



**CITY OF RICHMOND**  
**CITY AUDITOR**

## Executive Summary

April 2, 2008

The Honorable Members of City Council  
Richmond City Audit Committee  
City of Richmond, Virginia 23219

The City Auditor's Office has completed an audit of the Purchasing Department and the Accounts Payable Division of the Richmond Public Schools. The audit was conducted in accordance with Generally Accepted Government Auditing Standards. The overall objective of this audit was to evaluate whether procurement and disbursement activity was:

- for authorized transactions,
- in accordance with governing laws, rules and policies,
- supported by appropriate documentation,
- transacted using responsible, reliable and legitimate vendors, and
- processed in the most effective and efficient manner.

The audit identified the following areas where there is a potential opportunity to save a substantial amount of public resources:

<i>Category</i>	<i>Recurring?</i>	<i>Impact of the Audit</i>
Consolidating purchases for like commodity codes	Y	Savings undetermined but substantial
Use of "eVA"	Y	\$5.5 million cost avoidance
Elimination of excess textbook purchases	Y	\$800,000 savings
Duplicate payments	Y	\$120,000 savings
Vendor discounts	Y	Undetermined but substantial

<b>Elimination of Warehouses</b>	<b>Y</b>	<b>\$220,000 cost avoidance</b>
<b>Best use of Warehouse space</b>	<b>N</b>	<b>Better use of \$9 million asset</b>
<b>Total (Annual)</b>	<b>Recurring savings</b>	<b>\$6,640,000+</b>
	<b>Better use of assets*</b>	<b>\$9,000,000+</b>

\* - Does not represent savings

Note: Due to the time required for implementation of the recommendations, the above impact may realize over a period exceeding one budget cycle.

### ***Introduction***

Traditionally, procurement and accounts payable functions are targets for fraudulent activities. According to the Association of Fraud Examiners, 71.4% of the total number of instances of occupational fraud committed involved billing, expense reimbursement, check tampering and wire transfer frauds.

### ***How much resources are vulnerable to the risk of fraud?***

In FY 2007, RPS spent \$55 million for procuring goods and services. This is a significant amount compared to the RPS's annual, non-payroll expenditures. During the 21-month audit period, the Accounts Payable section prepared checks in the amount of \$298 million. All these amounts represent the outlay of a significant amount of public resources. The existence and effectiveness of proper controls over these cash outlays are of utmost importance.

### ***Does RPS have adequate controls to mitigate the risk?***

Overall, internal controls in procurement and accounts payable processes were significantly weak. Audit tests revealed several issues with the procurement of goods and services. These instances represented significant non-compliance with RPS policies and the Virginia Public Procurement Act provisions.

Due to lack of proper data, a more comprehensive study of overall compliance with policies and regulations, and lost opportunities for consolidating purchases for the purposes of volume discounts could not be performed. This is a significant inadequacy. This deficiency

prevents proper monitoring of compliance with policies and regulations unless extensive manual efforts are invested. Some of the issues are listed as follows:

- Participation of the Purchasing staff in the procurement process was limited.
- It was apparent that RPS does not have a proper monitoring mechanism to verify compliance with policies, laws and regulations. Audit identified gross non-compliance with procurement policies and statutory requirements. It appears that the inconsistency between School Board Bylaws related to procurement and the purchasing manual may be causing confusion amongst users. It appears that users either disregard the compliance requirements or are not trained properly on procurement issues.
- The Virginia Public Procurement Act provides in § 2.2-4377 that any person convicted of a willful violation of any provision of the Act shall be guilty of a Class 1 misdemeanor. Upon conviction, any public employee, in addition to any other fine or penalty provided by law, shall forfeit his employment.
- The RPS staff may have misused relaxed regulations for emergency and sole source purchases. There was inadequate evidence to justify these purchases. In addition, the School Board approvals for most of the emergency purchases were not obtained as required by the School Board bylaws.
- Too much authority was vested in the former Assistant Superintendent of Schools over Finance and Operations. This employee had unlimited authority to obligate the Schools Division and authority to determine if a particular situation was an emergency.
- In some cases, the documentation needed to establish a contract (i.e. payment and performance bonds) was not provided to Purchasing until after the contractor had started working. Contracts are legally binding documents. If the contracts are not fully executed, RPS may not be able to enforce the provisions of the contract. In the case of poor performance or non-compliance with the contract terms by the contractor, RPS may not have recourse against the contractor.

