

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

**INTRODUCTORY COMMENT:**

The entire procurement function will be re-engineered to address all of the recommendations of this Audit. A consultant has been identified to accomplish this task with an estimated time line for completion by the end of May. Each of the recommendations are responded to in this context. The order of the implementation will depend on approvals by the School Board and any budgetary limitations.

Note: The "I" indicator in the Concur Y-N-I indicates the recommendation will be investigated further.

#	RECOMMENDATION	CONCUR Y-N-I	ACTION STEPS
1	<b>Train Purchasing staff as well as the purchasing end-users (liaisons) to ensure they possess adequate knowledge to perform their duties competently.</b>	Y	The end-users receive training currently on a limited basis. The Purchasing staff has developed plans to use the Training Center to implement comprehensive training on purchasing policies and procedures. These training opportunities will be expanded as new procedures are developed and adopted.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Oct-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
2	<b>Implement a formal training program for the end-users.</b>	Y	The end-users receive training currently on a limited basis. The Purchasing staff has developed plans to use the Training Center to implement comprehensive training on purchasing policies and procedures. These training opportunities will be expanded as new procedures are developed and adopted. This recommendation will be reviewed with school operations staff to ensure that additional time is allocated to accommodate the new training required. Also, alternative training and support methods can be identified.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Oct-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
3	<b>Establish minimum educational requirements for purchasing staff and a career path program in order to promote advancement within the division.</b>	Y	We will work with Human Resources to establish minimum educational requirements for purchasing staff and a career path program. The staffing audit which is scheduled to be started this month will assist with defining "best practices" educational requirements for the purchasing positions.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Jan-09
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
4	<b>Encourage obtaining a professional certification in the procurement field to address the competencies and skill sets of purchasing staff.</b>	Y	Purchasing staff have attended outside training and professional development classes related to procurement to assist them in obtaining a professional certification. These opportunities will be expanded with individual assessments of need to address individual needs. The staffing audit which is scheduled to be started this month will assist with defining best practices for desired training.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Sep-09

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
5	<b>Resolve the disparity between the Purchasing manual and the Bylaws by a C.O.O.rdinated review and make appropriate changes.</b>	Y	As School Board By-laws are updated, Purchasing will C.O.O.rdinate with School Board to ensure that the purchasing manual is C.O.O.rdinated with Board policies and procedures. The Board LLP Committee has begun to review and rewrite, where necessary, the By-Laws and Policies of the Board. Purchasing procedures will be brought in line with these By-Laws and Policies as they are reviewed and/or changed.
	RESPONSIBLE PERSON		TARGET DATE
	Purchasing Supervisor		Sep-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
6	<b>For the purpose of monitoring compliance, the School Board needs to revisit requirements for the number of quotes needed for Professional Services, Non-Professional Services, and Goods, Equipment and Supplies.</b>	Y	The re-engineering process will include recommendations to the School Board for policy change as needed. Purchasing will comply with School Board policies and procedures.
	RESPONSIBLE PERSON		TARGET DATE
	Purchasing Supervisor		Jan-09
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
7	<b>Mandate strict compliance with RPS procurement policies.</b>	Y	Purchasing will assist in making sure the procurement polices are followed.The re-engineering process will recommend to the School Board, consequences for non-compliance with Board policy and Purchasing procedures.
	RESPONSIBLE PERSON		TARGET DATE
	C.O.O. and Purchasing Supervisor		Oct-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
8	<b>Require the Purchasing Divison to be vigilant in monitoring user compliance with the policies.</b>	Y	Purchasing will enforce the School Board and Administration policies as established.
	RESPONSIBLE PERSON		TARGET DATE
	Purchasing Supervisor		Oct-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
9	<b>Prescribe and enforce disciplinary action for the employees not complying with the purchasing policies.</b>	Y	Purchasing will assist in making sure the procurement policies are followed. The re-engineering process will recommend to the School Board, consequences for non-compliance with Board policy and Purchasing procedures.
	RESPONSIBLE PERSON		TARGET DATE
	Purchasing Supervisor		Oct-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
10	<b>Require the Purchasing Division to periodically analyze the procurement data to detect and address bid splitting incidences.</b>	Y	During the re-engineering, the Administration will recommend various reports to be made to the Board and Administration.
	RESPONSIBLE PERSON		TARGET DATE
	C.O.O. and Purchasing Supervisor		Sep-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

