



St. Johns County School District

Internal Audit of the Purchasing Function 2013-14

Prepared By:



April 7, 2014

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April 7, 2014

The Audit Committee of
 St. Johns County School District
 40 Orange Street
 St Augustine, Florida 32084

Pursuant to the St. Johns County School District (“District”) approved Audit Plan for 2013-14, we hereby submit our internal audit report of the Purchasing function. We will be presenting this report to the Audit Committee at the next scheduled meeting on April 17, 2014.

Our report is organized in the following sections:

Executive Summary	This provides a summary of the issues related to our internal audit of the Purchasing function.
Background	This provides an overview of the Purchasing function.
Objectives and Approach	The internal audit objectives and focus are expanded upon in this section as well as a review of the various phases of our approach.
Issues, Recommendations and Management Responses	This section gives a description of the issues, recommended action and provides a risk rating of high, moderate or low. Management’s response has been incorporated into this section as well.
Process Map	This section includes a detailed flowchart mapping the process.

We would like to thank the Purchasing department and all those involved in assisting us in connection with our internal audit of the Purchasing function.

Respectfully Submitted,



Executive Summary

Executive Summary

The purchasing function impacts the District entity-wide. The primary purpose of the function is to manage that appropriate goods and services are obtained at the right time, at the right quantities, at the right prices and within established rules/regulations and policies/procedures to enable the District to operate on a daily basis. The Purchasing department is headed by the Director of Purchasing, and consists of 3 employees focused on the purchasing function. The Purchasing department supports District schools (34) and departments (30 plus) in the development, negotiation, and administration of contracts for the purchase of goods needed throughout the District, construction contracts, professional services agreements, and related change orders through the use of formal bids, competitive negotiations, requests for qualifications, invitations to quote, and requests for proposals. The process addresses the proper request and authorization of purchases and vendor approval and setup.

The audit plan included the purchasing process as a high risk process due to the complexities of the process, turnover of the long-time Director, nature of the risks involved, including compliance, financial and public perception and the volume/dollar amount of transactions associated with the process. We reviewed the design adequacy and operating effectiveness, including detailed testing of transactions, of the internal control structure in place over the purchasing process.

The following table reflects statistical data from the most recent fiscal years:

Description	2011-12	2012-13
Number of purchase orders issued	5,545	5,952
Dollar value of purchase orders issued	\$55,412,316	\$77,094,552
Number of quotes issued	62	54
Number of ITB/RFP's Issued	25	29

The following section provides a summary of the issues identified during our procedures and their relative risk rating. This is the evaluation of the severity of the concern and the potential impact on the operations. There are many areas of risk to consider including financial, operational, and/or compliance as well as public perception or 'brand' risk when determining the relative risk rating. Items are rated as High, Moderate, or Low.

- *High Risk Items* are considered to be of immediate concern and could cause significant operational issues if not addressed in a timely manner.
- *Moderate Risk Items* may also cause operational issues and do not require immediate attention, but should be addressed as soon as possible.
- *Low Risk Items* could escalate into operational issues, but can be addressed through the normal course of conducting business.

The details of these issues are included within the Issues, Recommendations and Management Responses section of this report.

Observations	Risk Rating
1. Purchase Approval and Documentation	Moderate
<p>Within our sample selection of 30 disbursements, 5 were piggyback purchases. We noted the following:</p> <ul style="list-style-type: none"> • School Board approval was not obtained for 1 purchase over the \$50,000 Board approval threshold, as required by the District's Purchasing and Procurement Policies, 7.14(8). This policy states that "School Board approval shall be required for any purchase or contract of \$50,000 or more." • One purchase was made under an invalid contract in error. After identification during the audit, a valid contract with another entity was identified for the District's use at the time of the purchase. • Currently, piggybacked contracts, including supplemental information, are saved to the District's shared drive, but there are no documented policies and procedures guiding the process. <p>Failure to properly identify and follow required guidelines for piggybacked contracts could lead to a violation of the competitive solicitation requirements or disputes with vendors.</p>	