- Evidence of proper quotes or bids was lacking. This may indicate not following procurement requirements and possibly routing the contract to the vendor of choice by RPS employees. This is a very serious weakness that can result in misuse.
- RPS did not have an in-depth vendor performance evaluation process. The departments administering vendor contracts were not required to report any in-depth information about the adequacy of vendor performance to the Purchasing Division. The risk triggered by this situation is that a poor or marginally performing vendor may not be identified.
- Audit research identified an automated tool called eVA offered by the Commonwealth of Virginia virtually free of cost. It allows approximately 32,000 vendors to compete for business with about 663 state and local government agencies. This tool provides a streamlined, efficient and economical procurement system since purchasing professionals use a single, web-based point of access that seamlessly links them to a supplier community. To date, spending through this tool is estimated to be \$13.8 billion and Virginia taxpayers have saved an average of over \$218 million since the inception of the program. Audit tests using City of Richmond data indicated that the use of eVA for selected supplies would have saved 17% of the purchase price over the City's utmost best efforts to obtain the lowest price. Therefore, RPS is expected to generate significant savings by using eVA.
- Due to gross non-compliance with procurement policies and an ineffective Purchasing Division, there is no assurance that RPS currently receives the most favorable pricing. The City Auditor's office estimates that RPS could save at least \$5.5 million by using eVA.
- In a Richmond Times Dispatch article published on February 3, 2008, Richmond Public Schools (RPS) was cited as having the highest textbook costs per student in comparison to other local school districts. Even though the student population for Richmond is smaller than Henrico and Norfolk, RPS spends more on textbooks than these localities.
- RPS did not have an updated inventory of text books. During audit analysis of textbook purchases for school years 2005-2006 (September 2005 to June 2006) and

2006-2007 (September 2006 to June 2007), the auditor observed RPS textbook purchases were not in line with the student population. Textbook purchases were compared to the number of enrolled students. Excess books were noted for both years as depicted in the following table:

School Year	Excess Books	\$ Amt of Excess Books
2005-2006	11,640	\$ 437,662
2006-2007	19,368	\$ 808,945
<b>Total</b>		\$1,246,607

Excess purchases of text books and lack of proper inventories could result in wasted resources.

- The sale and purchase of used books are off-the-books transactions via credit vouchers issued by the vendor for used books. The sale proceeds are not recorded in the financial system. Similarly, purchase orders are not generated to procure used books. The purchasing officer simply contacts the company and places an order. There is no accountability over the use of the credit vouchers. This situation, along with no control over purchasing books and purchasing excessive books, can result in abuse and corruption. Also, misappropriations or errors, if they occur, will not be detected by RPS.
- RPS currently has two warehouses located on prime pieces of property in the Boulevard area. This area is positioned for significant redevelopment. The warehouses are underutilized. Reclaiming the use of these properties could result in about \$9 million in assets which can be put to better use and economic development. In addition, elimination of the warehouses would result in \$300,000 in operational savings of which \$80,000 may be needed for asset tagging and deliveries.
- Two RPS employees were related to contractors who provided services to RPS. One of the employees was actually a purchasing officer who was responsible for construction procurement. Audit inquiries identified that one of the construction firms utilized by RPS is owned by a family member of this purchasing officer. Also, a Plant Services employee's immediate family member performed

construction services for RPS. This is of concern since construction projects are handled by Plant Services. During the audit scope, both contractors received a combined total of approximately \$357,000 from RPS. This matter will be further investigated by the City Auditor's Office.