<b>11</b>	<b>Require Purchasing staff to properly monitor the use of blanket purchase orders to ensure compliance with policies and regulations.</b>	<b>Y</b>	Monetary guidelines will be established during re-engineering.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	C.O.O. and Purchasing Supervisor		Sep-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>12</b>	<b>Use blanket purchase orders only for repetitive purchases related to a single contract.</b>	<b>Y</b>	Blanket purchase orders are used to acquire goods and services that will extend for a period of time or throughout the contract term, and when no specific quantity or unit of measure can be determined. Purchasing feels that this current procedure best meets the needs of the school division. This area will be reviewed and revised as necessary during the re-engineering process. Additional specificity will be incorporated into the guidelines as dictated by Best Practices.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	C.O.O. and Purchasing Supervisor		Sep-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>13</b>	<b>Use the system feature to link purchase orders with corresponding contracts.</b>	<b>Y</b>	Purchasing is working with the Department of Information Technology to develop a report that will provide the capability of linking purchasing orders to contracts. This process has begun. All contracts involving payment of school funds will be encumbered by a Purchase Order.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Completed March 2008
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>14</b>	<b>Prohibit users from directly dealing with vendors without involvement of the Purchasing Division.</b>	<b>Y</b>	This recommendation will be addressed during the re-engineering process.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	C.O.O. and Purchasing Supervisor		Sep-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>15</b>	<b>Revisit and revise policies related to emergency and sole source purchases so that these contracts are used only when a true emergency exists or goods and services can be purchased from only one source.</b>	<b>Y</b>	Purchasing will follow the guidelines as directed by the School Board as it pertains to emergency purchases. Purchasing will research and provide proper documentation to justify all purchases that are considered Sole Source, and will report these regularly to the Administration.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	School Board and Purchasing Supervisor		Sep-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>16</b>	<b>Require proper documentation of reasons for the sole source or emergency purchases.</b>	<b>Y</b>	Purchasing will require documentation and justification for all sole source and emergency purchases.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Completed March 2008
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

17	<b>Require the School Board approval of emergency and sole source contracts.</b>	Y	Purchasing will follow the guidelines as directed by the School Board as it pertains to emergency and sole source purchases.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	School Board and Purchasing Supervisor		Sep-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
18	<b>Hold staff accountable for lack of planning.</b>	Y	Purchasing will assist in making sure the procurement policies are followed. The re-engineering process will recommend to the School Board, consequences for non-compliance with Board policy and Purchasing procedures.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Complete January 2008
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
19	<b>Establish procedures that ensure consistency and completeness within Purchasing contract files.</b>	Y	The purchasing Department currently maintains a contract file. Additional data will be added and maintained as recommend by the re-engineering.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Oct-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
20	<b>Maintain an accurate contract listing and make it available to RPS staff.</b>	Y	Purchasing Division will maintain an accurate contract listing of all contracts established. The listing was established in 2004. All contracts involving school funds will be archived in the Purchasing Office. This information will be posted on RPS infonet.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Complete March 2008
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
21	<b>Assign appropriate commodity codes for all purchases and use them to detect opportunities for consolidation of purchases for volume discount purposes.</b>	Y	Commodity codes will prove beneficial; this area will be included in the re-engineering process. The determination of the system of commodity codes to be used will be complete by September 2008. The implementation of the process will be part of the re-engineering timeline.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	C.O.O. and Purchasing Supervisor		Sep-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
22	<b>Require Purchasing to maintain a complete contract file that evidences the entire contract process from initiation to close.</b>	Y	The Purchasing Department currently maintains a contract file. Additional data will be added and maintained as recommended by the re-engineering.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Oct-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
23	<b>Develop and maintain a check list in each respective contract file to ensure compliance with applicable laws and regulations as well as internal policies and procedures.</b>	Y	Policy was implemented and in place prior to Auditors review. (January 2007)
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Completed January 2007