Executive Summary – continued

Observations	Risk Rating
<p>2. Supplemental Payments</p>	<p>Moderate</p>
<p>During our testing, we noted 2 payments for coaching supplements erroneously made to one district employee using the payee's vendor number instead of being paid through payroll. The person receiving the supplement was a district employee as of the date of service and payment. The school completed the non-district employee form and it was signed off by the payee, the School's Principal and Athletic Director and HR. As such, this district employee's supplemental payment for volunteer services was not processed through payroll as required.</p> <p>Supplemental payments to District employees have associated tax implications.</p>	
<p>3. Segregation of Duties and User Access</p>	<p>Moderate</p>
<p>Appropriate segregation of duties should include separating the authorizing, recording, and reconciling functions. We noted the following during our review of assigned duties and access levels:</p> <ul style="list-style-type: none"> • All individuals in the Accounts Payable department have conflicting access which enables them to perform the following: <ul style="list-style-type: none"> ○ Make vendor additions; ○ Post vendor invoices; and ○ Process vendor invoices for payment. • Two purchasing employees have the ability to: <ul style="list-style-type: none"> ○ Make vendor additions, changes and deletions; ○ Create and approve purchase requisitions; and ○ Create and approve purchase orders. • Three persons outside of Purchasing and Accounts Payable have access to vendor additions, changes and deletions. This access is not typically given to persons with these job duties and responsibilities, but was a hangover from or due to the District's conversion to SunGard during FY 2011-12. <p>Failure to adequately segregate duties increases the risk of erroneous, duplicate, or fraudulent transactions occurring without detection.</p>	
<p>4. Sole Bid</p>	<p>Moderate</p>
<p>For 2 purchases (\$300,000 and \$40,000) in our sample, only 1 bid was received, but the documentation did not include the reason for choosing the sole proposer in lieu of resoliciting proposals as required by State Board of Education Rule 6A-1.012(12(c)), Florida Administrative Code.</p>	
<p>5. Vendor Master File</p>	<p>Low</p>
<p>The District performed a clean-up of the vendor master file upon conversion to SunGard. Currently, there is no periodic review of the vendor master file to identify erroneous or outdated information, potential duplicate vendors, and inactive vendors.</p> <p>The vendor master file should be monitored on an ongoing basis to ensure the file's integrity is protected. In addition, the risk of unauthorized disbursements is increased by the presence of inactive vendors in the active vendor file.</p>	

Background

Background

What is Purchasing?

The purchasing function impacts the District entity-wide. The primary purpose of the function is to manage that appropriate goods and services are obtained at the right time, at the right quantities, at the right prices and within established rules/regulations and policies/procedures to enable the District to operate on a daily basis. The process addresses the proper request and authorization of a purchase and vendor approval and setup. We have included a detailed map of the purchasing process on pages 11-13.

The Purchasing Department

The Purchasing department supports District schools (34) and departments (30 plus) in the development, negotiation, and administration of contracts for the purchase of goods needed throughout the District, construction contracts, professional services agreements, and related change orders through the use of formal bids, competitive negotiations, requests for qualifications, invitations to quote, and requests for proposals. The District's Purchasing department was established to provide professional and efficient procurement services and support the activities of the District, including education, financial responsibility and community service, through contracting for all commodities and services; by maintaining procedures which foster fair and open competition, inspiring public confidence that all contracts are awarded equitably and economically; and by acquiring the greatest possible value and quality in the services and products, with timely delivery. The Purchasing department's mission statement describes their goals as follows: "to acquire and account for the material and services needed by faculty, staff, and students as economically and timely as possible, using generally accepted purchasing and asset accounting practices."

The District's purchasing department also oversees purchasing, property control, warehousing operations, and the surplus disposition function. The Purchasing department is headed by the Director of Purchasing, and consists of 3 employees focused on the purchasing function, and 3 employees responsible for property control, inventory, surplus and warehousing functions. The following table reflects statistical data from the most recent fiscal years:

Description	2011-12	2012-13
Number of purchase orders issued	5,545	5,952
Dollar value of purchase orders issued	\$55,412,316	\$77,094,552
Number of quotes issued	62	54
Number of ITB/RFP's Issued	25	29

Policies and Procedures

Pursuant to Section 1001.41, Florida Statutes, the Board is the District's contracting agent, and under Section 1010.04, Florida Statutes, purchases by school districts are required to comply with the rules of the State Board of Education. The Purchasing function is governed by State Board of Education Rule 6A-1.012, Florida Administrative Code, which provides that the District must request bids or proposals from three or more sources for purchases of commodities or contractual services exceeding \$50,000. This rule also states that in lieu of competitive solicitation, the District may make purchases at or below the specified prices from contracts awarded by other specified government entities when permitted using the same terms, conditions, and prices as awarded in such contract. This rule further exempts the purchase of certain goods or services from the competitive solicitation requirements, including professional services, purchases of educational services, and any type of copyrighted materials. The below table outlines the District's purchasing procedures based on dollar amount and in accordance with School Board Rule 7.14, Purchasing and Procurement Policies:

Dollar Threshold	Procedure Required
\$50,000 or more	School Board approval and competitive solicitation
\$25,000 to less than \$50,000	Formal written quotation required
\$5,000 to less than \$25,000	Informal written quotations required from at least 3 sources
Less than \$5,000	Purchase shall be made in the District's best interest

Objectives and Approach

Objectives and Approach

Objectives

Objectives of the internal audit of the Purchasing function include the following:

- Document the purchasing process and related internal controls;
- Evaluate compliance with Board policies and procedures and Florida Statutes;
- Evaluate access controls and segregation of duties within the purchasing function.
- Determine and evaluate if records and documentation are sufficient to establish an audit trail for all purchasing transactions;
- Determine if there are controls for related party transactions and conflicts of interest disclosure;
- Evaluate the change order process;
- Determine if purchases are placed for only approved requisitions;
- Determine if contracts are monitored by Purchasing and Departments; and
- Determine the adequacy and operating effectiveness of the control structure over purchasing and make recommendations when considered necessary.

