersecurity and Technology	1	Transportation Vehicle Maintenance	2
Facilities Design and Construction	1	Office of Academics & Transformation	1	Treasurer	2
Facilities Maintenance and Operations	4	Office of Communications	1		

We conducted this audit in accordance with Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States of America Government Accountability Office (GAO). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusion based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

FINDINGS AND RECOMMENDATIONS

1. RESULTS OF P-CARD EXPENDITURES TESTING

We randomly sampled 34 monthly statements for 23 P-cardholders (out of 116 P-Card accounts) from non- school site locations for the period of July 2021 through January 2024. This resulted in testing 196 P-Card transactions. Test criteria included whether the:

- supporting documentation was available and housed at the department location,
- monthly reconciliation was properly completed and timely submitted to the Accounts Payable P-Card Department,
- P-Card *Purchase Authorization Form* was properly approved,
- receipt of goods/services was received at the proper location,
- purchase was allowable and within applicable limits,
- purchase was not part of a split transaction,
- sales tax payment was excluded when applicable,
- transaction utilized the competitive bid awarded contract or obtained three quotes for purchases of \$1,000 or above when there was no awarded contract,
- cardholder received the required training, and
- transaction tested complied with applicable laws, rules, and policies.

We found no evidence of material fraud, waste, or abuse in our P-Card expenditures testing. Nor did we find split purchases intending to circumvent procurement limits. The P-Cardholders tested were found to have received the required training and were active employees.

Our testing resulted in the following instances of non-compliance with the P-Card Manual:

- At one location, the original documentation was not provided to the auditor. According to staff at the work location, their practice is to electronically prepare, approve and store documents, however, they were unable to access these documents due to a server failure. Instead of original documents, the auditor was provided copies and, in some instances, documents were reconstructed. As per the P-Card Manual, the complete reconciliation package, including the supporting documentation, must be at the work location for audit purposes.
- In 56 (29%) instances, no acknowledgment of receipt of goods/services was indicated on the invoice or the *Purchase Authorization Form* under “rcvd by” (received by). We did verify that the invoice delivery addresses were M-DCPS locations or public/private schools. However, when there is no acknowledgment of receipt of goods, there is an increased risk that the order is incomplete, damaged, or not received at all.
- In two instances, items purchased totaling \$455 were not allowed using the P-Card. Although this consisted of two individual memberships related to the employee’s role, and the P-Card Manual refers to some exemptions for memberships pursuant to

administrative guidelines based on the District's best interest developed by the Superintendent and approved by the Board, no such written guidelines were provided to the auditors.

- In one instance, 250 umbrellas were purchased costing \$2,349. These items are considered personal items which are disallowed. This location indicated that the umbrellas purchased were promotional items, but they did not have any M-DCPS or school related logos.
- For five purchases of \$1,000 or more, with no bid awarded contract in place, the required three quotes were not provided, which is contrary to M-DCPS purchasing policy. These purchases amounted to \$11,205. Absent a competitive procurement process, there is an increased risk of not procuring the best value.
- In 14 instances, items carried by Stores & Mail Distribution (S&D) were instead purchased from an outside vendor, which is contrary to the P-Card Manual policy that states "*any product procured by S&D cannot be purchased with the P-Card*". These items totaled to \$2,518.
- In one instance, a laptop purchased for \$900 did not use the M-DCPS bid awarded vendor, contrary to M-DCPS purchasing policy.
- In 26 instances, we found the *Purchase Authorization Form* – (FM-5707) was either incomplete or missing an original signature from the requester or P-cardholder. The lack of proper purchase authorization increases the potential misuse of the P-Card.
- In four instances, reconciliations were not submitted timely. Delays ranged from one to nine days.

RECOMMENDATIONS:

- 1.1 The reconciliation review by the P-Card Administrator's immediate supervisor should include checking purchases to ensure that all items are work-related and allowable, and that each transaction includes an invoice, receipt of goods/services, and other supporting documentation as required by Board Policy 6320 and the P-Card Manual.**
- 1.2 With the implementation of SAP Concur, all P-Card supporting documents should be archived electronically and additionally follow the State of Florida General Records Schedule and M-DCPS policy for managing public records.**

Responsible Departments:

**Financial Services
Accounts Payable P-Card Department**

Management's Response:

- 1.1 As of January 2024, for District offices, the department implemented the addition of the P-Card administrator's immediate supervisor review and signature approval to the P-Card reconciliation Process.

With the implementation of the SAP Concur system that went live in June 2024, review and certification of the validity of all purchases made by District offices is now performed by the cardholder's immediate supervisor via a workflow acknowledgement screen.

- 1.2 The Department's implementation of SAP Concur included training all users to attach supporting documentation for each transaction which will be archived electronically and follow the State of Florida General Records Schedule and M-DCPS policy for managing public records.