- On at least two occasions, staff members were instructed to backdate contracts. On one of these occasions, the former Purchasing Supervisor wrote a memo to the former Assistant Superintendent of Finance/Operations requesting him to "Please sign the attached contract and backdate it for September 6, 2005." It was noted that the Assistant Superintendent did not honor the request. In the other instance, RPS legal counsel advised the purchasing officer to "revise the date of the contract to a date that is prior to or coincides with the date of the commencement date in Section 2.1." Given the tone at the top, the culture within RPS Purchasing is susceptible to improprieties.
- RPS contract language did not include a "right to audit" clause. Failure to explicitly state the right to a detailed examination of the contractors' records may preclude RPS auditors from reviewing those records if the need arises. Furthermore, if there is a suspected fraud or misconduct, RPS may not have legal recourse to gain access to records to ascertain whether misconduct has occurred.
- One of Purchasing's critical functions is to ensure that RPS does business with responsible, reliable and legitimate vendors. Auditors found that RPS does not have a mechanism for excluding state and federally debarred vendors after conviction for violation of antitrust laws and unethical behavior. The vendors could also be debarred for fraud or for demonstrating a lack of business integrity or honesty. Obviously, RPS must not deal with debarred vendors as a matter of prudent business practice.
- There was a lack of supervisory review of the vendor data input, changes and deletions. Staff could add, change and delete vendors without any supporting documentation. This is a major weakness in the internal controls over this process.
- To be an effective control process, there must be an adequate segregation of duties between the personnel entering the purchase order data, receiving data, and invoice

data. During audit tests, some employees appeared to have the ability to enter all of the above information leading to the risk of abuse.

- Auditors observed 300 vendors that appear to have duplicate names in the vendor database. The risks of not having an accurate vendor database include:
  - an increased risk of checks being issued to the wrong vendor,
  - internal agencies placing orders using both names and circumventing the dollar thresholds to avoid a formal bid process,
  - confusion by internal agency staff responsible for processing agency activity, and
  - an increased risk of duplicate payments processed and sent to a vendor.

All of the problems above ultimately affect the efficiency and effectiveness of the School's operations.

- The auditors found duplicate payments on 59 invoices totaling \$121,073. The duplicate payments reviewed circumvented the system edit process as noted above. Duplicate payments occurred because either different vendor numbers were used or the invoice number was altered slightly to bypass the system controls.
- Auditors found that not all accounting transactions are entered into the system. Normally, all lost, destroyed or erroneously prepared checks should be voided in the main accounting system and all reissued checks should be recorded. However, RPS Finance does not record "replacement" checks when the payments have been stopped on the original checks. When issuing replacement checks, Accounts Payable maintains a manual log of issued replacement checks which is used to reconcile every month. When asked why such a practice was put in place, RPS Finance could not furnish a sound business reason. During the audit period, RPS issued 170 replacement checks with an approximate value of **\$937,000** which were not captured in the financial system. This process creates discrepancies in financial records, promotes confusion, and allows a significant avenue for errors or misuse.
- Cash is the most liquid asset an entity has and thus is the most susceptible to error and irregularity. According to best practices, bank statements should be reconciled to the general ledger in a timely manner to detect errors and irregularities. The idea

- behind preparing a bank reconciliation is to use the independently derived cash balance (bank statement) to verify the accuracy of the balance derived from recorded transactions. This process assures that the record of transactions in the general ledger is complete and accurate.
- RPS does not perform a traditional bank reconciliation. Basically, RPS personnel reconcile the bank balance with outstanding checks and relevant adjustments. This means that, as long as the list of outstanding checks reconciles with the bank balance, any errors in the general ledger balance will not be detected by this process. Departmental Invoices do not require either a purchase order or a receiver. In order to process payments through Departmental Invoices, the end-users submit the Departmental Invoice form and support. Accounts Payable ensures that the form is signed. However, they do not maintain an authorized signature listing. Consequently, they are not in a position to verify whether the individual approving the form is authorized to commit RPS funds. In these circumstances, Departmental Invoices can be prepared for unauthorized expenses. This type of abuse, if occurred, could result in losses for RPS.
  - Auditors noticed lack of proper documentation and other irregularities in expenses charged to credit cards issued to RPS management and former School Board members. The charges on two former School Board members' credit cards included the following:
    - \$485 in gasoline purchases in the Richmond area with no receipts or explanations. The business purpose of these charges is unknown.
    - \$10 for one on-line charge to an inappropriate website.
    - \$175 for a Western Union money order. The payee and the reason for issuing the money order are not known.
  - RPS uses a separate set of checks for manual checks. There are no formal policies or procedures for taking periodic inventories or restricting access to the check stock. The Accounts Payable personnel have ready access to these checks including weekends.