Approach

Our audit approach consisted of the following phases:

Understanding and Documentation of the Process

During this phase, we conducted interviews with the outgoing and incoming Directors of Purchasing to discuss the scope and objectives of the audit work, obtain preliminary data, and establish working arrangements. We also obtained copies of and reviewed policies, procedures and other documents applicable to the purchasing function. We researched and reviewed applicable Florida Statutes and State Board of Education rules. We documented the process flow in process maps.

Detailed Testing

The purpose of this phase was the development and execution of applicable tests of compliance and controls. Our fieldwork was conducted at the District's office. We utilized sampling and other auditing techniques as necessary to meet our audit objectives outlined above and performed the following:

- Conducted interviews and walkthroughs to obtain an understanding of the purchasing and vendor creation and management processes;
- Obtained and reviewed the purchasing and contract files for a sample of 30 purchases from FY 2013 and FY 2014;
- Verified completeness of the purchasing and contract files for the sample above;
- Tested the above sample for compliance with statutes, policies and procedures governing the bid/quote, vendor selection, and other purchasing process aspects;
- We reviewed segregation of duties and user access in the SunGard system for the purchase approval, accounts payable and vendor management functions;
- We observed automated controls relating to adding vendors, creating purchase requests, approval of purchase requisitions, and turning them into purchase orders; and
- We ran computer assisted audit techniques to perform the following:
 - Compared the active vendor listing to an active employee listing for matches on name, address, or Social Security Number/ Taxpayer Identification Number;
 - Reviewed the vendor master listing for possible duplicate vendors.
 - Reviewed the vendor master listing for missing or incomplete addresses.
 - Reviewed the purchase order number sequence.

Reporting

At the conclusion of our audit, we summarized our findings related to the Purchasing function. We conducted an exit conference with the Director of Purchasing, Director of Accounting and Payroll, and Chief Financial Officer. Management's responses have been incorporated into our report.

Issues, Recommendations and Management Responses

Rating	Issues	Recommendation	Management Response
Moderate	1 Purchase Approval and Documentation		
	<p><u>Piggyback Purchases</u> Piggyback purchases are purchases made under the terms and conditions of a contract awarded by an entity other than the District. State Board of Education Rule 6A-1.012(6) exempts such purchases from the competitive solicitation requirements if they are made at or below the prices from contracts awarded by specified governmental entities (including district school boards and state agencies) and the vendor agrees to extend the bid or contract for the District's use.</p> <p>Within our sample selection of 30 disbursements, 5 were piggyback purchases. We noted the following:</p> <ul style="list-style-type: none"> • School Board approval was not obtained for 1 purchase over the \$50,000 Board approval threshold, as required by the District's Purchasing and Procurement Policies, 7.14(8). This policy states that "School Board approval shall be required for any purchase or contract of \$50,000 or more." • One purchase was made under an invalid contract in error. After identification during the audit, a valid contract with another entity was identified for the District's use at the time of the purchase. • Currently, piggybacked contracts, including supplemental information, are saved to the District's shared drive, but there are no documented policies and procedures guiding the process. 	<p><u>Piggyback Purchases</u> Prior to the audit, the District previously identified that they were not following the District's Purchasing and Procurement Policies, 7.14(8), and have increased awareness of the required compliance.</p> <p>We recommend that the District include a section in their current policies and procedures covering the process required to piggyback contracts. We also recommend that the District consider logging all piggybacked contracts (in addition to those over \$50,000) in a master list, which will enhance their current process for monitoring completeness of piggyback contract and purchase records.</p>	<p>Response: Bid awards from other governmental agencies, or "piggyback purchases," is one of many methods utilized by the District as permitted in State Board of Education Administrative Rule 6A-1.012(6) to acquire materials and services needed by faculty, staff and students as economically and timely as possible. School Board Rule 7.14(8) states School Board approval shall be required for any purchase or contract of \$50,000 or more. This would include piggyback purchases. At this time, seven items have been placed in front of the Board for approval in FY 14. Thirteen items were placed in front of the Board for approval in FY 13. The Purchasing Department has increased awareness of the required compliance.</p> <p>Although there is no provision in the State Board of Education Administrative Rules or School Board Rules which would require a master list of piggyback purchases, the District currently maintains a list of piggyback purchases over \$50,000 approved by the Board. The Purchasing Department currently maintains supplemental information for piggyback purchases, but this procedure is not documented.</p>