2. MANAGEMENT OVERSIGHT NEEDS IMPROVEMENT OVER CREDIT LIMIT INCREASES AND P-CARD UTILIZATION

Limit Increase Request Forms

The *Limit Increase Request Form* (FM-7476) is used by the P-cardholder to request changes in the monthly credit limit and/or daily transaction limit, and to provide both the time-period and the reason/justification for the requested limit increase. The form also requires the P-cardholder and P-Card Administrator to certify that sufficient budget is available to support the request. This form requires the cardholder's and administrator's dated signatures, as well as two dated approval signatures by the Accounts Payable P-Card Department.

In the past, the forms were submitted to the Accounts Payable P-Card Department for approval, but effective January 31, 2024, they are first submitted to Accounts Payable for verification of available funds, and then routed for review and approval by the Superintendent's Chief of Staff and the Chief Financial Officer.

Since our request for credit limit increase forms was made as of mid-February, the forms examined during fieldwork were the prior version of the *Limit Increase Request Form* (FM-7476). When we inquired with Accounts Payable if any credit limit increase requests had ever been denied by their office in the past, they responded no. However, they did state that one request was recently denied under the new review and authorization procedures that were effective January 31, 2024.

Of the 116 District administrative/non-school site active P-Card accounts as of February 13, 2024, 26 P-Cards (or 22%) had credit limits greater than the standard monthly credit limit for District offices of \$6,000. We requested the credit limit increase forms for those 26 P-Card accounts that applied to the current fiscal year July 1, 2023, through February 13, 2024. Since some of these P-cardholders had submitted more than one form during this time, our review included a total of 36 credit increase request forms.

Some departments may request an increase in spending limits due to certain situations and/or to meet specific needs. We observed that some increases applied to the entire Fiscal Year 2023-2024, while others covered several months, such as several of the Maintenance Service Centers who requested credit limit increases for the opening of schools for only three months, July through September. In a few instances, we noted that the form was used to request a lower credit limit.

According to the Accounts Payable P-Card Department, credit limits for District non-school sites are manually reset to \$6,000 at the beginning of every fiscal year, which requires P-cardholders to submit credit limit increase request forms on an annual basis, if they deem that increases are necessary.

For these 26 P-Card accounts, we also reviewed the applicable P-Card bank statements from July 1, 2023, through January 31, 2024 to verify the accuracy of the credit limit amounts provided by the Accounts Payable P-Card Department, and to ensure alignment

between the actual bank statement credit limits and the M-DCPS credit limit increase forms.

Utilization of P-Card

The P-Card Manual includes a provision that the Accounts Payable P-Card Department conduct a periodic review of the number of cardholders and usage. This section of the P-Card Manual reads: *“If it is determined that a cardholder, other than the Worksite Administrator, is not using their card, the card may be subject to cancellation. A notification will be sent to the Worksite Administrator indicating the individual’s card has not been used or used so infrequently that to prevent any potential misuse or fraud, the card should be cancelled.”*

According to the Accounts Payable Administrative Director and key P-Card staff, a review is done at least once a year by their office, in which they verify the total number of active cards, employee names, and existing credit limits. However, they stated they do not analyze usage nor make any decisions to reduce credit limits or to close a P-Card for underutilization or for complete lack of use, as it is the worksite administrator’s right to have a card. This low usage review was a manual process that their department eliminated in 2022.

The P-Card Manual also states that there is an automatic process whereby *“the bank will automatically close accounts not activated or not used for 18 months. A cardholder who may need to use the card after it has been closed, will need to submit a new application.”*

In order to evaluate P-Card usage, our office also analyzed P-Card bank transaction activity from July 1, 2021, through January 31, 2024, for the 90³ active P-Card accounts with standard monthly credit limits of \$6,000 or less, that were open as of February 13, 2024. We also inquired with the bank and reviewed their provided list of individuals who have various assigned roles or rights within the bank P-Card system ranging from the ability to make P-Card program or account changes, such as increasing limits or closing accounts, to roles involving only the request for information.

Without the proper monitoring of P-Card limits and usage for all P-cardholders, there is an increased risk for fraud, waste, or abuse.

The review of the 36 credit limit increase forms, overall P-Card utilization, and bank P-Card system details disclosed the following exceptions or observations:

- No *Limit Increase Request Form* was provided for a P-cardholder with a credit limit of \$50,000 as reported on the bank statement from July 1, 2023, through January 2024. Upon the auditor’s inquiry, the P-Card Department contacted the cardholder, and it was determined that the cardholder was unaware of the credit limit amount and stated such an increase had never been requested. No explanation was provided by the Accounts

³ 116 District office P-Cards minus the 26 active P-Card accounts with increased credit limits equals the 90 P-Card accounts with standard monthly credit limits of \$6,000 or less (See Table 1).

