PURCHASING DEPARTMENT
TASK FORCE RECOMMENDATIONS
SECOND FOLLOW-UP REPORT
FALL 2008

HILLSBOROUGH Community College

TASK FORCE MEMBERS:
Chair: Vonda F. Melchior, Director of Purchasing, HCC
Yolanda Collins, Administrative Assistant, Office of Information Technology, HCC
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Purchasing Department Task Force Recommendations Progress Report:

A task force was assembled in the Fall Term of 2007 to conduct a Program Review of the services rendered by the Purchasing Department. Below is a listing of the eleven (11) Task Force Recommendations followed by a brief report of progress toward implementation. This report will be followed by a 12-month Progress Report. Recommendations that are not achieved within twelve (12) months will be incorporated within the unit planning objectives to ensure a continued focus on their attainment.

It is recommended that the Purchasing Department:
1. Revise the College’s policy of requiring budget transfers between general ledger (GL) accounts that fall within the same general ledger subaccount. Revise the budget check feature in Datatel to verify funds for a GL to just the first digit of the subaccount; this will eliminate the need for budget transfers within the same subaccount. For example, if a requisition for repairs, subaccount 62500, needed to be processed but there were no funds available in that subaccount, the requisition would still go through if there were funds available in another 6XXXX subaccount, such as 60500 for travel). Common 6XXXX subaccounts include travel, postage, printing, repairs, other services, and office supplies. Provide funds, if necessary, for Datatel enhancement or other software program in order to accomplish this.

[In Response to Weakness #'s 2, 3, 4, 5]

[Appendix X, December 14, 2007 Letter of Support from CFO and Controller]

Status of Recommendation # 1: Not Completed / In Progress
In December, 2008, this project was prioritized as one of the top ten (10) Information Technology Requests within the Administration and Finance.

It is recommended that the Purchasing Department:
2. Revise the College’s policy of requiring three (3) approvals for requisitions greater than $25,000. Revise the College’s policy of requiring the President’s Cabinet to approve requisitions. Implement a new policy granting authority to managers, coordinators, academic program chairs, and comparable positions to approve requisitions up to $10,000 and deans, directors and other comparable positions to approve requisitions that are greater than $10,000.

[In Response to Weakness #'s 2, 3, 4, 5]

Status of Recommendation # 2: Not Completed / In Progress
A revised draft Administrative Procedure 5.300 has been prepared which reflects these changes. This change will be effective once the revised procedure is approved via the College’s normal process.
Purchasing Department Task Force Recommendations Progress Report:

**It is recommended that the Purchasing Department:**

3. Ensure that fiscal responsibility and budget oversight is included in job descriptions for individuals with the authority to approve requisitions.

   [As a control with respect to Recommendation #’s 1, 2]

**Status of Recommendation # 3: Not Completed**

The Director of Purchasing is coordinating with the Human Resources Department in order to facilitate this change during the spring of 2009.

**It is recommended that the Purchasing Department:**

4. Ensure that evaluation of fiscal responsibility and budget oversight is a mandatory performance evaluation factor for all individuals with the authority to approve requisitions.

   [As a control with respect to Recommendation #’s 1, 2]

**Status of Recommendation # 4: Not Completed**

The Director of Purchasing is coordinating with the Human Resources Department in order to facilitate this change during the spring of 2009.

**It is recommended that the Purchasing Department:**

5. Make training of College employees on College purchasing policies and procedures mandatory for College employees involved with the procurement of goods and services.

   [In Response to Weakness #’s 6, 7, 8, 9, 10]

**Status of Recommendation # 5: Not Completed / In Progress**

A revised draft Administrative Procedure 5.300 has been prepared which reflects these changes. This change will be effective once the revised procedure is approved via the College’s normal process.
Purchasing Department Task Force Recommendations Progress Report:

It is recommended that the Purchasing Department:

6. Improve training sessions on College purchasing policies and procedures by methods including, but not limited to:
   a. Make training sessions more extensive
   b. Enhance training materials (provide funds for a consultant to develop materials, if necessary)
   c. Work with the Professional Development and Web Services (PDWS) department to develop and implement online training
   d. Establish, within the College’s PDWS department, a “financial services” expert to provide one-on-one assistance and group training on an as-needed basis in order to train College personnel on Datatel with regard to entering and approving requisitions, running reports, managing department budgets online and other finance and purchasing-related issues

[In Response to Weakness #’s 7, 8, 9, 10]