Rating	Issues		Recommendation	Management Response
Moderate	1	Purchase Approval and Documentation - continued		
	<p>Failure to properly identify and follow required guidelines for piggybacked contracts could lead to a violation of the competitive solicitation requirements or disputes with vendors.</p>			<p>Response - continued: The Purchasing Department will document its procedures and include a requirement to obtain, to the extent possible, supplemental information including a copy of the bid document, a copy of the tabulation sheet and a copy of the award sheet or other information that would evidence a competitive selection process when utilizing piggyback purchases.</p> <p>ECD: December 2014</p> <p>Person Responsible: Patrick Snodgrass, Director of Purchasing</p>

Rating	Issues	Recommendation	Management Response
Moderate	2 Supplemental Payments		
	<p>Supplemental payments to district employees are required to be submitted through the payroll process due to the associated tax implications. Supplemental payments to non-district employees are submitted as part of the purchasing process. Currently, volunteer service agreements for supplemental payments are completed by the schools utilizing forms designated for either a district employee or non-district employee. The forms require sign off by the volunteer and the school's Principal. The forms are submitted to HR, where they are spot-checked for accuracy and signed off for payment authorization, but a full check of the employee / non-employee designations is not performed.</p> <p>This process is included in voluntary annual training provided to the schools by HR.</p> <p>During our testing, we noted 2 payments for coaching supplements erroneously made to one district employee using the payee's vendor number instead of being paid through payroll. The person receiving the supplement was a district employee as of the date of service and payment. The school completed the non-district employee form and it was signed off by the payee, the School's Principal and Athletic Director and HR. As such, this district employee's supplemental payment for volunteer services was not processed through payroll as required.</p> <p>Supplemental payments to District employees have associated tax implications.</p>	<p>We recommend that HR perform the following:</p> <ul style="list-style-type: none"> • Review the volunteer service agreements completed and received from the schools, and validate if the person(s) is a district or non-district employee, • Document the treatment of supplemental payments as a policy and procedure and formally distribute to the schools; and • During the annual training provided to the schools, highlight this area and remind the schools that supplemental payments to district employees for services must be made through the District's payroll process, without exception. 	<p>Response: The non employee agreement form was signed by the employee and submitted by school personnel to human resources.</p> <p>The fact that the wrong form was submitted was not detected in HR.</p> <p>All non employee agreement forms received in HR will be 100% checked to make sure individuals are actually non employees. Previously, a spot check was done because of the volume.</p> <p>ECD: Immediate</p> <p>Person Responsible: Cynthia Reese, Human Resources</p>

Rating	Issues	Recommendation	Management Response
Moderate	3 Segregation of Duties and User Access		
	<p>Appropriate segregation of duties should include separating the authorizing, recording, and reconciling functions. We noted the following during our review of assigned duties and access levels:</p> <ul style="list-style-type: none"> • All individuals in the Accounts Payable department have conflicting access which enables them to perform the following: <ul style="list-style-type: none"> ○ Make vendor additions; ○ Post vendor invoices; and ○ Process vendor invoices for payment. • Two purchasing employees have the ability to: <ul style="list-style-type: none"> ○ Make vendor additions, changes and deletions; ○ Create and approve purchase requisitions; and ○ Create and approve purchase orders. • Three persons outside of Purchasing and Accounts Payable have access to vendor additions, changes and deletions. This access is not typically given to persons with these job duties and responsibilities, but was a hangover from or due to the District's conversion to SunGard during FY 2011-12. <p>Failure to adequately segregate duties increases the risk of erroneous, duplicate, or fraudulent transactions occurring without detection.</p>	<p>Best practice is that vendor master file edit access be limited to persons who do not approve or process invoices for payment. We recommend that access to add vendors be updated accordingly to suggested best practice.</p> <p>If the District is not able to limit such access for certain positions, we recommend that exception reports of conflicting activity be produced and reviewed on a periodic basis as a compensating control activity. This review should be performed by persons who do not have the respective conflicting access and are of the appropriate level. An example of one such exception report is a listing of vendor additions and approved purchase orders for the vendor added by the person(s) with the conflicting access.</p> <p>Segregation of duties is a fraud prevention best practice.</p>	<p>Response: District personnel are in the process of removing SunGard security access from Account Payable personnel that allows them to create vendors.</p> <p>The Director of Purchasing and Buyer for the District currently have the ability to make vendor additions, changes and deletions, and create and approve purchase requisitions and purchase orders. Although vendor additions, are rarely performed by the Director or Buyer, having this ability allows the Purchasing Department to respond quickly to the needs of schools and departments throughout the District. To prevent fraud, District personnel are in the process of creating an exception report showing any Purchase Orders approved by the Director or Buyer for vendors that were created in SunGard by the Director or Buyer. This exception report will be reviewed monthly by the Supervisor of Accounts Payable or the Director of Accounting.</p> <p>ECD: July 2014</p> <p>Person Responsible: Patrick Snodgrass, Director of Purchasing</p>