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
24	<b>Perform a periodic review of the files to ensure compliance.</b>	Y	This is currently being done. A report of this process will be developed by June 2008.
	RESPONSIBLE PERSON		TARGET DATE
	Purchasing Supervisor		Completed January 2008
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
25	<b>Require end-users to report in-depth information about vendor performance adequacy to the Purchasing Division.</b>	Y	We have a procedure for evaluating vendor performance. We will communicate it to the RPS departments via the RPS infonet.
	RESPONSIBLE PERSON		TARGET DATE
	Purchasing Supervisor		May-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
26	<b>Develop an official change order policy and procedures to ensure compliance with laws and regulations. The policy should include a standard change order form and an authorized signature list for change orders.</b>	Y	The Administration will recommend to the Board procedures for change order processing for all contracts.
	RESPONSIBLE PERSON		TARGET DATE
	C.O.O. and Purchasing Supervisor		Sep-09
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
27	<b>Require change orders to be prepared and approved in advance of beginning work.</b>	Y	The Administration will recommend to the Board procedures for change order processing for all contracts.
	RESPONSIBLE PERSON		TARGET DATE
	C.O.O. and Purchasing Supervisor		Jan-09
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
28	<b>Implement eVA and mandate the RPS Departments to use it for the purposes of procurements.</b>	I	RPS Purchasing Department is currently using eVA to a limited degree. The re-engineering process will address this area. The purchasing department will comply. We do not envision use of eVA for 100% of our procurement
	RESPONSIBLE PERSON		TARGET DATE
	C.O.O. and Purchasing Supervisor		Jul-09
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
29	<b>Require departments to retain appropriate records of selecting vendors in accordance with RPS policy.</b>	Y	RPS departments currently use the vendor listing on the CIMS system. When the use of the eVA system is expanded the policy will be implemented and compliance will be periodically verified. We will also review which categories of vendors should be considered for use outside the purchasing function. Normally, purchasing will select the vendors.
	RESPONSIBLE PERSON		TARGET DATE
	Purchasing Supervisor		Jul-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
30	<b>Periodically verify compliance with the above process.</b>	Y	Retention of appropriate records will be included in future training. Compliance will be periodically verified.
	RESPONSIBLE PERSON		TARGET DATE

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

Purchasing Supervisor			Jul-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
31	<b>Hold Purchasing accountable for the appropriateness of textbook purchases.</b>	I	Textbooks were centralized before. Because of the staffing needed and costs involved, it was decided by Administration at the time that it would be more feasible to have this function de-centralized. The following persons were used under centralization: textbook manager and two technicians and an outside trucking company to deliver. Their duties: receive orders, breakdown pallets of books for counting and verification, pack and palletized books by schools and deliver. We will review the total textbook process and recommend other proposed changes to the Board and Administration.
	RESPONSIBLE PERSON		TARGET DATE
	C.O.O. and Purchasing Supervisor		Jan-09
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
32	<b>Comply with the Virginia Public Procurement Act provisions related to inviting sealed bids.</b>	Y	The bidding process for textbooks by RPS is done by The State Department of Education Office of Instruction. We will develop a bid for non-state adopted textbooks.
	RESPONSIBLE PERSON		TARGET DATE
	Purchasing Supervisor		Jan-09
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
33	<b>Analyze the textbook needs and conduct proper planning prior to purchasing text books to avoid excessive purchases.</b>	Y	Textbook needs are analyzed by the Department of Instruction/Instructional Specialists for RPS. Any changes to this procedure will be under the direction of Administration.
	RESPONSIBLE PERSON		TARGET DATE
	C.O.O. and Director of Instruction		Aug-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
34	<b>Keep proper records of the books inventory and proceeds from the sale of books.</b>	Y	Currently this function is done at the school level by designated textbook managers. The textbook process will be reviewed for efficiency and any recommended changes.
	RESPONSIBLE PERSON		TARGET DATE
	C.O.O. and Purchasing Supervisor		Aug-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
35	<b>Require the Purchasing Division to conduct the sale of books.</b>	I	Currently this function is done at the school level by designated textbook managers. The textbook process will be reviewed for efficiency and any recommended changes.
	RESPONSIBLE PERSON		TARGET DATE
	C.O.O. and Purchasing Supervisor		Jan-09
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
36	<b>Eliminate the two warehouses at 2901 Boulevard and 1722 Arlington Road.</b>	I	This will be a decision of the School Board
	RESPONSIBLE PERSON		TARGET DATE
	School Board, C.O.O., and Purchasing Supervisor		Jan-09

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
37	<b>Require the City's Director of Real Estate to obtain professional appraisals of value of the two warehouse properties.</b>	I	This will be a decision of City and Schools Administration.
	RESPONSIBLE PERSON		TARGET DATE
	School Board		Jan-09
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
38	<b>If the value and strategic location of the properties appear significant for the Boulevard area development, require the City Administration and RPS Administration to reclaim these properties for the most beneficial use.</b>	I	This will be a decision of City and Schools Administration.
	RESPONSIBLE PERSON		TARGET DATE
	School Board		Jan-09
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
39	<b>Establish meaningful performance measures that can be used to evaluate and monitor employees' and division's performance.</b>	Y	Purchasing has performance measures that can be used to evaluate and monitor employees' and division's performance. These measures are used to evaluate staff's performance weekly. We are currently working to incorporate our performance measures as a part of our goals and objectives in our Balanced Score Card (BSC). The staffing audit will assist in developing appropriate performance measures and evaluation strategies.
	RESPONSIBLE PERSON		TARGET DATE
	Purchasing Supervisor		Dec-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
40	<b>Evaluate and monitor staff's and division's performance using the measures.</b>	Y	Purchasing has performance measures that can be used to evaluate and monitor employees' and division's performance. These measures are used to evaluate staff's performance weekly. We are currently working to incorporate our performance measures as a part of our goals and objectives in our BSC. We will acquire a list of best practices to use in setting performance measures and evaluation strategies.
	RESPONSIBLE PERSON		TARGET DATE
	Purchasing Supervisor		Jun-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
41	<b>Develop a conflict of interest disclosure form for the buyers and administrators.</b>	Y	This disclosure will be developed and reviewed by legal counsel for implementation. This statement will be kept on file and reviewed annually. This conflict of interest statement should apply to a number of job categories within the school division.
	RESPONSIBLE PERSON		TARGET DATE
	C.O.O. and Purchasing Supervisor		Sep-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