Payable P-Card Department as to the cause of this P-Card's limit amount. Subsequent to our office's inquiry, the credit limit was reduced to the standard \$6,000.

- We found one credit limit increase request for \$25,000 from July through August 2023, that was not reset to the standard \$6,000 at the beginning of September, in accordance with the request form. Instead, the \$25,000 credit limit continued until December 2023.
- Six P-Cards (or 23%) had monthly charges significantly below⁴ the requested and approved credit limit increases. For example, for one P-Card account with an increased credit limit set at \$60,000, seven months of charges in FY 2023-2024 totaled \$7,334 and monthly statement amounts ranged between \$338 to \$3,870. For this \$60,000 credit limit, prior FY 2022-2023 P-Card usage also did not support such a credit request. The other five P-Card accounts also underutilized in the current FY 2023-2024, reflected increased credit limits ranging from \$10,000 to \$25,000.
- On 3 of the 36 *Limit Increase Request Forms* examined, the reasons or justifications provided lacked sufficient detail/explanation to support or justify an increase. Vague explanations on three of these forms included: "continue grant related funds", "supplies and resources for our department", and "for emergency purposes".
- We found two instances where *Limit Increase Request Forms* were not properly completed. In one instance, the form did not reflect any of the two required approval signatures and respective dates from the Accounts Payable Department. In another instance, the approval dates from the Accounts Payable Department preceded the requestor's dates on the increase form, which is not feasible.
- Regarding the 90 P-Cards with standard monthly credit limits of \$6,000 or less:

We found seven P-Cards issued, but never activated, with open dates of 2/3/21, 2/5/21, 7/6/22, 12/6/22, 7/27/23, 8/18/23, and 1/30/24. These P-Cards remain with "New" status on the bank system. For four of these P-Cards issued over 18 months ago, the bank did not automatically close these inactivated P-Card accounts, which is contrary to stated bank procedures in the P-Card Manual. For one of these inactivated P-Cards issued on 2/3/21, this pertained to a non-worksite administrator, and contrary to policy, the card was not cancelled by the Accounts Payable Department. We also found one activated P-Card issued to a worksite administrator on 7/1/22, with no transaction activity since its issuance, but the P-Card remains open. The bank did not automatically close this activated card which had not been used in over 18 months.

In our office's subsequent multiple communications with the District's bank card relationship manager, we were informed that the bank does not automatically close accounts after 18 months of inactivity.

⁴ For this purpose, P-Card charges significantly below the credit limit, or underutilized, is defined as purchases less than 50% of the allowed credit limit in all the months within the period tested in FY 23-24.

- We found that the list of individuals with assigned roles in the bank's P-Card system has not been maintained. Specifically, we found one active employee authorized with program administrator rights, despite leaving the Accounts Payable Department in late 2021. These rights have not been removed. We also found three other individuals with less significant roles who similarly have not been removed from the bank's P-Card system. Two of these individuals are no longer with the District and the other remains an active employee at another District office unrelated to this function.

RECOMMENDATIONS:

- 2.1 The Accounts Payable P-Card Department, and those assigned with P-Card related duties, must ensure rigorous monitoring and oversight of the P-Card credit limit increases and P-Card utilization. P-cardholders with approved increased credit limits substantially higher than their usage should have their limits reduced.**
- 2.2 As required by the P-Card Manual, the Accounts Payable P-Card Department must conduct a periodic review of the number of cardholders and usage. This review should be of all P-cardholders, regardless of the P-cardholder's position or title.**
- 2.3 The P-Card Department should also run cardholder profile reports, related status queries, and any other necessary reports available on the bank credit card site at regular intervals to review the status (New, Active, Suspended, Purged, Closed) of each P-Card and make any needed card adjustments. The authorized individuals with access to certain roles on the P-Card's bank system must always be properly updated and maintained.**
- 2.4 The P-Card Manual should be updated with any necessary changes to reflect current practices, including any revisions necessary to properly reflect the bank practices.**

Responsible Department:

Accounts Payable P-Card Department

Management's Response:

- 2.1 In January 2024, the department implemented a process whereby the Accounts Payable Administrative Director or designee reviews the Limit Increase Request Form against the locations budget to ensure there is sufficient annual budget to warrant the increase. Upon confirming budget available to meet the request, the Administrative Director submits the Limit Increase Request Form with recommendations and supporting documentation to both the Chief Financial Officer and the Chief of Staff for final review and approval. The Department will periodically review usage and reduce the limits to the established standard limits for those increase requests not being fully utilized.**
- 2.2 The Department will continue to regularly monitor the cardholders to ensure the number of cards issued and their limits are within the established guidelines of the respective category according to the P-Card Policy and Procedure Manual. The**

District considers monitoring existing account usage falling within the established account limits per the P-Card Policy and Procedure Manual not necessary. The P-Card Policy and Procedure Manual will be updated to reflect this.