Rating	Issues		Recommendation	Management Response
Moderate	4	Sole Bid Response	<p>We recommend the following:</p> <ul style="list-style-type: none"> • That sole bid response award documentation include the reason for choosing the sole proposer in lieu of resoliciting proposals as required by State Board of Education Rule 6A-1.012(12(c)); and • That the purchasing policies and procedures be updated to provide further guidance on applicable rules and regulations, where needed. 	<p>Response: In 2011, Bid #2011-08 Armored Car Service was released. Multiple vendors were notified of the release through post card notification, and three (3) ads were placed in the local newspaper. Also, a copy of the Bid was placed on the District website designated for Open Bids/RFP's/Formal Quotes. Only one valid response was received and recommended for approval to the Board.</p> <p>In 2012, Bid #2012-05 Chicken Sandwiches was released. Multiple vendors were notified of the release through post card notification, and three (3) ads were placed in the local newspaper. Also, a copy of the Bid was placed on the District website designated for Open Bids/RFP's/Formal Quotes. Only one valid response was received and recommended for approval to the Board.</p> <p>In July 2013, in an effort to enhance communication with vendors, the District began using DemandStar. This service allowed the District to eliminate post card notification and offer vendors an opportunity to receive automatic notification of Bids and RFP's via email. Bids and RFP's presented to the Board for approval where less than two proposals have been received by the District has been minimal.</p>
<p>For 2 purchases (\$300,000 and \$40,000) in our sample, only 1 bid was received, but the documentation did not include the reason for choosing the sole proposer in lieu of resoliciting proposals as required by State Board of Education Rule 6A-1.012(12(c)), Florida Administrative Code.</p> <p>This rule states that “if less than two responsive proposals for commodity or contractual services are received, the district school board may negotiate on the best terms and conditions or decide to reject all proposals. The district school board shall document the reasons that negotiating terms and conditions with the sole proposer is in the best interest of the school district in lieu of resoliciting proposals.”</p>				

Rating	Issues		Recommendation	Management Response
Moderate	4	Sole Bid Response - continued		
				<p>Response - continued: However, the Purchasing Department will revise its procedures to provide direction for any Bid or RFP for commodities or contractual services for which less than two responsive proposals are received, pursuant to State Board of Education Rule 6A-1.012(12)(c).</p> <p>ECD: December 2014</p> <p>Person Responsible: Patrick Snodgrass, Director of Purchasing</p>