42	<b>Ensure that buyers and administrators certify a conflict of interest statement on an annual basis.</b>	Y	This disclosure will be developed and reviewed by legal counsel for implementation. This statement will be kept on file and reviewed annually.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	C.O.O. and Purchasing Supervisor		Sep-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
43	<b>Establish a mandate of unacceptability of unethical practices, improprieties and issues of non-compliance.</b>	Y	Purchasing will assist in making sure the procurement polices are followed. The re-engineering process will recommend to the School Board, consequences for non-compliance with Board policy and Purchasing procedures.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	C.O.O. and Purchasing Supervisor		Sep-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
44	<b>Include a "right to audit" clause in all contracts in order to reserve the right to review on demand all files related to the contract, including subcontractors.</b>	Y	The Purchasing Department will ensure that the "right to audit" clause is a part of the language in our contracts/bids.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Completed March 2008
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
45	<b>Centralize the function of vendor database update and maintenance in Purchasing.</b>	I	We believe that the vendor file should remain a function of the accounts payable section to ensure timely input of vendors to remain at the current 96% compliance rate with the State's prompt payment act and to take advantage of any negotiated discounts. The re-engineering process will review this recommendation. We will also look at best practices to getermine our position on this issue.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	C.O.O. & Purchasing Supervisor & Fin Director		Jun-09
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
46	<b>Require periodic reviews of the vendor database in order to detect and avoid duplicate vendors.</b>	Y	In prior years we had a staff person dedicated to the vendor file that had the responsibility / accountability for vendor file accuracy, review of database for duplicate vendors, researching returned checks, and mailing out of checks which we agree are vital segregation of duties that enhance accounts payable internal controls. However, that position has been eliminated due to budget cuts. In 2006 we did an extensive review of the vendor file to identify duplicate vendors. We implemented the practice of assigning

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

			vendor numbers by the tax ID # to eliminate future duplications. In order to maintain the history required by the state record retention guidelines (3 years). We inactivated the old vendor numbers to prevent future processing of PO's or payments against them. We currently review the vendor data base annually to remove duplicate vendors that do not have history that falls within the record retention guidelines. We will explore additional ways to better comply with separation of duties using existing staff.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	C.O.O, Purchasing, Supervisor & Finance Director		Jul-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
47	<b>Perforate all paid invoices before mailing checks.</b>	<b>Y</b>	We agree with this recommendation. We will investigate purchasing perforation machines in the fiscal year 2009 budget.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Sep-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
48	<b>Insist on using only original invoices and certifying that a faxed copy is to be used as an original because the original was determined to be lost.</b>	<b>Y</b>	Staff has been instructed to research the system to verify that any faxed invoices have not already been paid prior to processing. They will then certify that they did due diligence on the faxed copy. The Finance department had already taken actions on the duplicate payments mentioned to include voiding duplicate checks or obtaining payments or a credit memos from the vendors for all of the duplicate payments except six totaling \$4,096.47. We have since been issued credit memos totaling \$4,096.47 from those six vendors.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Complete March 2008
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
49	<b>Review periodic reports to look for duplicate payments involving payments to the same vendor.</b>	<b>Y</b>	In 2006 we implemented the practice of assigning vendor numbers by the tax ID # to eliminate future duplications. In order to maintain the history required by the state record retention guidelines (3 years). We inactivated the old vendor numbers to prevent future processing of PO's or payments against them. The Finance department had already taken actions on the duplicate payments mentioned to include voiding duplicate checks or obtaining payments or a credit memos from the vendors for all of the duplicate payments except six totaling \$4,096.47. We have since been issued credit memos totaling \$4,096.47 from those six vendors. We will develop report to do periodic reviews to look for possible duplicate payments. We will have reports developed to help identify potential duplicate payments.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Jul-08