- During the audit period, 312 manual checks were issued totaling about \$2.6 million. In their tests, the auditors found that 52% of the checks had no evidence of review or approval by supervisory personnel as required by policy. In these circumstances, misuse of these checks will not be detected in a timely manner.
- The RPS financial system was implemented in 1991. The audit identified that the departmental invoice process currently being handled manually needs to be automated. In addition, several significant features such as keeping an audit trail of transactions, workflow, and electronic approval need to be used. Some system enhancements will be needed for these purposes. RPS needs to evaluate the cost effectiveness of making these changes. In addition, due to the age of the system, the relevance, usefulness and efficiency of the system need to be compared with other modern systems to determine the cost and benefits of replacing the system.

The City Auditor's office appreciates the cooperation of the Purchasing and Accounts Payable staff. A written response from RPS management is included in this report. Please contact the City Auditor if you have a question or comments related to this report.



Umesh Dalal, CPA, CIA, CIG  
City Auditor

<b><i>COMPREHENSIVE LIST OF RECOMMENDATIONS</i></b>		<b><i>PAGE</i></b>
<b>1</b>	<b>Train Purchasing staff as well as the purchasing end-users (liaisons) to ensure they possess adequate knowledge to perform their duties competently.</b>	<b>10</b>
<b>2</b>	<b>Implement a formal training program for the end-users.</b>	<b>10</b>
<b>3</b>	<b>Establish minimum educational requirements for purchasing staff and a career path program in order to promote advancement within the division.</b>	<b>10</b>
<b>4</b>	<b>Encourage obtaining a professional certification in the procurement field to address the competencies and skill sets of the purchasing staff.</b>	<b>10</b>
<b>5</b>	<b>Resolve the disparity between the Purchasing manual and the Bylaws by a coordinated review and make appropriate changes.</b>	<b>15</b>
<b>6</b>	<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>	<b>15</b>
<b>7</b>	<b>Mandate strict compliance with RPS procurement policies.</b>	<b>15</b>
<b>8</b>	<b>Require the Purchasing Division to be vigilant in monitoring user compliance with the policies.</b>	<b>15</b>
<b>9</b>	<b>Prescribe and enforce disciplinary action for the employees not complying with the purchasing policies.</b>	<b>15</b>
<b>10</b>	<b>Require the Purchasing Division to periodically analyze the procurement data to detect and address bid splitting incidences.</b>	<b>19</b>
<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>21</b>
<b>12</b>	<b>Use blanket purchase orders only for repetitive purchases related to a single contract.</b>	<b>21</b>
<b>13</b>	<b>Use the system feature to link purchase orders with corresponding contracts.</b>	<b>21</b>
<b>14</b>	<b>Prohibit users from directly dealing with vendors without involvement of the Purchasing Division</b>	<b>28</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>28</b>
<b>16</b>	<b>Require proper documentation of reasons for the sole source or emergency purchases.</b>	<b>28</b>
<b>17</b>	<b>Require the School Board approval of emergency and sole source contracts.</b>	<b>28</b>
<b>18</b>	<b>Hold staff accountable for lack of planning.</b>	<b>28</b>