Status of Recommendation # 6: Not Completed / In Progress

Purchasing Department staff members have attended professional development training for “Training the Trainer,” offered by The Corporate Training Center at HCC (TCTC @ HCC).

   a. This is scheduled for the summer of 2009.
   b. This is scheduled for the summer of 2009.
   c. The Director of Purchasing has coordinated with Professional Development and Web Services (PDWS) department staff in order to develop and implement online training. A prototype has been developed by PDWS. A meeting has been scheduled for January, 2009 to review the prototype.
   d. The Director of Purchasing or designee will coordinate with Professional Development and Web Services (PDWS) department staff in order to establish a “financial services” expert within the College’s PDWS department.
Purchasing Department Task Force Recommendations Progress Report:

It is recommended that the Purchasing Department:

7. Eliminate “after-the-fact” purchases by methods including, but not limited to, the following:
   a. Continue to produce and distribute the “After-the-Fact Purchases” report to the President’s Cabinet
   b. Implement specific consequences including a requirement for employees that continue the practice of placing unauthorized orders to pay for the orders they place as well as termination for egregious or repeated after-the-fact orders
   c. Continue to refine training materials on this subject

[In Response to Weakness #'s 11, 14]

Status of Recommendation # 7: Not Completed
   a. The “After-the-Fact Purchases” report is produced and distributed to the President’s Cabinet on a monthly basis. Since its initial production in September 2007, the College’s after-the-fact purchases have been monitored and tracked. After-the-fact invoices have also been monitored and resolved accordingly.
   b. A revised draft of Administrative Procedure 5.300, Purchasing, has been prepared which reflects these changes. The changes will be effective once the procedure has been approved via the College’s normal process.
   c. The Purchasing Department plans to refine training materials regarding after-the-fact purchases in collaboration with Recommendation # 6.

It is recommended that the Purchasing Department:

8. During Spring 2008, reinstitute the provision of July 2007 funds for training of Purchasing Department staff equal to at least the $4,000 that was eliminated during the budget cuts. The Task Force believes that the potential payoff for staff training would be significant; e.g. a 1% cost savings or a 1% increase in value to the College would equate to $540,870 in reduced cost or increased value for the College.

[In Response to Weakness #'s 12, 13, 14]

Status of Recommendation # 8: Completed
   In March 2008, reinstituted funds were utilized for Purchasing Department staff members’ professional development training. From March 2008 through June 2008, staff members attended a total of twenty-one (21) professional development seminars, workshops, webinars, and trade shows. Staff members also accumulated a total of 114.0 contact hours in professional development training.
Purchasing Department Task Force Recommendations Progress Report:

It is recommended that the Purchasing Department:

9. Produce and implement more defined procedures for acquisition planning. Ensure that procedures incorporate requirements for College departments to contact the Purchasing Department prior to getting quotes for goods and services greater than $5,000 as well as for specific types of goods or services such as furniture and technology equipment to ensure quality control and compatibility with existing resources. Purchasing professionals have training and experience in gaining the best value for the College through negotiations, recognition of cost-of-ownership lifetime issues, and knowledge of other contracts of which HCC may take advantage.

[In Response to Weakness #s 7, 12, 14]

Status of Recommendation # 9: Not Completed / In Progress
A revised draft Administrative Procedure 5.300 has been prepared which reflects these changes. This change will be effective once the revised procedure is approved via the College’s normal process.

It is recommended that the Purchasing Department:

10. Evaluate various methods to increase outreach and training of women and minority-owned business enterprise (W/MBE) vendors. Provide, at a minimum, the $9,000 budget increase for the Fiscal 2008 Year requested in the Purchasing Department’s 2007-2009 Strategic Plan.

[In Response to Weakness #s 15]

Status of Recommendation # 10: Not Completed
The Purchasing Department has received $500 which was used in November, 2008 to attend a new state-wide W/MBE tradeshow. The Purchasing Director met with thirty-five (35) W/MBE vendors during the trade show. The Director of Purchasing will continue to pursue new activities and the additional funding via appropriate College channels.

It is recommended that the Purchasing Department:

11. Perform an overall analysis of the Purchasing Department’s workload vs. staffing to determine if additional staff is needed including, but not limited to, the effect of the recent expansion of the P-Card Program on the department’s workload and the effect of the additional position that was added during the Spring of 2008.

[In Response to Weakness #’s 16]

Status of Recommendation # 11: Not Completed / In Progress
The Purchasing Department has created several new charts to track the College’s purchasing activities. Additional analyses will be done in the summer of 2009.