



**Security System  
Branch Audit Report  
#17-18-014**

**Prepared by  
MISD Internal Audit Dept.**

---



**Internal Audit Department**

2112 N. Main Street Rm. E4

Tel. (956) 632-8442

**Audit Committee**

Larry Esparza

Tony Forina

Dr. J.A. Gonzalez

Sam Saldivar, Jr.

Daniel Vela (Alternate)

<b>BACKGROUND .....</b>	<b>3</b>
<b>SCOPE OF AUDIT .....</b>	<b>3</b>
<b>OBSERVATIONS .....</b>	<b>4</b>
<b>REGULATORY BODIES .....</b>	<b>4</b>
<i>Observation 1 - Handbook:.....</i>	<i>4</i>
<i>Observation 2 – Third Party Programs:.....</i>	<i>5</i>
<i>Observation 3 – Administrative Passwords: .....</i>	<i>5</i>
<i>Observation 4 – Email System Rules:.....</i>	<i>6</i>
<i>Observation 5 – Sprint 1 Million Contract:.....</i>	<i>6</i>
<b>OUTSOURCING .....</b>	<b>7</b>
<i>Observation 6 – Camera and Alarm Systems Outsourcing: .....</i>	<i>7</i>
<i>Observation 7 – Technology Consulting and Outsourcing: .....</i>	<i>8</i>
<i>Observation 8 – Project Management: .....</i>	<i>8</i>
<b>OPERATIONAL PROCESSES .....</b>	<b>9</b>
<i>Observation 9 – Campus Camera Installation:.....</i>	<i>9</i>
<i>Observation 10 – Department Manual, Playbook, and Guidelines: .....</i>	<i>9</i>
<i>Observation 11 – Department of Technology’s Access to District Cameras: .....</i>	<i>9</i>
<i>Observation 12 – Department and Campus Access to District Cameras: .....</i>	<i>10</i>
<i>Observation 13 – Updated Inventory List:.....</i>	<i>10</i>
<i>Observation 14 – Mandatory Replacement Schedule:.....</i>	<i>11</i>
<i>Observation 15 – Untagged Inventory:.....</i>	<i>11</i>
<i>Observation 16 – Training and/or Certification: .....</i>	<i>11</i>
<i>Observation 17 – Time Clock Edit Forms: .....</i>	<i>12</i>
<i>Observation 18 – Police Department Service Call Forms:.....</i>	<i>12</i>
<b>PROCESS CONTROL SYSTEMS.....</b>	<b>12</b>
<i>Observation 19- Third Party Bidding Application: .....</i>	<i>13</i>
<i>Observation 20 – Department of Technology Systems Incident Reporting:.....</i>	<i>13</i>
<i>Observation 21 – Purchased Inventory Shipping: .....</i>	<i>13</i>
<i>Observation 22 – Loaned Property:.....</i>	<i>14</i>
<b>INFRASTRUCTURE CONTROLS .....</b>	<b>14</b>
<i>Observation 23 – Job Descriptions:.....</i>	<i>14</i>
<i>Observation 24 – Separation of Duties: .....</i>	<i>14</i>
<i>Observation 25 – Digitally Signed Documents:.....</i>	<i>15</i>
<i>Observation 26 – Unnecessary Purchases: .....</i>	<i>15</i>
<i>Observation 27 – Untimely Camera Replacement:.....</i>	<i>16</i>

<i>Observation 28 – Unverified Job Completeness:</i>	16
<i>Observation 29 – Internal Audit Work Papers:</i>	16
<i>Observation 30 – Reassigned/Terminated Employee Access Procedures:</i>	17
<b>FINANCIAL MANAGEMENT</b>	17
<i>Observation 31 – Purchases Through Third Party Vendors:</i>	17
<i>Observation 32 – Vendor Payout Before Work Completion:</i>	17
<i>Observation 33 – Undocumented Inventory:</i>	18
<i>Observation 34 - Reimbursements:</i>	19
<i>Observation 35 – Sealed/Unused Inventory:</i>	20
<i>Observation 36 – Inconsistent Bid Invoices:</i>	21
<i>Observation 37 – Narrow Bid Specifications:</i>	21
<i>Observation 38 – Incorrectly Coded Purchase Orders:</i>	21
<i>Observation 39 – Texas Our Texas Screen:</i>	22
<i>Observation 40 – Police Department Video Wall:</i>	23
<i>Observation 41 – Secondary Vendor Purchases:</i>	23
<i>Observation 42 – Camera Upgrade Presentation To Board:</i>	24
<b>ADDITIONAL OBSERVATIONS</b>	25
<i>Observation 43 – Internship Form:</i>	25
<i>Observation 44 – Cabling Bid Specifications:</i>	25
<i>Observation 45 – Purchase Approvals:</i>	25
<i>Observation 46 – Please refer to Security Audit Confidential 17-18-015:</i>	25
<b>CONCLUSION</b>	25
<b>REFERENCES</b>	27

## BACKGROUND

---

The McAllen Independent School District's (MISD) Chief of Police requested the Internal Audit Department perform an audit of the MISD Security Systems with approval of the Superintendent which resided in the Department of Technology. This branch was transferred from the authority of the Department of Technology to the MISD Police Department January 8, 2018. The scope of the audit included all supporting documentation for the period of July 1, 2013 to May 30, 2018. The documents requested include but were not limited to: purchase orders, inventory list, records of disposal, and supporting documentation. The work began January 11, 2018.

Upon review, inefficiencies were noted within the Security Systems audit and proved to be linked to departmental weaknesses. These weaknesses are tied into larger scale issues within the Department of Technology. Please note this is a non-comprehensive list, and all findings are based on random sampling. Timely completion is dependent on responses to inquiries, requests for information, and validation of audit findings. Had we the added staff resources as well as additional time other matters may have come to our attention that would have been reported.