- 2.3 The Department will continue to review all cardholder's accounts with greater frequency, utilizing the bank reports throughout the fiscal year. The Administrative Director has implemented a monthly reminder to ensure that staff access to JP Morgan is up to date. As changes occur, a report will be requested from the bank listing the current staff members with access and the bank will be notified as changes occur.
- 2.4 As a result of the implementation of SAP Concur and its associated changes, the P-Card Manual will be updated. Any forthcoming audits pertaining to P- Card may result in further updates to the manual as needed.

3. OPPORTUNITIES EXIST TO IMPROVE THE P-CARD CANCELLATION PROCESS

The Purchasing Card Program and Procedures Manual specifies that the *“Purchasing Card is the property of Miami-Dade County Public Schools. As such, the P-Card Department is notified if the cardholder changes work locations, goes on leave or terminates employment with the District. Upon the notification, the P-Card Department will close the account with the bank”*.

According to the Accounts Payable P-Card Department, there are several notifications they receive when the employment status of an employee changes that may require closing P-Card accounts. These system generated notifications from the Office of Human Capital Management are automatically sent when an employee is terminated, a separation in position occurs, an employee enters workers' compensation or other temporary leave status. The Accounts Payable P-Card Department monitors Board Agendas for employee promotions and transfers. Also, it was mentioned that P-cardholders, in some instances, directly contact the Accounts Payable P-Card Department to close their P-Card account.

We analyzed a list of 133 non-school site employees with a P-Card for the period of July 1, 2023, through March 18, 2024. Upon analyzing the data, we identified 44 employees with changes to their employment/position status or P-Card account status and tested to ensure P-Cards were timely closed. This testing also included whether P-Card charges were made after the employee's employment/position status changed.

Our testing resulted in the following exceptions or observations:

- In 15 instances, P-Card accounts were not timely closed after the P-cardholder's employment/position status change.
- In one instance, a P-Card account remained open while the employee was placed on workers' compensation for seven days.
- Also, we found charges made on six P-Card accounts (of the 16 P-Cards above) after the P-cardholder's employment/position status had changed, including a charge for one terminated employee.

For the P-Card accounts with charges after the P-cardholders employment/position status change, we contacted the Administration from the applicable departments and they provided justifications as to the charges.

Not timely closing P-Cards increases the risk of unauthorized use, abuse, and fraudulent charges.

Table 3 below shows the 16 instances where the P-Card closure was delayed past the employee's separation date from their work location. The Accounts Payable P-Card Department processes involve closing the P-Card immediately upon notification, and this timely closure did not always occur upon this notification.

Table 3 – P-Card Account Closure Delays							
From	To	Employee Active (or Other)	SAP Position Status Change Date	SAP P-Card Cancel Date	Number of Days Delayed	Number of Charges	Total Amount
Alternate Assignment							
School	North Region	Active	4/18/2023	** 8/4/2023	107	None	0
School	Alternate Education	Active	11/5/2023	***11/20/2023	14	4	\$635
School	South Region	Active	2/25/2024	3/11/2024	14	None	0
School	North Region	Active	2/25/2024	***3/11/2024	14	1	\$2,586
Promotion							
School	School Ops/Spcl Prog	Active	8/16/2023	***11/29/2023	104	None	0
Office of School Leadership & Perf.	Office of Economic Opportunity	Active	11/15/2023	***1/31/2024	76	2	\$478
ITS - 9030	ITS-9413	Active	1/18/2024	***2/23/2024	35	3	\$1,375
School	Comm. Education Before/After Care	Active	1/17/2024	1/30/2024	12	None	0
School	South Region	Active	7/19/2023	7/27/2023	7	None	0
Injured/Illness							
M-DCPS Police	Workers' Comp.	Active	9/6/2023	10/11/2023	34	None	0
School	Workers' Comp.	Active	7/17/2023	***8/4/2023	17	4	\$336
School	Workers' Comp.	Active	11/21/2023	12/7/2023	15	None	0
School	Workers' Comp.	Active	8/7/2023	****Open	7	None	0
School	Workers' Comp.	Active	7/12/2023	7/18/2023	5	None	0
Lateral Move							
North Region	Financial Services	Active	7/19/2023	7/27/2023	7	None	0
Resigned							
M-DCPS Police	Resigned	Terminated	7/21/2023	***7/24/2023	2	1	\$60

** - JP Morgan account closed May 2, 2023, however, entered in SAP Aug 4, 2023. This represents a 13 day delay closing the P-Card with the bank.