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
50	<b>Require review and approval by supervisory personnel, who cannot have access to the vendor database of all additions, modifications and deletions.</b>	<b>I</b>	We will have supervisory review of additions and modifications to the vendor file. If we are successful in reestablishing the position that segregated the duties of vendor data base maintenance, we will be able to remove vendor file maintenance capabilities from the supervisor. Current staffing level necessitates the vendor file capabilities remain with current staff.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Jul-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
51	<b>Require periodic reviews of the vendor database in order to ensure compliance with management policies.</b>	<b>Y&amp;I</b>	The position that had this responsibility has been eliminated due to budget cuts. We will pursue reinstatement of a position to accomplish this segregation of duties. We will develop report to do periodic reviews of the vendor base to monitor compliance with management policies.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Jul-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
52	<b>Implement a policy and procedure for Purchasing staff to verify the validity of bonafide requests to add new vendors by using the authorized signatory list.</b>	<b>I</b>	We believe that the vendor file should remain a function of the accounts payable section to ensure timely input of vendors to remain at the current 96% compliance rate with the State's prompt payment act and to take advantage of any negotiated discounts. In prior years we had a staff person dedicated to the vendor file that had the responsibility / accountability for vendor file accuracy, review of database for duplicate vendors, researching returned checks, and mailing out of checks which we agree are vital segregation of duties that enhance accounts payable internal controls. However, that position has been eliminated due to budget cuts. We will pursue reinstatement of a position to accomplish this validation. We will also explore electronic signatures through work flow to accomplish this and other streamlining issues.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	C.O.O & Purchasing Supervisor & Finance Director		Jun-09
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
53	<b>Obtain a daily vendor change report that shows all vendor file activities and verify appropriateness of changes.</b>	<b>Y</b>	We will request the MIS department to develop the recommended report to be reviewed by the Accounts payable Supervisor.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Jul-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
54	<b>Establish appropriate practices to verify various vendor attributes such as authenticity, good standing, liquidity, etc. using third party services.</b>	<b>I</b>	We will pursue reinstatement of a position to accomplish this validation.

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	C.O.O & Purchasing Supervisor & Finance Director		Jun-09
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
55	<b>Establish procedures to review vendors against the federal and state listing of debarred vendors prior to registering the vendor.</b>	<b>Y</b>	The Purchasing Department has taken under advisement the information shared by the Auditor to utilized the appropriate WEB site for checking on debarred vendors. Purchasing will establish procedures to review and verify vendor status regarding debarment. These procedures will include a letter to accompany the application to verify that they are in good standing with state and federal guidelines for vendors.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Complete March 2008
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
56	<b>Implement procurement best practices to ensure public funds are expended in the most efficient and effective manner.</b>	<b>Y</b>	The Procurement Department will review and investigate procurement best practices and implement practices that are found to be more efficient.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Jan-09
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
57	<b>Void all the checks in the system for which either stop payments have been made or the check has been reissued.</b>	<b>Y</b>	We have implemented the practice of voiding all checks in the system and eliminated the use of "replacement" checks. The Finance department had already taken actions on the duplicate payments mentioned to include voiding duplicate checks or obtaining payments or a credit memos from the vendors for all of the duplicate payments except six totaling \$4,096.47. We have since been issued credit memos totaling \$4,096.47 from those six vendors.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Complete March 2008
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
58	<b>Record all the replacement checks in the system.</b>	<b>Y</b>	We have implemented the practice of voiding all checks in the system and eliminated the use of "replacement" checks. The Finance department had already taken actions on the duplicate payments mentioned to include voiding duplicate checks or obtaining payments or a credit memos from the vendors for all of the duplicate payments except six totaling \$4,096.47. We have since been issued credit memos totaling \$4,096.47 from those six vendors.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Complete March 2008
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
59	<b>Record all receipts and disbursements pertaining to a bank account in the same object code.</b>	<b>I</b>	We will assess the cost benefit of changes to the current business process in conjunction with current system and staffing capabilities.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Jul-08

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
60	<b>Properly reconcile the general ledger cash balance with the bank statement balance.</b>	I	We will assess the cost benefit of changes to the current business process in conjunction with current system and staffing capabilities.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Jul-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
61	<b>Monitor and ensure adherence to Departmental Invoice policies and procedures.</b>	Y	The Departmental Invoice process will be re-engineered as necessary to address this concern. The Departments of Finance and Procurement conduct training to ensure adherence to usage of Departmental Invoices. We will continue to notify the vendor and department head or principal in the event of noncompliance.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor and Finance Director		Aug-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
62	<b>Ensure that there is a documented list of employees authorized to pick up printed checks.</b>	N	We currently require persons that pick up checks to show a picture ID and sign the "Accounts Payable Pick-up Check Log. They must record the date, payee, check number, amount of the check, and sign the log.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
63	<b>Mail the checks directly to payees unless justification is provided on an exception basis.</b>	Y	It is our practice to mail checks directly to vendors unless a specific request has been made for pick-up.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Complete
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
64	<b>Define exceptions to this policy.</b>	I	It is our practice to mail checks directly to vendors unless a specific request has been made for pick-up.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Nov-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
65	<b>Require timely payments in accordance with the Virginia Prompt Payment Act.</b>	Y	We are currently at a 96% compliance rate of payment within the forty five days as prescribed by the State Prompt Payment Act for the current fiscal year.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Complete
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