***The Internal Audit Department referenced previous external audit findings from November 13, 2017 Management Letter, Carr Riggs & Ingram (CRI) in which opportunities are available to strengthen the District's internal controls over user access to various systems and shared files by ensuring consistency in application of established procedures and enforcement of consistent use of such approval forms; Unisys Enterprise Information Technology Outsourcing: System analysis and recommendations presented May 30, 2002, and SPSS BI Consulting Data and Reporting Audit Report presented December 21, 2001. There was special emphasis in reviewing and reconciling expenditures in departmental budgets and bids. McAllen ISD Internal Audit #01-02-015 Information Systems Department was also referenced.***

The review was performed by the Internal Audit Department.

## SCOPE OF AUDIT

---

The following information was requested for the scope of the audit:

- Handbook and/or applicable policies and procedures followed by the Security Systems Branch
- Organizational Chart of Department
- List of applicable programs used to monitor and record keep
- Access to applicable programs used to monitor and record keep
- Copies of contracts and warranties
- All expenditures and supporting documentation
- List of all inventory and disposals
- All unpaid and/or delinquent invoices to date

- A list of pending projects to date
- List of all personnel with access to monitor security systems video feed/recordings and arm/disarm alarm systems.

**According to the Government Auditing Standards set forth by the Comptroller General of the United States- General Standards** audit scope impairments are factors external to the audit organization which can restrict the auditors' ability to render objective opinions and conclusions. The auditors should attempt to remove the impairment. Failing that, the auditors should disclose the impairment in the scope section of their report and the known effect it had on the results of the audit.

The Internal Audit Department has experienced employee intervention of requested information, and an overall lack of institutional control.

During the duration of the review, the Internal Audit Department's staff have found the Department of Technology's personnel to be uncooperative at times.

Internal Audit experienced various issues keeping the audit from progressing such as, requesting access to major programs on January 11, 2018 and receiving access as of March 21, 2018. Several items requested for the audit were not submitted in a timely manner or not at all. All concerns have been expressed to management as they arose. Due to employee intrusion, the audit work papers may have been disclosed to the auditee.

## OBSERVATIONS

---

### REGULATORY BODIES

**Observation 1 - Handbook:** The Department of Technology (DOT) currently is not abiding by best practices. The department currently does not have a handbook and are not following industry standards.

**Recommendation:** The McAllen Independent School District's Department of Technology must follow best practices that the National Institute of Standards and Technology (NIST) produces to meet requirements of the Federal Information Security Management Act (FISMA). NIST assists the agencies in protecting their information and information systems through cost-effective programs.

Observation 2 – Third Party Programs: The Department of Technology is not aware of what third party programs are being utilized by district employees. The programs are not being verified for compliance with The Health Insurance Portability and Accountability Act of 1996 (HIPAA) and The Family Educational Rights and Privacy Act (FERPA). Agreements are also not being verified as to who the uploaded data belongs to after McAllen ISD (MISD) no longer uses the program. Data removal processes are not being followed for discontinued programs.

Recommendation: McAllen Independent School District’s employees should provide a detailed list of what programs are being utilized by the campuses and departments. Payments to third parties should be verified against the list to determine which programs are being used. MISD should verify the fine print agreements to whom the data belongs to and set up a procedure for removal of third party programs to ensure security of MISD data.

**The Family Educational Rights and Privacy Act (FERPA)** (20 U.S.C. § 1232g; 34 CFR Part 99) is a Federal law that protects the privacy of student education records. The law applies to all schools that receive funds under an applicable program of the U.S. Department of Education.

**The Health Insurance Portability and Accountability Act of 1996 (HIPAA)** establishes national standards to protect individuals' medical records and other personal health information and applies to health plans, health care clearinghouses, and those health care providers that conduct certain health care transactions electronically.

Observation 3 – Administrative Passwords: Various McAllen ISD (MISD) employees, students, as well as outside vendors have access to various administrative passwords. The same administrative username and password has been used for over 11 years as per MISD Computer Support Specialist. MISD’s system authentication vendor’s Rapid Automation Support employee stated he was also using the same credentials to implement Rapid Identity and troubleshoot MISD issues.

Recommendation: The distribution of administrative access is recommended to go through an approval system or committee and distributed accordingly to work load. The approval system or committee may consist of the Superintendent, Assistant Superintendent, and IT Director(s). Passwords should have been changed with a set frequency to avoid any users from accessing systems with unlimited time frames. Employees provided with administrative credentials should be assigned a unique login specific to the employee for monitoring purposes.

Policy **CQ(LOCAL)** Access to the District’s technology resources is a privilege, not a right. All users shall be required to acknowledge receipt and understanding of all administrative regulations governing use of the District’s technology resources and shall agree in writing to allow monitoring of their use and to comply with such regulations and guidelines. Noncompliance may result in suspension of access or termination of privileges and other disciplinary action consistent with District policies. [See DH, FN series, FO series, and the Student Code of Conduct] Violations of law may result in criminal prosecution as well as disciplinary action by the District.

Observation 4 – Email System Rules: The Department of Technology’s Director of Network Services and Support, created rules within McAllen ISD’s email system to receive notifications regarding particular employees, departments, student information, and key words to be forwarded to his work email without permission.

Recommendation: Employees of McAllen Independent School District should not be allowed to interfere with electronic communications nor any other means of communication for personal gain or benefit.

**CQ (LEGAL) Access to Electronic Communications Electronic Communication Privacy Act**

2. Intentionally uses, endeavors to use, or procures any other person to use or endeavor to use any electronic, mechanical, or other device to intercept any oral communication...It shall not be unlawful for a person not acting under color of law to intercept a wire, oral, or electronic communication where such person is a party to the communication or where one of the parties to the communication has given prior consent to such interception unless such communication is intercepted for the purpose of committing any criminal or tortious act in violation of the Constitution or laws of the United States or of any state.