*** - Employee was managing both locations and/or P-Card charges explained.

**** - While on Workers' Compensation for 7 days, the P-Card was never closed and remained an active card during that time.

RECOMMENDATIONS:

- 3.1 Although written P-Card policy prohibits this, if the Administration determines that maintaining a P-Card open is necessary in some instances, this should be written into P-Card procedures, and a related formal written authorization should be established and maintained by the Accounts Payable P-Card Department.**
- 3.2 The Administration must ensure there is a system in place that promotes the timely closing of P-Card accounts in accordance with applicable policies and procedures.**
- 3.3 Since there is reliance among departments in this process, the District would benefit greatly with the integration and interconnectivity between the various SAP modules/platforms (For example, between SAP HCM used by the Office of Human Capital Management and SAP Concur for P-Card processes).**

Responsible Departments:

**Accounts Payable P-Card Department
Office of Human Capital Management**

Management's Response:

- 3.1 The P-Card Policy and Procedures Manual will be updated to reflect current practice. Following the SAP updates of appointments, or receipt of reports related to employees assigned to worker's compensation or alternate assignments, the Department will close the credit card accounts of credit card administrators who have been moved unless there is a legitimate business purpose for the card to remain open and there is written authorization from the immediate supervisor to leave the card open.**
- 3.2 The Department has strengthened the internal process of closing accounts on a timely basis by including a secondary review by the Administrative Director or designee upon notification via the existing reports.**
- 3.3 The Department will continue to work closely with the other departments involved to ensure changes in the systems of record, SAP HR Module and JP Morgan Paymentnet, are done as efficiently and timely as possible.**

4. IMPROVEMENTS NEEDED IN LEVERAGING TECHNOLOGY INVOLVING P-CARD RELATED PROCESSES/SYSTEMS

SAP Concur Platform And Related Analytics/Reports

As part of the Purchasing Card program improvements being implemented, a new system platform, SAP Concur, was purchased by the District and implemented effective June 1, 2024. SAP Concur is currently being used by the District's P-cardholders to reconcile each of the purchases/transactions made on their bank P-Cards by uploading, by individual transaction, the related support documents to include the *Purchase Authorization Form* (FM-5707), required quotes or bid documentation, invoice(s), and any other necessary documentation. For each transaction, the user is also required to select the appropriate general ledger account(s), and the system will complete a District budget availability check for any transaction being processed during this reconciliation process. A secondary review/approval process is also required for non-school site P-Cards. This reconciliation process must be completed twice a month for the periods 1st to 15th of the month and 16th to last day of the month.

With the District's P-Card transactions being uploaded on an on-going basis into the SAP Concur platform database, there are additional capabilities for efficiently analyzing and monitoring P-Card transaction data, particularly for the Accounts Payable P-Card Department tasked with P-Card oversight, and for Procurement Management Services who must be informed of certain elements of P-Card purchases. We researched and found that SAP Concur includes a free data Analytics Essentials platform, as well as a paid Analytics platform, the latter having a further ability to create customizable reports.

During May, our office communicated with key District staff and administration across various departments who were tasked with SAP Concur implementation, and we inquired about the specific SAP Concur platform purchased and the related reports and data analytics capabilities available to the District for analyzing P-Card transactions. However, we found that this had not been addressed. Some District staff explained that implementation had been the focus, and there had not been an opportunity to look into the reporting and analytics' capabilities that SAP Concur might offer.

During a weekly SAP Concur virtual implementation meeting with District staff, the Manager from the third party vendor implementing SAP Concur stated she had researched the specifics of the contract purchased by the District, and it includes Cognos Reports which makes custom reports available to the District. She added that as part of the District contract, the District can ask Concur to create custom or complex reports, but this service is only available through the end date of the District contract with SAP Concur. This leaves the District a specific time period to take advantage of the report customization services from Concur.

Lack of utilizing available technology to analyze P-Card accounts and transactions, specifically data analytics capabilities offered through system platforms, increases the risk that non-compliance or misuse may go undetected and that manual inefficient processes continue when analyzing P-card usage, spending, etc.

RECOMMENDATION:

- 4.1 District staff involved in the implementation process should immediately communicate with SAP Concur staff to confirm and understand the SAP Concur data analytics and reporting capabilities available to the District, including any custom report services offered and end date of said services. The District should leverage SAP Concur technology to generate useful, standard reports or carefully designed custom reports that can assist District management in efficiently analyzing and monitoring P-Card utilization, identifying split transactions or other non-compliance, and generating spending reports.**

Responsible Departments:

**Information Technology Services
Accounts Payable P-Card Department**

Management's Response:

- 4.1** Communication with SAP Concur and the implementation team regarding reporting have already occurred. As the Audit Report notes, reporting is part of the contract. However, at the time of this audit the focus was on initial implementation and professional development to ensure that the transition to the new P-Card reconciliation process was efficient and effective. There is a library of standard reports available in SAP Concur and the implementation team is currently selecting which reports will have an immediate impact and benefit for the P-Card process. If it is determined that our business rules require changes to the existing reports, the District will work with SAP Concur to enhance the reports.