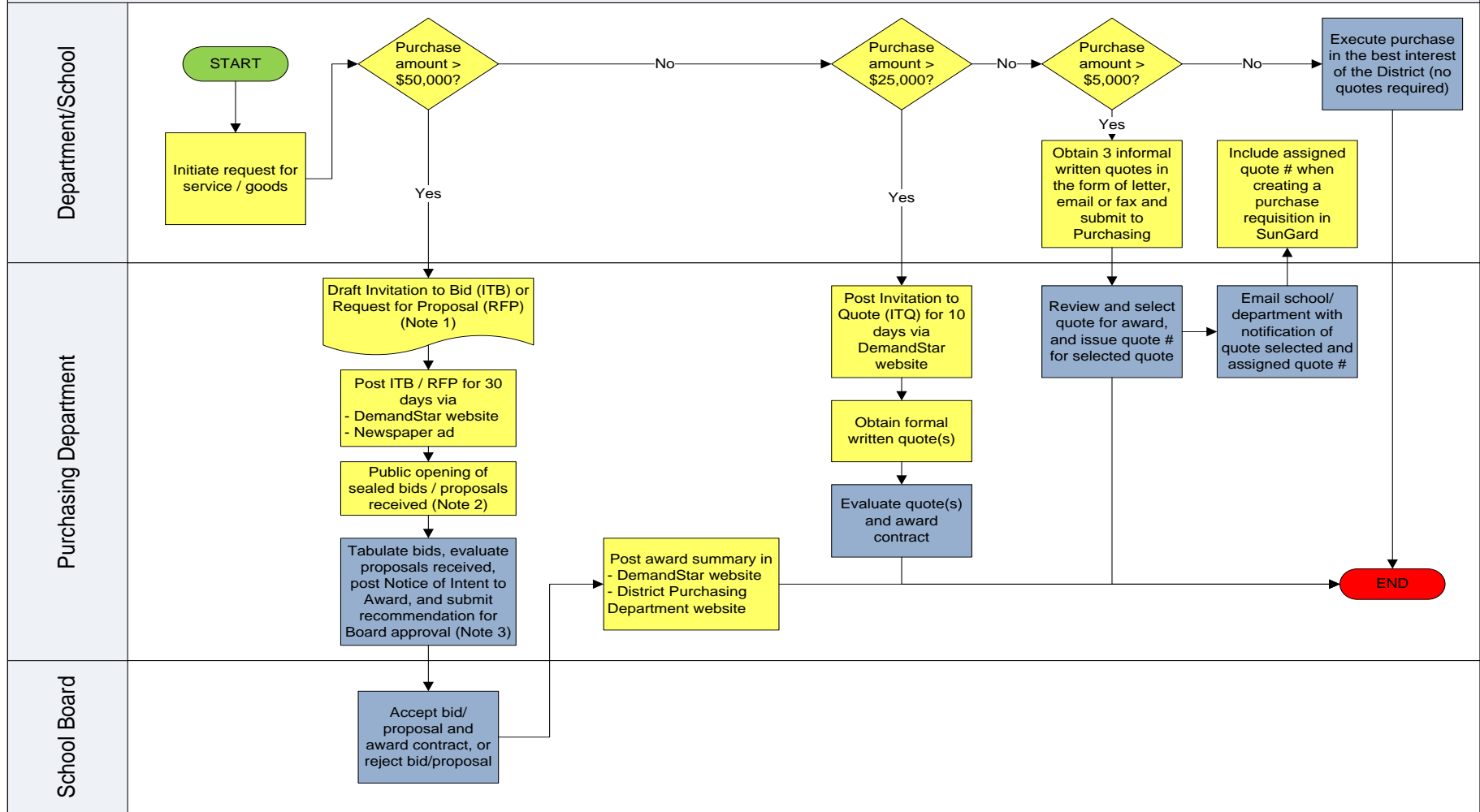
Rating	Issues		Recommendation	Management Response
Low	5	Vendor Master File	<p>We recommend that the District perform an annual review of the vendor master file to mitigate the risk of unauthorized, inactive and potentially fictitious vendors. Procedures should include the following:</p> <ul style="list-style-type: none"> • Inactivate and/or purge vendors with no activity within a defined timeframe to be determined by the Purchasing and Accounts Payable departments; • Identify and correct duplicate vendor records; • Compare vendor names/addresses to employee names/addresses to identify potential fictitious vendors; • Compare vendor SSN/TIN to employee SSN to identify potential conflicts of interest and vendors to be deactivated; and • Verify that vendor information is complete, up to date, and accurate. <p>We also recommend that reports showing vendor information changes in the master file be periodically reviewed to identify unauthorized or erroneous changes.</p>	<p>Response: The extensive array of commodities and services required by District faculty, staff and students have resulted in a large master vendor file. Also, a wide variety of projects done by the District's Facilities and Maintenance Departments require multiple vendors. Many of these vendors provide goods or services not purchased annually. However, this would not eliminate their need to remain active in the vendor master file.</p> <p>Currently, vendors are entered into the District's financial system one of two ways. A New Vendor Request is submitted by a school or department. Or, a vendor is awarded a Bid/RFP or quote. In both instances, the appropriate documentation is requested by the District and provided by the vendor. After reviewing the submitted documents and prior to vendor setup, existing SSN/TIN's in the system are cross checked with new vendor information to eliminate a single vendor being duplicated, or setting up a vendor who is in the system as an employee. A report has also been created by our IT Department that allows Purchasing to identify any vendors in the system that have been hired as an employee by cross checking their SSN's.</p>

Rating	Issues		Recommendation	Management Response
Low	5	Vendor Master File - continued		
				<p>Response - continued: This report would provide us the information necessary to inactivate any vendors that have been hired by the District as an employee after being set up as a vendor. The Accounts Payable Department confirms a vendor's SSN/TIN with the IRS. The District updates all vendor information as we are made aware of any changes.</p> <p>ECD: Immediate</p> <p>Person Responsible: Patrick Snodgrass, Director of Purchasing</p>

Process Maps

Purchasing – Award Selection (ITB / RFP / ITQ)