18 U.S.C. 2511(1), (2)(d).

**The Family Educational Rights and Privacy Act (FERPA)** (20 U.S.C. § 1232g; 34 CFR Part 99) is a Federal law that protects the privacy of student education records. The law applies to all schools that receive funds under an applicable program of the U.S. Department of Education.

Observation 5 – Sprint 1 Million Contract: Sprint 1 Million contract did not go before the Board of Trustees for approval, the MISD Legal Counsel, nor the Purchasing Department. The Director of Technology of Network Services and Support signed an end user contract/agreement with Sprint on July 20, 2017. There are 334 devices that were distributed on November 17, 2017 to students at five high schools. The Director of Network Services and Support did not follow the McAllen Independent School District’s purchasing policies **CH (LOCAL) & CH (LEGAL)** and procedures as stated in the *Purchasing Services 2017-2018 Manual*.

Recommendation: Internal Audit recommends that all Purchasing Policies and Procedures be followed at all times. Contracts are to be signed by the Superintendent of Schools or the Board of Trustee President.

Policy **CH (LOCAL)** The Superintendent or other person as designated shall have the authority to make budgeted purchases for goods or services, authority to determine the method of purchasing in accordance with **CH (LEGAL)**, prepare bid speculations, make all purchase commitments on a properly drawn and issued purchase order, in accordance with administrative procedures.

Policy **CH (LOCAL)** Purchasing Authority, states the Board delegates to the Superintendent or designee the authority to make budgeted purchases for goods or services. However, any single, budgeted purchase of goods or services that costs \$50,000 or more, regardless of whether the goods or services are competitively purchased, shall require Board approval before a transaction may take place. Only the Board President or Superintendent may sign contracts or agreements requiring payment from any McAllen Independent School District funds. Contracts are required for services

\$25,000 and over. All other contracts or agreements shall not bind the District financially and will be the personal responsibility of the individual signing the contracts/agreements.

**McAllen ISD Purchasing Manual A-3 indicates CONTRACTS AND AGREEMENTS.** Only the Board President or Superintendent may sign contracts or agreements requiring payment from any McAllen Independent School District funds.

**McAllen ISD Purchasing Manual A-3 indicates PERSONAL RESPONSIBILITY.** A District employee who purchases or orders any goods or services in the name of the District or who obligates the credit of the District without following the purchasing policies and procedures may be held personally responsible for payments to the vendors or return of the items.

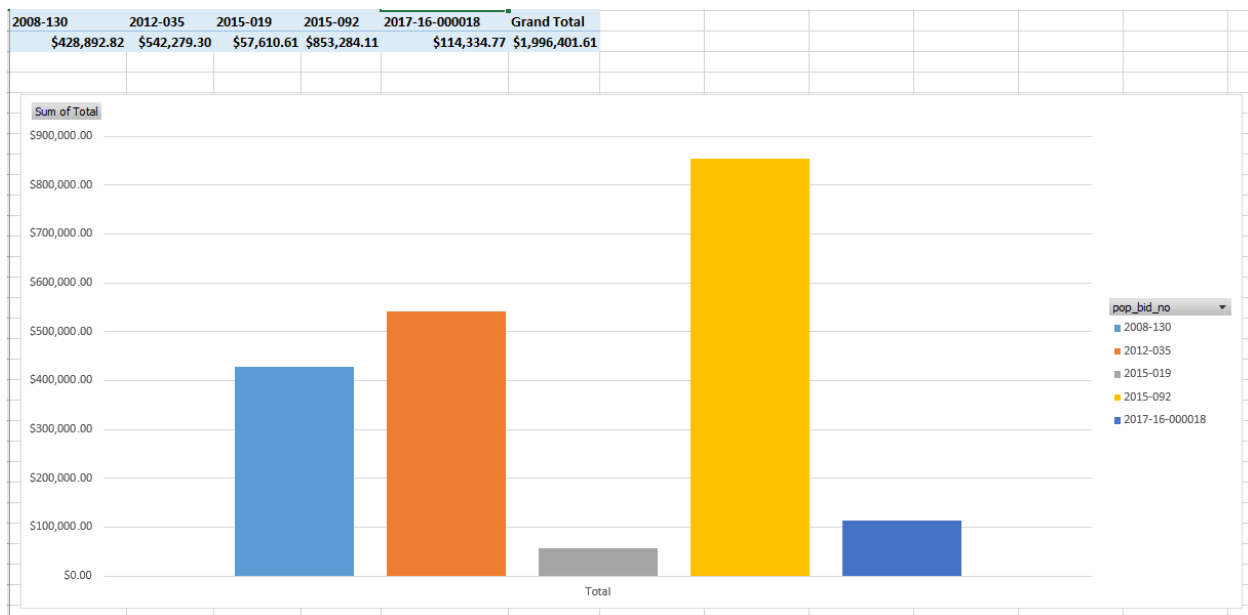
### **OUTSOURCING**

Observation 6 – Camera and Alarm Systems Outsourcing: Camera and alarm systems for District projects, installations, repairs and adjustments were outsourced. McAllen Independent School District’s Electronic Equipment Technician contracted businesses to perform routine maintenance and basic repairs to cameras. Outsourced expenditures from 2013- 2018 totaled \$227,447.82.

Year	Total Outsourced Costs
+ 2013	\$31,855.08
+ 2014	\$32,632.60
+ 2015	\$43,109.50
+ 2016	\$38,755.00
+ 2017	\$79,492.55
+ 2018	\$1,603.09
Grand Total	\$227,447.82

Cabling bid expenditures were calculated and potential cost savings could be utilized as cabling is part of the job description of the Electronic Equipment Technician. (Please see chart below).