5. SECONDARY REVIEW/APPROVAL OF P-CARD TRANSACTIONS ABSENT FOR SCHOOL SITE ADMINISTRATORS

Upon our office's review of updated District policies, procedures, forms, and directives from the School Board and Administration, it came to our attention that a secondary review/approval control for school site administrators has not been implemented.

We examined the January 31, 2024, Weekly Briefing #41176 with new P-Card guidance and related attachments, which included both the revised credit limit increase request form and a revised P-Card related reconciliation form. The Weekly Briefing states: "*The revised form requires a second layer of review/approval for District locations by the Purchasing Card Administrator's immediate supervisor prior to attaching to the journal voucher for submission to Accounts Payable.*" Based on these document reviews and discussions with the Accounts Payable P-Card Department management, the second layer of review/approval is intended only for District offices, and not for school sites. With the implementation of SAP Concur effective June 1, 2024, where approvals occur electronically within this system platform, the second layer of review/approval is not required for school sites, specifically for school administrators.

For newly established processes, non-school site P-Card Administrators have a second layer of review/approval whereby the P-Card Administrator's immediate supervisor must review and approve the transactions and related documents before the process continues for final processing to the Accounts Payable P-Card Department. For the School Board Members, the General Counsel, the Chief Auditor, the Superintendent, and the Chief of Staff, the P-cardholders must also have their transactions and related support documents reviewed and approved, but for these offices, this is done by the Chief Financial Officer.

However, for school site P-Card Administrators/Principals, who represent the majority of P-cardholders at M-DCPS with approximately 350 P-Cards, no such secondary layer of review/approval has been established for their transactions and support documents, to include receipts and invoices.

We inquired with the Accounts Payable Administrative Director and key P-Card Department staff, if at a minimum, their office reviewed or spot-checked a sample of P-Card reconciliations and the related support documents in the past, and they responded no. They explained that as a result of the new directives issued in January 2024, their office will soon begin auditing 100% of School Board Members' P-Cards and Travel Cards and same for the Superintendent, Chief of Staff, and the other School Board's direct reports. And on a sample basis, they will review P-Card transactions and related documentation for only the non-school site District offices. But school site P-Card transaction activity and the related required documents will not be reviewed by anyone in their department.

Absent this second layer of review and approval process for Principals/school site P-Card Administrators, the risk of fraud, waste, and abuse is markedly increased.

RECOMMENDATION:

- 5.1 All school site administrators' P-Card reconciliations, transactions, and all relevant documentation should be subject to improved internal controls and a second layer of review/approval.**

Responsible Departments:

**Office of School Leadership and Performance
Accounts Payable P-Card Department**

Management's Response:

- 5.1 Since the implementation of SAP Concur, the Accounts Payable staff has reviewed every P-Card transaction made by schools. The second layer review/approval process already implemented at non-school sites may pose an undue burden on school operations, especially at the Region level. As a result, the new process of Accounts Payable reviewing all these transactions will continue until another solution can be identified, including possible technological solutions.**


Appendix

Management's Response

MEMORANDUM

July 9, 2024

TO: Jon Goodman, CPA, CFE, Chief Auditor
Office of Management and Compliance Audits

FROM: Ron Steiger, Chief Financial Officer 

SUBJECT: MANAGEMENT RESPONSE TO PURCHASING CARD (P-CARD) AUDIT

I want to extend my gratitude to the Office of Management and Compliance Audits (OMCA) for conducting an audit on district offices' use of the Purchasing Card (P-Card). The OMCA and Financial Services staff worked closely together during the audit and all requested information was provided to OMCA in a timely manner. Please see our response below to the draft audit document.

MANAGEMENT RESPONSE

The administration is extremely pleased that no material fraud, waste, or abuse was found at non-school locations during this audit. Substantial changes across the P-Card process have already occurred over the past six months, including the implementation of the District's first electronic P-Card review and reconciliation procedures using SAP Concur. The implementation of SAP Concur resolves many of the concerns in this report which details findings based on the prior paper-based credit card review and reconciliation system. The following are our responses to the recommendations in the report.

RECOMMENDATIONS

1.1 The reconciliation review by the P-Card Administrator's immediate supervisor should include checking purchases to ensure that all items are work-related and allowable, and that each transaction includes an invoice, receipt of goods/services, and other supporting documentation as required by Board Policy 6320 and the P- Card Manual.