St. Johns County School District



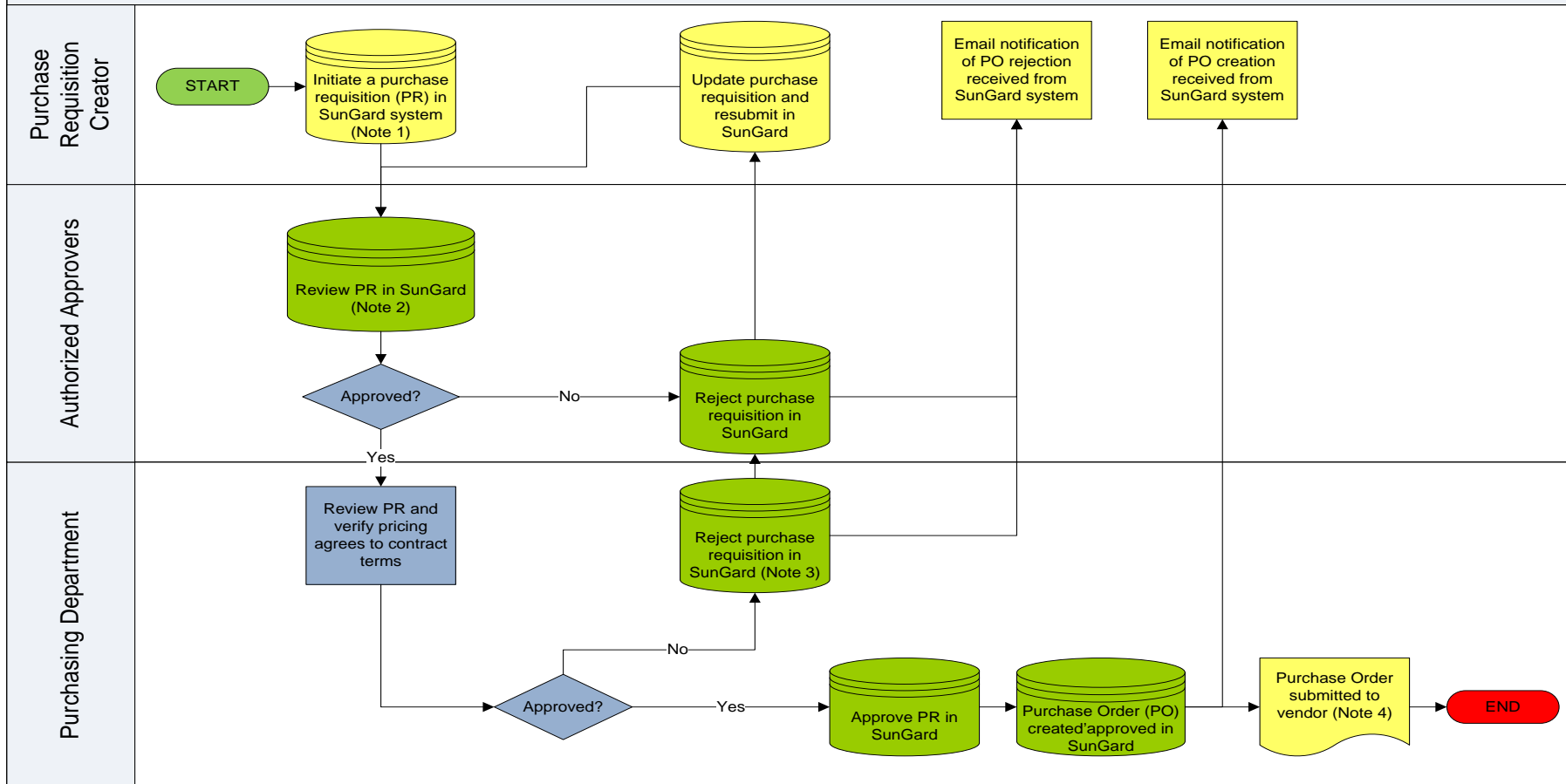
Note 1: Purchasing department personnel confer with department or school personnel where necessary to confirm the accuracy and completeness of specifications on ITB's and RFP's.
Note 2: All responses to ITB's and RFP's are time-stamped when received by the District.
Note 3: Evaluation team includes qualified employees from relevant departments.