**Recommendation:** MISD can save money if the district employs personnel who could perform routine maintenance and basic repairs. See attached the Electronic Equipment Technician's job description ([EXHIBIT A](#)).

**Observation 7 – Technology Consulting and Outsourcing:** MISD's Department of Technology (DOT) has outsourced various projects, installations, and repairs.

- The Department of Technology's main consulting firm designed and implemented the entire core network (wireless and wired) for McAllen ISD. This consulting firm is affiliated with seven (7) subsidiaries.
- All cabling is outsourced, including jobs related to mounting T.V.'s, network drops, and camera installations and adjustments.

**Recommendations:** MISD may hire/improve personnel through training to save money. Consultants may assist in training and improving personnel but should not be utilized for extended periods of time.

**Observation 8 – Project Management:** Currently the Department of Technology (DOT) does not provide project oversight, walkthroughs, verification of completed work, compliance of contract and/or city code. Internal Audit conducted walkthroughs alongside Facilities & Maintenance Operation's Facilities Project Manager and the following was noted (See [EXHIBIT B](#)):

- Exposed wires, cut wires that were taped together, missing raceways, hanging wires, wires from previous jobs left connected at completed job sites.
- Jobs were not completed according to DOT specifications.
- Projects were not completed in accordance with fire and safety code.

**Recommendation:** McAllen Independent School District's Department of Technology (DOT) should perform scheduled/random walkthroughs on projects and verify completeness of jobs

performed. DOT should coordinate with Facilities & Maintenance Operations (FMO) to verify compliance with safety and fire regulations/codes.

## **OPERATIONAL PROCESSES**

Observation 9 – Campus Camera Installation: Camera system upgrade began on November 25, 2016 at a campus by Vendor A. This upgrade project was quoted at \$14,898.39. Vendor A began work on the campus cameras. Vendor B was brought in to complete the job. Cameras were not functioning after the installation performed by Vendor B. Vendor A was brought back in, determined the cables were not installed during the previous job Vendor B was paid to perform. Vendor A was hired to complete the job. The Department of Technology did not verify the project for compliance with the specifications of the job. In order to remedy the uncompleted project, the district paid an additional \$ 10,898.39. Thus bringing the total of the job to \$25,296.38 for the campus camera system upgrade.

Recommendation: Departments should communicate with each other regarding projects. Walkthroughs should be conducted to avoid repeat issues or multiple work done on the same project.

**According to Purchasing Manual 2017-2018 A29.** Upon receipt of materials or supplies, the user must make sure that the items received match the packing list in quantity and description. The invoice should be used to verify the contents. The invoice and contents must also be compared to the purchase order to verify that the items received are the items that were ordered and to verify that the prices on the invoice match the prices on the purchase order.

Observation 10 – Department Manual, Playbook, and Guidelines: The Department of Technology does not have a Department Manual, Playbook or Guidelines. The McAllen ISD Superintendent required all departments to develop a Departmental Playbook (Departmental Manual) during the 2016-2017 school year.

Recommendations: Departments should have a Playbook and succession plan detailing processes as well as policies and procedures. The Departmental Playbook should be made available on the district website.

Observation 11 – Department of Technology’s Access to District Cameras: Various Department of Technology Network Support employees have access to District video cameras feeds.

Recommendation: Best practice would be to limit access to district wide cameras. A set of guidelines may be put in place within the governing department’s handbook. These guidelines may detail the limit of persons with access, type of access, adding/removal process for employee access, and any necessary forms and literature regarding camera access privileges. The Director/Principal and one (1) assigned person should be allowed access to view-only camera feed to their designated department or campus. Employees must abide by ethical behavior as access to District’s technology resources is a privilege and not a right.

**CQ(LOCAL)** Access to the District's technology resources is a privilege, not a right. All users shall be required to acknowledge receipt and understanding of all administrative regulations governing use of the District's technology resources and shall agree in writing to allow monitoring of their use and to comply with such regulations and guidelines. Noncompliance may result in suspension of access or termination of privileges and other disciplinary action consistent with District policies. [See DH, FN series, FO series, and the Student Code of Conduct] Violations of law may result in criminal prosecution as well as disciplinary action by the District.

Observation 12 – Department and Campus Access to District Cameras: Most departments and campuses have more than the allotted two (2) persons per campus/department to view MISC camera feeds. An elementary campus and possibly other campuses currently do not have access to live camera feeds.

Recommendation: Verification of campus/department lists should be conducted to ensure compliance with the recommendation. The Director/Principal and one (1) assigned person should be allowed access to view-only access to their designated department or campus. Employees must abide by ethical behavior as access to District's technology resources is a privilege and not a right. Best practice would be to limit access to district wide cameras. A set of guidelines may be put in place within the governing department's handbook. These guidelines may detail the limit of persons with access, type of access, adding/removal process for employee access, and any necessary forms and literature regarding camera access privileges.

**CQ(LOCAL)** Access to the District's technology resources is a privilege, not a right. All users shall be required to acknowledge receipt and understanding of all administrative regulations governing use of the District's technology resources and shall agree in writing to allow monitoring of their use and to comply with such regulations and guidelines. Noncompliance may result in suspension of access or termination of privileges and other disciplinary action consistent with District policies. [See DH, FN series, FO series, and the Student Code of Conduct] Violations of law may result in criminal prosecution as well as disciplinary action by the District.

Observation 13 – Updated Inventory List: The Purchasing Department sent out on email requiring all Departments to reconcile and update inventory lists on January 18, 2018. The Department of Technology has not submitted an updated inventory list to the Purchasing Department. The response from the Department of Technology Network Services and Support Director was that all the items listed on the inventory verification sheet were disposed of with no supporting documentation.

Recommendation: The Department of Technology should keep records of disposals and inventory to compare against the inventory with the Warehouse Department.