As of January 2024, for District offices, the department implemented the addition of the P-Card administrator's immediate supervisor review and signature approval to the P-Card reconciliation Process.

With the implementation of the SAP Concur system that went live in June 2024, review and certification of the validity of all purchases made by District offices is now performed by the cardholder's immediate supervisor via a workflow acknowledgement screen.

1.2 With the implementation of SAP Concur, all P-Card supporting documents should be archived electronically and additionally follow the State

of Florida General Records Schedule and M-DCPS policy for managing public records.

The Department's implementation of SAP Concur included training all users to attach supporting documentation for each transaction which will be archived electronically and follow the State of Florida General Records Schedule and M-DCPS policy for managing public records.

2.1 The Accounts Payable P-Card Department, and those assigned with P-Card related duties, must ensure rigorous monitoring and oversight of the P-Card credit limit increases and P-Card utilization. P-cardholders with approved increased credit limits substantially higher than their usage should have their limits reduced.

In January 2024, the department implemented a process whereby the Accounts Payable Administrative Director or designee reviews the Limit Increase Request Form against the locations budget to ensure there is sufficient annual budget to warrant the increase. Upon confirming budget available to meet the request, the Administrative Director submits the Limit Increase Request Form with recommendations and supporting documentation to both the Chief Financial Officer and the Chief of Staff for final review and approval. The Department will periodically review usage and reduce the limits to the established standard limits for those increase requests not being fully utilized.

2.2 As required by the P-Card Manual, the Accounts Payable P-Card Department must conduct a periodic review of the number of cardholders and usage. This review should be of all P-cardholders, regardless of the P-cardholder's position or title.

The Department will continue to regularly monitor the cardholders to ensure the number of cards issued and their limits are within the established guidelines of the respective category according to the P-Card Policy and Procedure Manual. The District considers monitoring existing account usage falling within the established account limits per the P-Card Policy and Procedure Manual not necessary. The P-Card Policy and Procedure Manual will be updated to reflect this.

2.3 The P-Card Department should also run cardholder profile reports, related status queries, and any other necessary reports available on the bank credit card site at regular intervals to review the status (New, Active, Suspended, Purged, Closed) of each P-Card and make any needed card adjustments. The authorized individuals with access to certain roles on the P-Card's bank system must always be properly updated and maintained.

The Department will continue to review all cardholder's accounts with greater frequency, utilizing the bank reports throughout the fiscal year. The Administrative Director has implemented a monthly reminder to ensure that staff access to JP Morgan is up to date. As changes occur, a report will be requested from the bank

listing the current staff members with access and the bank will be notified as changes occur.

2.4 The P-Card Manual should be updated with any necessary changes to reflect current practices, including any revisions necessary to properly reflect the bank practices.

As a result of the implementation of SAP Concur and its associated changes, the P-Card Manual will be updated. Any forthcoming audits pertaining to P-Card may result in further updates to the manual as needed.

3.1 Although written P-Card policy prohibits this, if the Administration determines that maintaining a P-Card open is necessary in some instances, this should be written into P-Card procedures, and a related formal written authorization should be established and maintained by the Accounts Payable P-Card Department.

The P-Card Policy and Procedures Manual will be updated to reflect current practice. Following the SAP updates of appointments, or receipt of reports related to employees assigned to worker's compensation or alternate assignments, the Department will close the credit card accounts of credit card administrators who have been moved unless there is a legitimate business purpose for the card to remain open and there is written authorization from the immediate supervisor to leave the card open.

3.2 The Administration must ensure there is a system in place that promotes the timely closing of P-Card accounts in accordance with applicable P-Card policy and procedures.

The Department has strengthened the internal process of closing accounts on a timely basis by including a secondary review by the Administrative Director or designee upon notification via the existing reports.

3.3 Since there is reliance among departments in this process, the District would benefit greatly with the integration and interconnectivity between the various SAP modules/platforms (For example, between SAP HCM used by Human Capital and SAP Concur for P-Card processes).

The Department will continue to work closely with the other departments involved to ensure changes in the systems of record, SAP HR Module and JP Morgan Paymentnet, are done as efficiently and timely as possible.

4.1 District staff involved in the implementation process should immediately communicate with SAP Concur staff to confirm and understand the SAP Concur data analytics and reporting capabilities available to the District, including any custom report services offered and end date of said services. The District should

leverage SAP Concur technology to generate useful, standard reports or carefully designed custom reports that can assist District management in efficiently analyzing and monitoring P-Card utilization, identifying split transactions or other non-compliance, and generating spending reports.

Communication with SAP Concur and the implementation team regarding reporting have already occurred. As the Audit Report notes, reporting is part of the contract. However, at the time of this audit the focus was on initial implementation and professional development to ensure that the transition to the new P-Card reconciliation process was efficient and effective. There is a library of standard reports available in SAP Concur and the implementation team is currently selecting which reports will have an immediate impact and benefit for the P-Card process. If it is determined that our business rules require changes to the existing reports, the District will work with SAP Concur to enhance the reports.