<b>66</b>	<b>Negotiate with vendors not offering cash discounts to stretch the payment terms to pay no later than 45 days after goods and services are received or no later than 45 days after the invoice is rendered, whichever is later.</b>	<b>Y</b>	We are currently having our legal staff advise us if we can make this requirement an automatic condition under the State Prompt Payment Act. We plan to incorporate appropriate language to this effect as a part of future contracts and purchase orders.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Jul-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>67</b>	<b>Train staff to ensure adherence to the new procedures.</b>	<b>Y</b>	It is our practice to mail checks directly to vendors unless a specific request has been made for pick-up. We do not currently have a written list of approved reasons for check pick-up. We will consider developing a list of allowable exceptions for check pick-up and train staff.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Jul-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>68</b>	<b>Ensure that duties of entering and approving procurement and payment documents are properly segregated.</b>	<b>Y</b>	We will review current authorizations and make changes as we determine to be appropriate to ensure segregation of duties to maintain internal controls and appropriate service levels.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor and Finance Director		Oct-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>69</b>	<b>Establish a complete authorized signatory listing of all RPS employees who are authorized to approve transactions and commit RPS funds for payment.</b>	<b>Y</b>	We are in the process of compiling a complete authorized signatory listing of all RPS employees who are authorized to approve transactions and commit RPS funds for payment. The list will be updated periodically.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Sep-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>70</b>	<b>Enforce the authorized signatures process by rejecting any requests that do not comply with the listing.</b>	<b>Y</b>	We will enforce the authorized signatures process by rejecting any requests that do not comply with the listings once we have completed compiling a complete authorized signatory listing of all RPS employees who are authorized to approve transactions and commit RPS funds for payment.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Oct-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

<b>71</b>	<b>Provide training for all card holders and designated approvers on the proper use of school credit cards and proper documentation of expenses required by RPS policy.</b>	<b>Y</b>	Any past confusion about use of credit cards will be cleared up. The Legal, Legislative Policy and Communications Committee of the School Board is currently reviewing and rewriting its bylaws and policies. These recommendations will be forwarded to that committee to consider as they rewrite the policy. Administration will forward copies of the current bylaws and policies concerning credit cards to all current card holders and accounts payable staff with clarifications to ensure compliance. Administration will ensure that copies of the School Board bylaws and policies will be issued to any future cardholders. As the bylaws and policies are revised/updated card holders and appropriate staff will be given updates and instruction for compliance. Currently there are only 3 holders of district credit cards. There has been no documented misuse of cards by these individuals.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Apr-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>72</b>	<b>Resolve any inconsistencies related to receipts requirements for meal expenses when paid by School credit cards.</b>	<b>Y</b>	The Legal, Legislative Policy and Communications Committee of the School Board is currently reviewing and rewriting its bylaws and policies. These recommendations will be forwarded to that committee to consider as they rewrite the policy. Administration will forward copies of the current bylaws and policies concerning credit cards to all current card holders and accounts payable staff with clarifications to ensure compliance. Administration will ensure that copies of the School Board bylaws and policies will be issued to any future cardholders. As the bylaws and policies are revised / updated card holders and appropriate staff will be given updates and instruction for compliance.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	The Legal, Legislative Policy and Communications Committee of the School Board		Jan-09
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>73</b>	<b>Devise formal guidelines on enforcement and disciplinary action for violation of the policy.</b>	<b>Y</b>	These recommendations will be forwarded to the LLP committee to consider as they rewrite the policy. Administration concurs that the School Board bylaws and policies should include formal guidelines on enforcement and disciplinary action for violation of the policy.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	The Legal, Legislative Policy and Communications Committee of the School Board		Jan-09
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