**Code of Federal Regulations (CFR) Title 2 Subtitle A Chapter II §200.313 Equipment 1.** Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

2. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years. 3. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.

Observation 14 – Mandatory Replacement Schedule: January 12, 2018 the Internal Audit Department requested the Purchasing Department’s mandatory replacement schedule for the Department of Technology Network Services and Support and the Security Systems operations. The Purchasing Department responded that the mandatory replacement schedule was never completed or submitted for the Security Systems nor the Department of Technology.

Recommendation: In order to plan accordingly with their current and projected budget, the Department of Technology must complete a replacement schedule. The schedule will help the Purchasing Department as well as Business office allocate funds and plan accordingly.

Observation 15 – Untagged Inventory: A total of 2,612 items purchased through budgeted funds were not recorded or tagged through McAllen ISD’s (MISD) Warehouse Department. A list of inventory could not be produced by the Department of Technology Network Services staff.

Recommendation: When receiving assets, the campus/department administrator should ensure that the item is tagged with a MISD bar-coded tag, properly described on the paperwork, reflects no visual evidence of damage, set up correctly to guard against unnecessary hazards, and safeguarded. The campus/department administrator is to report all discrepancies to the Fixed Assets Department. All asset purchases must follow the requisition process and be delivered at the Warehouse for tagging.

**Code of Federal Regulations (CFR) Title 2 Subtitle A Chapter II §200.313 Equipment** 1. Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

2. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years. 3. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated. 4. Adequate maintenance procedures must be developed to keep the property in good condition. 5. If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

Observation 16 – Training and/or Certification: During the audit, it was determined that the employees of the Department of Technology have not been provided with the opportunity nor have had appropriate and up to date training(s) and/or certifications. This lack of training has caused deficiencies in keeping certifications up to date.

Recommendation: Professional development is the strategy schools and school districts use to ensure that the staff continues to strengthen their practice throughout their career. Certifications

include Microsoft Certified Solutions Expert (MCSE), CompTIA A+, CompTIA Net+, and CompTIA Security+

Observation 17 – Time Clock Edit Forms: No documentation on file was provided or located for the Department of Technology's (DOT) time clock edits for school years 2016- 2017, and 2017-2018. Adobe sign (Echosign), a third party program, was being utilized by the department. Access to this program was not made available to the Internal Audit Department and a review of DOT's time clock edits could not be conducted.

Recommendation: Utilizing the Adobesign (Echosign) program was not implemented by the McAllen ISD's (MISD) Payroll Department, it is not used district wide, and documentation is not readily available for review.

**The McAllen Independent School District's (MISD) Payroll Department's Manual** states "any corrections to time that occur PRIOR TO THE CLOSE OF THE WORKWEEK require a Time Clock Edit Form. The form must be completed by the employee and signed by the employee's supervisor prior to the Time Clock Manager making any change to the employee's time. The original Time Clock Edit Form is kept on file with the employee's Time Clock Manager and the employee is provided with a copy." Currently the MISD's Payroll Department requires the time edits to be hard copy (paper form).

Observation 18 – Police Department Service Call Forms: The McAllen ISD's Police Department created and utilizes the Service Call form. This form is used to record work completed and includes the model #, serial #, quantity, and summary of work done. The Electronic Equipment Technician had responded on January 23, 2018 to two (2) KACE (Service Desk Management) tickets for camera issues at two (2) campuses, 8:30 am and 10:55 am respectively. The Electronic Equipment Technician noted the same serial numbers and model numbers on the Service Call forms.

Recommendation: A serial number (abbreviated as Serial No., SN or S/N) is a unique number used for identification and inventory purposes. A serial number allows a company to identify a product and receive additional information about it for replacement or as a means of finding compatible parts. Two (2) cameras cannot have the same serial number.

**Code of Federal Regulations (CFR) Title 2 Subtitle A Chapter II §200.313 Equipment (1)** Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

## **PROCESS CONTROL SYSTEMS**

Observation 19- Third Party Bidding Application: The Purchasing Department utilizes a third party application during the bidding process. Consultants/Vendors and several McAllen ISD (MISD) Department employees, including the Director of Technology Network Services and Support, had full administrative access to the bidding application.

Recommendation: No employees outside of the Purchasing Department's Bidding Specialists should have access to the bidding application. The Director of Purchasing should be the only employee with administrative access to the bidding application. All third party applications that MISD utilizes should be monitored, access restricted, and accounted for. As of January 29, 2018 unnecessary users outside of the Purchasing Department's Buyers have been removed.

**Purchasing Manual §200.319 Competition.** All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to: placing unreasonable requirements on firms in order for them to qualify to do business; requiring unnecessary experience and excessive bonding; Se2017 A-13 Rev. 8/2017.

Observation 20 – Department of Technology Systems Incident Reporting: Currently there is no process for reporting system incidents that occur within the Department of Technology (DOT) to higher management that may affect students, parents, employees, Board Members, third party vendors, and any other McAllen ISD (MISD) network and/or system users.

Recommendation: Incident management must be communicated with higher management to monitor repeat incidents and/or security breaches within the system. Following The National Institute of Standards and Technology (NIST) Cybersecurity Framework would help MISD begin to implement a proper infrastructure which will allow DOT to first detect system breaches and then proactively prevent them by monitoring them in real-time.

**NIST 800-53 SI-4 Information system monitoring** includes external and internal monitoring. External monitoring includes the observation of events occurring at the information system boundary (i.e., part of perimeter defense and boundary protection). Internal monitoring includes the observation of events occurring within the information system. Organizations can monitor information systems, for example, by observing audit activities in real time or by observing other system aspects such as access patterns, characteristics of access, and other actions. The monitoring objectives may guide determination of the events.