Legend:

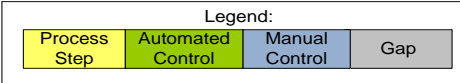
Process Step	Automated Control	Manual Control	Gap
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Purchasing – Purchase Requisition and Purchase Order Request/Approval

St. Johns County School District

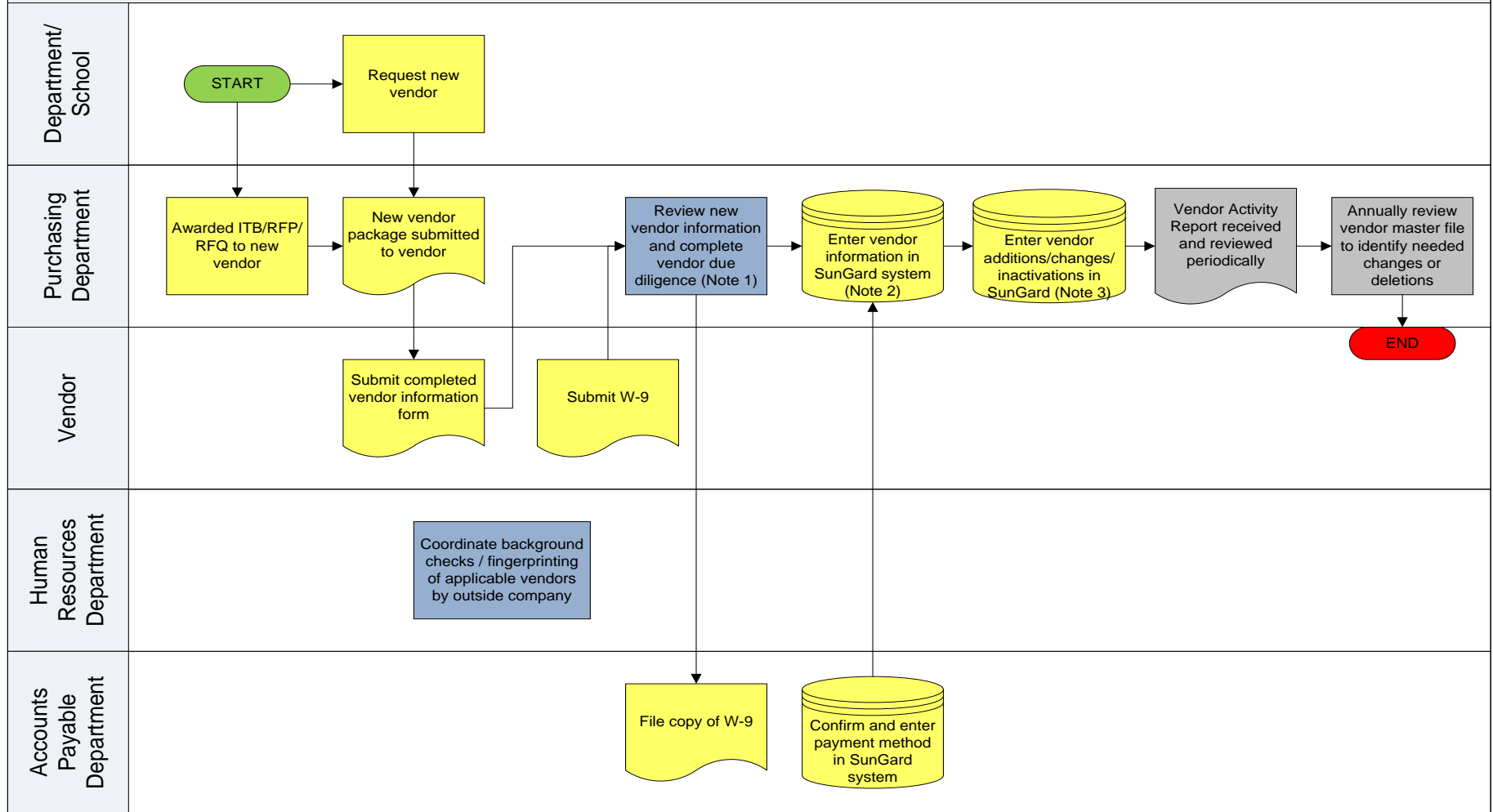


Note 1: Access to create a purchase requisition is limited in the SunGard system based on the user's role, and includes relevant school and department personnel. Funds are automatically encumbered in SunGard upon creation of a purchase requisition.
Note 2: The required purchase requisition approvals are set up in the SunGard system based on the associated budget code and requisition amount. Purchase requisitions are automatically routed to the required employees for approval within the SunGard system.
Note 3: When Purchasing department personnel reject a purchase requisition, comments are entered into SunGard explaining the reason for rejection and how to correct the purchase requisition for resubmission.
Note 4: The District purchasing website states that a purchase order is the only legal authorization for vendors to perform services or provide commodities to the District.



Purchasing – Vendor Management

St. Johns County School District



Note 1: When applicable, purchasing department personnel verify occupational licenses, business licenses, and insurance.
Note 2: Vendors must be set up in the SunGard system to receive payment. Vendor related documentation and forms are scanned and attached within SunGard.
Note 3: The vendor status can also be changed within SunGard to block processing of all purchase requisitions or purchase orders.

Legend:

Process Step	Automated Control	Manual Control	Gap
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