<b>74</b>	<b>Require approval by superiors for the credit card charges of subordinates.</b>	<b>Y</b>	Administration has implemented the requirement for supervisory / approved designee review and approval on all requests for payment of credit card bills effective April 2008. The Board Chairman will review and approve all charges by the Superintendent.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	C.O.O. and Finance Director		Complete in April 2008
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>75</b>	<b>Consider adopting per diem guidelines already in use by Virginia state agencies and defined in the Commonwealth Accounting Policies &amp; Procedures Manual (CAPP) Section 20335 (revised 10/1/2007).</b>	<b>I</b>	This recommendation is being forwarded to the School Board for consideration as they rewrite their bylaws and policies. As the bylaws and policies are revised / updated card holders and appropriate staff will be given updates and instruction for compliance.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	The Legal, Legislative Policy and Communications Committee of the School Board		Jan-09
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>76</b>	<b>Require personnel who have no accounts payable-related duties to handle checks requiring special handling such as hand delivery etc.</b>	<b>I</b>	This recommendation will be considered once successful implementation of using self-sealed checks is achieved.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Depends on implementation of #77
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>77</b>	<b>Purchase pressure-sealed check stock to replace current laser check stock.</b>	<b>I</b>	Accounts Payable did attempt to implement the use of self-sealed checks several years ago but many vendors complained that they needed copies of invoices or conference registration forms in order to ensure proper accounting of payments. We will meet with the City Finance staff to see how they were able to satisfy their vendors and revisit the issue.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Depends on inventory of checks on hand
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>78</b>	<b>Work out an arrangement with the City of Richmond to transfer the task of printing and mailing Accounts Payable checks.</b>	<b>I</b>	The printing of checks is a direct function of the accounts payable module of the financial system. We will explore using self-sealed checks and eliminate the need to transport checks from printing back to accounts payable.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Depends on inventory of checks on hand
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>79</b>	<b>Solicit the City of Richmond to implement positive pay with the bank accounts used by RPS.</b>	<b>Y</b>	The bank accounts are controlled by the City. RPS is in favor of positive pay as a prevention of fraud. RPS has not however, had a problem of fraud with its accounts payable account. On March 5, 2008, RPS sent a request to the City to implement positive pay on the bank account.

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	C.O.O. and Finance Director		Request made March 2008
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
80	Use serial control numbers on laser checks.	N	We do not agree that we are at any increased risk of theft of check stock. The check stock is basically blank paper that has industry approved security features. The check numbers and bank routing information are not on the blank check stock. The check stock is currently maintained in a secure locked room within the MIS department.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
81	Devise a formal policy for keeping strict inventory control over laser check stock.	Y	We have written our policy to keep our laser check stock secure in a locked room with access limited to authorized persons.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Completed March 2008
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
82	Restrict access to manual checks to individuals who have no accounts payable-related duties.	Y	We concur.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Completed March 2008
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
83	Perform periodic inventories of manual check stock by individuals with no accounts payable-related duties which will be reviewed and approved by supervisory personnel.	Y	We concur.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Completed March 2008
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
84	Use of manual checks should be restricted to true emergencies.	Y	We concur. Emergencies are approved on a case by case basis by the Accounts Payable Supervisor or the Director of Finance.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Finance Director		Completed March 2008
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
85	Emergencies requiring manual checks should be formally defined by RPS policy.	N	Emergencies are approved on a case by case basis by the Accounts Payable Supervisor or the Director of Finance. We can not develop an absolute list of emergencies.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>

Appendix A - Management Responses/Action Plan  
Richmond Public Schools - Accounts Payable and Procurement  
21 Month Ended March 31, 2007

<b>86</b>	<b>Require the inclusion of early payment discounts as a standard procedure in the procurement negotiation process.</b>	<b>Y</b>	We are currently having our legal staff advise us if we can make this requirement an automatic condition under the State Prompt Payment Act. We plan to incorporate appropriate language to this effect as a part of future contracts and purchase orders.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Jul-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>87</b>	<b>Establish a set of policies and procedures to ensure taking advantage of early payment discounts offered by vendors.</b>	<b>Y</b>	We agree that early payment discounts should be negotiated with vendors and taken when offered.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor		Jul-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>88</b>	<b>Track savings from early payment discounts and use it as a performance measure.</b>	<b>I</b>	We will also pursue, if needed, any programming changes necessary to track the discounts taken.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Purchasing Supervisor and Finance Director		Jan-09
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>89</b>	<b>Develop purchasing guidelines for IT-related purchases and provide training to the end-users.</b>	<b>Y</b>	RPS IT and Purchasing Departments will coordinate the updating of technology standards on our Intranet System. A training schedule will be implemented for end-users. The standards list will be reviewed and updated regularly to ensure that the end-user is purchasing equipment that meets IT standards.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Manager of MIS and Purchasing Supervisor		Jul-08
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>90</b>	<b>Perform an evaluation of the CIMS/FMS application to determine adequacy for the intended purpose and efficiency in use of system resources.</b>	<b>Y</b>	We concur with this recommendation. We initiated a "Needs Analysis" approximately five years prior, but due to funding, this project was canceled. An update of that study will be made.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Manager of MIS		Jun-09
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>91</b>	<b>If a need for system replacement is determined, collaborate with the City of Richmond in purchasing a new system.</b>	<b>Y</b>	We concur with this recommendation. We initiated a "Needs Analysis" approximately five years prior, but due to funding, this project was canceled. An update of that study will be made.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Manager of MIS		TBD
<b>#</b>	<b>RECOMMENDATION</b>	<b>CONCUR Y-N</b>	<b>ACTION STEPS</b>
<b>92</b>	<b>Assess the feasibility of automating the Departmental Invoice process for authorized end-users.</b>	<b>I</b>	We concur with this recommendation. This will occur as the Departmental Invoice is re-engineered.
	<b>RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Manager of MIS		Aug-08