Observation 21 – Purchased Inventory Shipping: Neither the Department of Technology (DOT) nor the Electronic Equipment Technician employee had purchases shipped to the Warehouse Department for tagging. Purchases were instead shipped directly to DOT. A total of 2,861 inventory items, not initially disclosed by DOT personnel, were located underneath the stadium and inside an old freezer.

Recommendation: When purchasing equipment, proper purchasing, receiving, and inventory processes must be followed. Purchases should be shipped to the McAllen ISD Warehouse for



proper tagging and inventory.

**Code of Federal Regulations (CFR) Title 2 Subtitle A Chapter II §200.313 Equipment 1.**

Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

2. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years. 3. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated. 4. Adequate maintenance procedures must be developed to keep the property in good condition.

**Observation 22 – Loaned Property: McAllen ISD (MISD) property with current licensing was lent out without proper documentation and/or approvals.**

**Recommendation:** MISD property should not be loaned out. There is a possibility the inventory may contain vital information regarding MISD. Should inventory be disposed of, the proper process should not be circumvented. All disposed MISD property should be prepared and sent to public auction and not directly sold to individual persons and/or organizations.

**CI(LEGAL) Surplus or Salvage Property from a State Agency**

A district may not lease, lend, bail, deconstruct, encumber, sell, trade, or otherwise dispose of property acquired under Government Code 2175.184 or 2175.241 before the second anniversary of the date the property was acquired. A district that improperly disposes of acquired property must remit to the Texas Facilities Commission the amount the district received from the lease, loan, bailment, de-construction, encumbrance, sale, trade, or other disposition of the property unless the commission authorizes the district's action. Gov't Code 2175.184(b)

**INFRASTRUCTURE CONTROLS**

**Observation 23 – Job Descriptions:** Employee job descriptions for the Department of Technology currently do not match job duties assigned to staff and are outdated. For example, the Secretary to the Director of Network Services and Support's job description was last updated in January 2002.

**Recommendation:** The Department of Technology (DOT) should review and update job descriptions for all employees. Human Resources should assist DOT in verifying employee's responsibilities and functions to match the employee's job performed.

**Observation 24 – Separation of Duties:** Currently, there are no separation of duties in the Department of Technology. Documentation provided by the Department of Technology as well as reviewing job descriptions revealed a majority of the employees performing the same duties.

**Recommendation:** In order to minimize the department risk, MISD should establish internal controls. A separation of duties is an internal control (security method) to manage conflict of

interest, and the appearance of conflict of interest and fraud. It restricts the amount of power held by any one individual. It puts a barrier in place to prevent fraud that may be perpetrated by one individual.

#### **NIST Special Publication 800-53 (Rev. 4)**

The organization:

- a) Separates [Assignment: organization-defined duties of individuals];
- b) Documents separation of duties of individuals; and
- c) Defines information system access authorizations to support separation of duties.

**Observation 25 – Digitally Signed Documents:** The district uses Adobe Sign (Echosign) application to digitally sign legal documents. The Internal Audit Department found that double encrypted emails were being sent to an employee’s personal email account approximately 4GB in size. Some of the documents that were emailed were contracts.

**Recommendation:** It is recommended that the only people involved with the contract(s) should be privy to this information.

**Observation 26 – Unnecessary Purchases:** The Department of Technology made several unnecessary purchases.

Date	PO	Vendor	Items	Amount
8/12/2015	P1601552	Dell Marketing LP	1 Printer 3D	3,908.82
11/6/2017	P1809639	B&H Photo Video	2 Plantronics Wireless Headsets	425.90
4/7/2017	P1724064	Apple Inc	5 Apple Watches	2,240.00
4/21/2017	P1724884	Sam's Club	8 FitBit	1,298.76
4/26/2017	P1725252	Sam's Club	2 Fitbit	299.96
1/17/2018	P1815079	B&H Photo Video	Yeti USB Microphone	127.00
3/1/2018	P1819605	B&H Photo Video	6 Go-Pro Video Cameras	2,154.00
<b>Total</b>				<b>\$10,454.44</b>

**Recommendation:** The Internal Audit Department recommends that purchasing items such as the ones listed above should have supporting documentation in which the purchase is justified. Without proper justification of the purchase, it is then recommended that these types of items be rejected and not continue with the approval process using school district resources.

**Purchasing Manual §200.318 General procurement standards** District staff must avoid acquisition of unnecessary or duplicative items.



Observation 27 – Untimely Camera Replacement: Purchase order P1704875 was created on September 21, 2016 for twenty (20) new cameras in the amount of \$1,488.00. The vendor was paid for services rendered on October 18, 2016. The description of the purchase order indicates “...camera system needs to be replaced ASAP”. The cameras were not replaced until January 19, 2018.

Recommendation: The Internal Audit Department recommends the cameras should have been installed within a 30-day window or as soon as possible after the receipt of goods.

Observation 28 – Unverified Job Completeness: Purchase order P1801631 was created to install cable runs at a campus totaling \$6,234.00. Upon further inspection Internal Audit noted proper discounts were not being provided, items listed on the invoice do not match installed materials, and items were used with cost breakdown not specified in the bid nor the invoice. In addition, higher quantities of products were charged on the invoice but the actual items installed should have reduced the invoiced amount. The job was also not completed according to the Department of Technology’s own written specifications on bid 16-000018 (exposed wiring, raceways missing or incomplete, wiring left laying on ceiling tiles, etc.). Costs should have totaled \$3,342 + \$107.25 (fair market value surface mount boxes).

Recommendation: McAllen ISD’s Department of Technology (DOT) should perform scheduled/random walkthroughs on projects to verify completeness of jobs performed. DOT should coordinate with Facilities & Maintenance Operations (FMO) to verify compliance with safety and fire regulations/codes.