<b>19</b>	<b>Establish procedures that ensure consistency and completeness within Purchasing contract files.</b>	<b>33</b>
<b>20</b>	<b>Maintain an accurate contract listing and make it available to RPS staff.</b>	<b>33</b>
<b>21</b>	<b>Assign appropriate commodity codes for all purchases and use them to detect opportunities for consolidation of purchases for volume discount purposes.</b>	<b>33</b>
<b>22</b>	<b>Require Purchasing to maintain a complete contract file that evidences the entire contract process from initiation to close.</b>	<b>34</b>
<b>23</b>	<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>	<b>34</b>
<b>24</b>	<b>Perform a periodic review of the files to ensure compliance.</b>	<b>34</b>
<b>25</b>	<b>Require end-users to report in-depth information about vendor performance adequacy to the Purchasing Division.</b>	<b>34</b>
<b>26</b>	<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>	<b>36</b>
<b>27</b>	<b>Require change orders to be prepared and approved in advance of beginning work.</b>	<b>36</b>
<b>28</b>	<b>Implement eVA and mandate the RPS Departments to use it for the purposes of procurements.</b>	<b>42</b>
<b>29</b>	<b>Require departments to retain appropriate records of selecting vendors in accordance with RPS policy.</b>	<b>42</b>
<b>30</b>	<b>Periodically verify compliance with the above process.</b>	<b>42</b>
<b>31</b>	<b>Hold Purchasing accountable for the appropriateness of textbook purchases.</b>	<b>46</b>
<b>32</b>	<b>Comply with Virginia Public Procurement Act provisions related to inviting sealed bids.</b>	<b>46</b>
<b>33</b>	<b>Analyze the textbook needs and conduct proper planning prior to purchasing textbooks to avoid excessive purchases.</b>	<b>46</b>
<b>34</b>	<b>Keep proper records of the used books inventory and sales proceeds from the sale of used books.</b>	<b>47</b>
<b>35</b>	<b>Require the Purchasing Division to conduct the sale of books.</b>	<b>47</b>
<b>36</b>	<b>Eliminate the two warehouses at 2901 Boulevard and 1722 Arlington Road.</b>	<b>49</b>
<b>37</b>	<b>Require the City's Director of Real Estate to obtain professional appraisals of value of the two warehouse properties.</b>	<b>49</b>
<b>38</b>	<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>	<b>50</b>

<b>39</b>	<b>Establish meaningful performance measures that can be used to evaluate and monitor employees' and division's performance.</b>	<b>51</b>
<b>40</b>	<b>Evaluate and monitor staff's and division's performance using the measures.</b>	<b>51</b>
<b>41</b>	<b>Develop a conflict of interest disclosure form for the buyers and administrators.</b>	<b>53</b>
<b>42</b>	<b>Ensure that buyers and administrators certify a conflict of interest statement on an annual basis.</b>	<b>53</b>
<b>43</b>	<b>Establish a mandate of unacceptability of unethical practices, improprieties and issues of non-compliance.</b>	<b>54</b>
<b>44</b>	<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>	<b>54</b>
<b>45</b>	<b>Centralize the function of vendor database update and maintenance in Purchasing.</b>	<b>56</b>
<b>46</b>	<b>Require periodic reviews of the vendor database in order to detect and avoid duplicate vendors.</b>	<b>56</b>
<b>47</b>	<b>Perforate all paid invoices before mailing checks.</b>	<b>58</b>
<b>48</b>	<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>58</b>
<b>49</b>	<b>Review periodic reports to look for duplicate payments involving payments to the same vendor.</b>	<b>58</b>
<b>50</b>	<b>Require review and approval by supervisory personnel, who cannot have access to the vendor database, of all additions, modifications and deletions.</b>	<b>60</b>
<b>51</b>	<b>Require periodic reviews of the vendor database in order to ensure compliance with management policies.</b>	<b>60</b>
<b>52</b>	<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>60</b>
<b>53</b>	<b>Obtain a daily vendor change report that shows all vendor file activities and verify appropriateness of changes.</b>	<b>60</b>
<b>54</b>	<b>Establish appropriate practices to verify various vendor attributes such as authenticity, good standing, liquidity, etc. using third party services.</b>	<b>60</b>
<b>55</b>	<b>Establish procedures to review vendors against the federal and state listing of debarred vendors prior to registering the vendor.</b>	<b>61</b>
<b>56</b>	<b>Implement procurement best practices to ensure public funds are expended in the most efficient and effective manner.</b>	<b>62</b>
<b>57</b>	<b>Void all the checks in the system for which either stop payments have been made or the check is reissued.</b>	<b>66</b>
<b>58</b>	<b>Record all the replacement checks in the system.</b>	<b>66</b>