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
93	<b>Evaluate the feasibility of workflow and electronic approval features in CIMS/FMS.</b>	Y	We concur with this recommendation. A project plan will be developed to accomplish this.
	RESPONSIBLE PERSON		TARGET DATE
	Manager of MIS		Aug-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
94	<b>Implement the audit trail feature.</b>	N	We do concur with this recommendation, however due to the amount of storage required to turn on "Journaling", we would have to purchase additional storage devices. If and when a new system is selected this recommendation will be reconsidered for implementation.
	RESPONSIBLE PERSON		TARGET DATE
	Manager of MIS		TBD
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
95	<b>Provide mandatory staff training on the CIMS/FMS purchasing and AP modules using a team of professional trainers and product end-user experts from both departments.</b>	Y	We have been offering training on CIMS/FMS Purchasing and Accounts Payable modules since 2000 (several classes each semester). This Spring we will add a purchasing policy component to the training. The training years when has been made mandatory in years that had major system or accounts payable policy changes. We will require mandatory training in the future for any new users and when ever there are major changes in the system / policies as well as periodic reviews based on needs of the users.
	RESPONSIBLE PERSON		TARGET DATE
	Finance Director		Complete 2000
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
96	<b>Review and update all training manuals to reflect system application enhancements, current processing needs and business objectives.</b>	Y	We have updated the manuals annually since 2000 to reflect updates to the system and policy changes. We will continue to update the manuals annually.
	RESPONSIBLE PERSON		TARGET DATE
	Finance Director		Complete 2000
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
97	<b>Work responsibilities should be segregated so that one individual does not control all critical stages of a process.</b>	Y	We concur with this recommendation. We will start the initiation of this recommendation with the Purchasing and Finance departments through the re-engineering process.
	RESPONSIBLE PERSON		TARGET DATE
	Manager of MIS		Aug-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
98	<b>Review all CIMS/FMS end-user security profiles and make a determination to re-align them based on the principles of segregation of duties.</b>	Y	We concur with this recommendation. We will start the initiation of this recommendation with the Purchasing and finance department once recommendation #89 has been complete.
	RESPONSIBLE PERSON		TARGET DATE
	Manager of MIS		Dec-08

Appendix A - Management Responses/Action Plan  
 Richmond Public Schools - Accounts Payable and Procurement  
 21 Month Ended March 31, 2007

#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
99	<b>Promptly terminate access privileges and remove security profiles of all terminated employees and end-users that have not logged into the CIMS/FMS system for an extended period.</b>	Y	We concur with this recommendation. When employees are terminated their access is immediately terminated but their profile information will remain on the system. This function is staffed by FTE's who are assigned various functions in addition to the mentioned function. We are currently working on this process to remove their profile information in a more timely manner. Coordination with the Human Resources Department has begun to ensure timely notification of terminations and responses.
	RESPONSIBLE PERSON		TARGET DATE
	Manager of MIS		Jul-08
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
100	<b>Configure the system to assign a fixed purchase order date which cannot be altered or overridden.</b>	I	We will investigate what programming changes will be necessary to implement this recommendation and make a determination at that time.
	RESPONSIBLE PERSON		TARGET DATE
	Manager of MIS		Jan-09
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
101	<b>Implement controls that will prevent expenditure limits from being exceeded.</b>	I	The financial system does have budget controls that prevent expenditures from exceeding the approved budget. The system does allow expenditures to exceed the PO amount as long as it does not exceed the budgeted amount for the account. We will explore what program modification would be necessary to implement this additional control.
	RESPONSIBLE PERSON		TARGET DATE
	Manager of MIS and Purchasing Supervisor		Jul-09
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
102	<b>Implement a control that will allow the date field to reflect the date of the modification when making changes to the vendor file.</b>	I	We will investigate what programming changes will be necessary to implement this recommendation and make a determination at that time.
	RESPONSIBLE PERSON		TARGET DATE
	Manager of MIS		Jan-09