Observation 29 – Internal Audit Work Papers: Audit logs dated April 3, 2018, April 18, 2018, April 20, 2018, and May 1, 2018 show two (2) Department of Technology employees viewing and downloading the Internal Audit Department’s document files under the scope of the audit (work papers) 43 times and 46 times respectively.

Recommendation: Employees within McAllen ISD should not interfere with the audit, scope of the audit or any work papers.

**Comptroller General of the United States Government Auditing Standards GAO- 02-388G-3.27.** Factors external to the audit organization may restrict the work or interfere with an auditor’s ability to form independent and objective opinions and conclusions.

**Comptroller General of the United States Government Auditing Standards GAO- 02-388G-3.30.1 and 3.30.2.** Statutory protections that prevent the audited entity from interfering with the initiation, scope, timing, and completion of any audit.

**Texas Education Agency Financial Accountability System Resource Guide (FASRG) 4.2.5 Working Papers.** Although the working papers are subject to review by auditors from TEA, the Government Accountability Office (GAO), or other applicable governmental agencies, they are not otherwise considered to be records open to the general public.

Statutory protections that prevent the audited entity from interfering with the initiation, scope, timing, and completion of any audit.

Observation 30 – Reassigned/Terminated Employee Access Procedures: On January 25, 2018, the date of reassignment of the Director of Network Services and Support, system audit logs indicate one hundred and sixty-six (166) modifications to the Director’s personal folders that are labeled “Purchasing”, “Security Audit”, “RFP 2016-098”, etc. On January 27, 2018 seven (7) files were created on a local server. These modifications were done by the credentials of the Director of Network Services and Support. This employee had full access to all systems until January 29, 2018.

Recommendation: McAllen ISD should implement a procedure for updating/removal of access before an employee is reassigned or terminated.

**GAO- 02-388G- 3.27** Factors external to the audit organization may restrict the work or interfere with an auditor’s ability to form independent and objective opinions and conclusions.

## **FINANCIAL MANAGEMENT**

Observation 31 – Purchases Through Third Party Vendors: The Department of Technology purchased products and services through third party vendors working as middlemen to circumvent direct payment to actual product/service vendors.

Recommendation: McAllen ISD’s Departments should abide by the guidelines, policies and procedures set by the state, local, and governing bodies.

### **Texas Education Agency Financial Accountability System Resource Guide (FASRG)**

**Purchasing** Sequential purchases of related items within a fiscal year with the intent to circumvent the Texas Education Code District purchasing law constitute a criminal offense (TEC §44.032).

**LOC GOV'T § 252.062** A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly makes or authorizes separate, sequential, or component purchases to avoid the competitive bidding requirements of Section 252.021.

Observation 32 – Vendor Payout Before Work Completion: Incidents have been noted regarding the Department of Technology paying out vendors before work is completed. A sample was taken totaling \$91,265.84. Examples of issues McAllen ISD’s campuses currently have are uninstalled raceways, cameras installed directly onto ceiling tiles, exposed wires, power does not run to cameras, missing/broken ceiling tiles, improperly secure wires (wires not run according to bid specifications), wires cut and taped together (potential fire/smoke hazard), etc.

Date	PO	Vendor	Description	Amount
11/15/2016	P1710628	Superior Alarms INC	Cabling Installation	\$14,898.39
2/3/2017	P1717401	Bridgenet Communications	Cabling Installation	\$ 2,925.00

8/11/2017	P1801631	Bridgenet Communications	Cabling Installation	\$ 6,234.00
9/21/2016	P1704875	Tough Dog Security Systems	Cameras	\$ 2,170.80
4/5/2012	P1215674	Bridgenet Communications	Cabling Installation	\$11,830.65
5/25/2017	P1727674	Starr Telecom	Video Wall & Installation	\$53,207.00
Total				\$91,265.84

**Recommendation:** The Department of Technology should have an assigned project manager to perform scheduled/random walkthroughs on projects and verify the completeness of work according to specifications and work with the Facilities & Maintenance Operations Department to ensure compliance with safety and fire regulations/codes.

**Purchasing Manual §200.318 General procurement standards** The District must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. See also §200.212 Suspension and debarment.

**Observation 33 – Undocumented Inventory:** The MISD Warehouse conducted an inventory count of the Department of Technology. The inventory count noted 2,612 items that were not recorded on any inventory lists/programs. Internal Audit cannot determine if there is inventory missing due to lack of proper record keeping.

**Recommendation:** The role of the Fixed Assets Department is to provide expertise in asset management and to facilitate accountability for district property. As such, the accuracy of the data within the Fixed Assets module is dependent on the promptness and accuracy of the information reported to the Fixed Assets Department. It is the responsibility of the campus/department administrator to account for their fixed assets in accordance with approved Fixed Assets Procedures and Board Policy.

### **Code of Federal Regulations (CFR) Title 2 Subtitle A Chapter II §200.313 Equipment**

1. Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of

the property, and any ultimate disposition data including the date of disposal and sale price of the property. 2. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years. 3. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated. 4. Adequate maintenance procedures must be developed to keep the property in good condition. 5. If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

**Observation 34 - Reimbursements:** The Internal Audit Department notes various reimbursements for the Director of the Department of Technology Network Services and Support. These purchases are not related to travel and should have gone through the procurement process totaling \$ 3,498.66.