<b>59</b>	<b>Record all receipts and disbursements pertaining to a bank account in the same object code.</b>	<b>66</b>
<b>60</b>	<b>Properly reconcile the general ledger cash balance with the bank statement balance.</b>	<b>66</b>
<b>61</b>	<b>Monitor and ensure adherence to Departmental Invoice policies and procedures.</b>	<b>68</b>
<b>62</b>	<b>Ensure that there is a documented list of employees authorized to pick up printed checks.</b>	<b>69</b>
<b>63</b>	<b>Mail the checks directly to payees unless justification is provided on an exception basis.</b>	<b>69</b>
<b>64</b>	<b>Define exceptions to this policy.</b>	<b>69</b>
<b>65</b>	<b>Require timely payments in accordance with the Virginia Prompt Payment Act.</b>	<b>70</b>
<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>70</b>
<b>67</b>	<b>Train staff to ensure adherence to the new procedures.</b>	<b>70</b>
<b>68</b>	<b>Ensure that duties of entering and approving procurement and payment documents are properly segregated.</b>	<b>73</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>73</b>
<b>70</b>	<b>Enforce the authorized signatures process by rejecting any requests that do not comply with the listing.</b>	<b>73</b>
<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>77</b>
<b>72</b>	<b>Resolve any inconsistencies related to receipts requirements for meal expenses when paid by School credit cards.</b>	<b>77</b>
<b>73</b>	<b>Devise formal guidelines on enforcement and disciplinary action for violation of the policy.</b>	<b>77</b>
<b>74</b>	<b>Require approval by superiors for the credit card charges of subordinates.</b>	<b>77</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>77</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>78</b>
<b>77</b>	<b>Purchase pressure-sealed check stock to replace current laser check stock.</b>	<b>79</b>
<b>78</b>	<b>Work out an arrangement with the City of Richmond to transfer the task of printing and mailing of Accounts Payable checks.</b>	<b>79</b>

79	Solicit the City of Richmond to implement positive pay with the banks accounts used by RPS.	81
80	Use serial control numbers on laser checks.	84
81	Devise a formal policy for keeping strict inventory control over laser check stock.	84
82	Restrict access to manual checks to individuals who have no accounts payable-related duties.	85
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.	85
84	Use of manual checks should be restricted to true emergencies.	85
85	Emergencies requiring manual checks should be formally defined by RPS policy.	85
86	Require the inclusion of early payment discounts as a standard procedure in the procurement negotiation process.	86
87	Establish a set of policies and procedures to ensure taking advantage of early payment discounts offered by vendors.	86
88	Track savings from early payment discounts and use it as a performance measure.	86
89	Develop purchasing guidelines for IT-related purchases and provide training to the end-users.	87
90	Perform an evaluation of the CIMS/FMS application to determine adequacy for the intended purpose and efficiency in use of system resources.	96
91	If a need for system replacement is determined, collaborate with the City of Richmond in purchasing a new system.	96
92	Assess the feasibility of automating the Departmental Invoice process for authorized end-users.	96
93	Evaluate the feasibility of workflow and electronic approval features in CIMS/FMS.	96
94	Implement the audit trail feature.	96
95	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.	96
96	Review and update all training manuals to reflect system application enhancements, current processing needs and business objectives.	97
97	Work responsibilities should be segregated so that one individual does not control all critical stages of a process.	97
98	Review all CIMS/FMS end-user security profiles and make a determination to re-align them based on the principles of segregation of duties.	97

- 99 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. 97**
- 100 Configure the system to assign a fixed purchase order date which cannot be altered or overridden. 97**
- 101 Implement controls that will prevent expenditure limits to be exceeded. 97**
- 102 Implement a control that will allow the date field to reflect the date of the modification when making changes to the vendor file. 97**