5.1 All school site administrators' P-Card reconciliations, transactions, and all relevant documentation should be subject to improved internal controls and a second layer of review/approval.

Since the implementation of SAP Concur, the Accounts Payable staff has reviewed every P-Card transaction made by schools. The second layer review/approval process already implemented at non-school sites may pose an undue burden on school operations, especially at the Region level. As a result, the new process of Accounts Payable reviewing all these transactions will continue until another solution can be identified, including possible technological solutions.

Again, thank you for your efforts and professional courtesies throughout the audit process. As always, the Office of Financial Services welcomes input that will ultimately improve the overall processes and functions of how we do business. Please let us know if you have questions or would like to further discuss our response.

RS:eo
M-06

cc: Dr. Jose L. Dotres
Dr. Dawn Baglos
Mr. Jose Bueno
Dr. John Pace
Ms. Daisy Naya
Mr. Eric Ojeda

Anti-Discrimination Policy

The School Board of Miami-Dade County, Florida adheres to a policy of nondiscrimination in employment and educational programs/activities and strives affirmatively to provide equal opportunity for all as required by:

Title VI of the Civil Rights Act of 1964 - prohibits discrimination on the basis of race, color, religion, or national origin.

Title VII of the Civil Rights Act of 1964 as amended - prohibits discrimination in employment on the basis of race, color, religion, gender, or national origin.

Title IX of the Education Amendments of 1972 - prohibits discrimination on the basis of gender. M-DCPS does not discriminate on the basis of sex in any education program or activity that it operates as required by Title IX. M-DCPS also does not discriminate on the basis of sex in admissions or employment.

Age Discrimination Act of 1975 - prohibits discrimination based on age in programs or activities.

Age Discrimination in Employment Act of 1967 (ADEA) as amended - prohibits discrimination on the basis of age with respect to individuals who are at least 40 years old.

The Equal Pay Act of 1963 as amended - prohibits gender discrimination in payment of wages to women and men performing substantially equal work in the same establishment.

Section 504 of the Rehabilitation Act of 1973 - prohibits discrimination against the disabled.

Americans with Disabilities Act of 1990 (ADA) - prohibits discrimination against individuals with disabilities in employment, public service, public accommodations and telecommunications.

The Family and Medical Leave Act of 1993 (FMLA) - requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for certain family and medical reasons.

The Pregnancy Discrimination Act of 1978 - prohibits discrimination in employment on the basis of pregnancy, childbirth, or related medical conditions.

Florida Educational Equity Act (FEEA) - prohibits discrimination on the basis of race, gender, national origin, marital status, or handicap against a student or employee.

Florida Civil Rights Act of 1992 - secures for all individuals within the state freedom from discrimination because of race, color, religion, sex, national origin, age, handicap, or marital status.

Title II of the Genetic Information Nondiscrimination Act of 2008 (GINA) - prohibits discrimination against employees or applicants because of genetic information.

Boy Scouts of America Equal Access Act of 2002 – No public school shall deny equal access to, or a fair opportunity for groups to meet on school premises or in school facilities before or after school hours, or discriminate against any group officially affiliated with Boy Scouts of America or any other youth or community group listed in Title 36 (as a patriotic society).

Veterans are provided re-employment rights in accordance with P.L. 93-508 (Federal Law) and Section 295.07 (Florida Statutes), which stipulate categorical preferences for employment.

In Addition:

School Board Policies 1362, 3362, 4362, and 5517 - Prohibit harassment and/or discrimination against students, employees, or applicants on the basis of race, color, ethnic or national origin, religion, marital status, disability, genetic information, age, political beliefs, sexual orientation, sex/gender, gender identification, social and family background, linguistic preference, pregnancy, citizenship status, and any other legally prohibited basis. Retaliation for engaging in a protected activity is also prohibited.

For additional information about Title IX or any other discrimination/harassment concerns, contact the U.S. Department of Education Asst. Secretary for Civil Rights or:

Office of Civil Rights Compliance (CRC)
Executive Director/Title IX
Coordinator 155 N.E. 15th Street,
Suite P104E
Miami, Florida 33132
Phone: (305) 995-1580 TDD: (305) 995-2400
Email: crc@dadeschools.net Website: <https://hrdadeschools.net/civilrights>

Revised 07/2020



Miami-Dade County Public Schools

Internal Audit Report

***Audit of the Purchasing Card (P-Card) Process
at Non-School Site Departments***

(Other Than School Board Members and Their Direct Reports)

July 2024

Office of Management and Compliance Audits

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