<u>Date</u>	<u>PO</u>	<u>Items</u>	<u>Amount</u>
9/3/2013	P1403189	Domain Renewal	\$412.00
9/2/2013	P1403414	Apple IOS Developer Program Renewal	\$299.00
9/18/2014	P1505045	Apple IOS Developer Program Renewal	\$299.00
8/4/2015	P1601081	HD Webcam	\$ 74.99
10/14/2015	P1607554	1TB Rugged USB3 Thunderbolt	\$179.99
2/15/2016	P1618978	2V 5Ah Replacement Batteries for Perez Elementary; A/V 4 Cable Connectors and 2 Speakers Couplers for MCHI Stadium	\$ 99.64
6/19/2014	P1426550	Membership Level 1 and Type 1	\$150.00
1/6/2015	P1513466	Comodo Security Services	\$ 324.75

1/30/2015	P1515829	Consumables and Non-Consumables Reimbursement for Meeting with Hayes Software	\$ 53.29
8/4/2017	P1801032	Domain Renewal	\$ 412.00
10/13/2017	P1807263	Microsoft Commercial Support	\$499.00
12/18/2017	P1812413	Software Purchased for Migrating Files to SharePoint	\$545.00
2/1/2018	P1816772	TASBO Membership dues	\$150.00
Total			\$ 3,498.66

Recommendation: Currently McAllen ISD (MISD) does not have an official process for reimbursements. The purchases listed above could have been planned ahead of time to avoid reimbursement. It is recommended MISD implement a reimbursement process for employees to avoid unnecessary reimbursements.

**DEE(LOCAL) Prior Approval Required** an employee shall be reimbursed for reasonable, allowable expenses incurred in carrying out District business only with the prior approval of the employee's supervisor and in accordance with administrative regulations.

**Observation 35 – Sealed/Unused Inventory:** During the Warehouse Department's inventory count, items purchased through the Department of Technology were found in sealed, unopened boxes indicating they were unused. This inventory was located in an old freezer on palettes and wrapped in plastic which is the usual procedure when preparing inventory for auction. ([EXHIBIT C](#))

Recommendation: The Department of Technology should control their inventory expenditures and assess whether an item(s) is actually a necessary purchase. Unnecessary spending causes an economic and fiscal impact on the District's resources.

**Code of Federal Regulations (CFR) Title 2 Subtitle A Chapter II §200.313 Equipment** 1. Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property. 2. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years. 3. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft

must be investigated. 4. Adequate maintenance procedures must be developed to keep the property in good condition. 5. If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

Observation 36 – Inconsistent Bid Invoices: A sample of paid invoices were found to be inconsistent with bid 16-000018 specifications. These projects were invoiced with line items such as Velcro, labor, etc. McAllen ISD was consistently billed per cabling drop at 300 feet for each project which were not measured per linear foot as indicated on the awarded bid. One example: McAllen Police Department requested drops to be performed for a remodel. The Police Department was provided 3 quotes for the same project from the same vendor dated February, 13, 2018, February 13, 2018 and February 18, 2018. 21 drops with the same number of linear feet were requested with the quotes totaling \$4,825.01, \$4,659.26 and \$7,646.00 respectively. There is a fluctuation between the number of patch cords, miscellaneous materials charged, etc.

**Recommendation:** Invoices must be verified for consistency with project specifications and needs. It is recommended that the Department of Technology work with the Purchasing Department and Facilities & Maintenance Operations.

Observation 37 – Narrow Bid Specifications: Bid 2016-098 for camera systems describes the brand name and specifications specific to certain camera model numbers which may cause a limitation of qualified competitive bidders.

**Recommendation:** Due to the various issues McAllen ISD has encountered utilizing this requested brand, it may be necessary to reevaluate bid specifications.

Observation 38 – Incorrectly Coded Purchase Orders: Various purchase orders within bids Camera Equipment/ Installation (2016-098) and Network Cabling Services (16-000018) were coded incorrectly due to wording on the purchase orders. The Department of Technology paid invoices for classroom projector installations, T.V. installations, relocating T.V.'s, fire alarm services etc. this totaled \$10,249.92. Several invoices were unable to be moved to a proper bid as they do not fall under 16-000018 nor 2016-098.

Date	PO	Items	Amount
6/5/2017	P1728147	Install 8 classroom ceiling mounted projectors at Lamar	\$5,511.04
8/22/2017	P1802319	TV Installation	\$1,150.00
8/23/2017	P1802449	Install projector Brown Middle School	\$688.88

8/28/2017	P1802644	Install one wall mount TV and TV at Wilson Elementary.	\$150.00
9/5/2017	P1803245	Relocation of (4) wall mount TVs at Memorial High School	\$600.00
9/11/2017	P1804001	One ceiling mounted projector in the Morris Band Room	\$2,150.00
9/13/2017	P1804145	Access control cards, and Helios IP Force	\$2,700.00
10/23/2017	P1804723	TV relocation	\$250.00
10/18/2017	P1808013	Fire Alarm Service	\$270.00
10/31/2017	P1809105	Install Wall Mount TV at Lamar	\$150.00
10/30/2017	P1808864	Two Ceiling Mounted Projectors	\$1,050.00
11/8/2017	P1809879	Metal Pull Box to Secure the Existing NEMA Box at Milam	\$245.00
11/14/2017	P1810704	Memorial High School TV Relocation	\$250.00
2/5/2018	P1816918	TV and TV Wall Mount	\$1,502.32
Total			\$10,249.92

**Recommendation:** McAllen ISD's (MISD) goal and best practice is to have an accurate financial system and make payments or deposits MISD have incurred during the course of the fiscal year. To ensure this, all expenses must be coded and allocated correctly. This is true for every transaction made on MISD's financial system regardless of the source of the funds.

**Observation 39 – Texas Our Texas Screen:** Purchase order P1804122 was made on August 22, 2017 for a 200-inch screen for the Staff Development, Texas Our Texas, room totaling \$6,658.00. This expenditure was miscoded and purchased through object code 6249 Alarm Monitoring.

**Recommendation:** McAllen ISD's (MISD) goal and best practice is to have an accurate financial system and make payments or deposits MISD have incurred during the course of the fiscal year.



To ensure this, all expenses must be coded and allocated correctly. This is true for every transaction made on MISD's financial system regardless of the source of the funds.

Observation 40 – Police Department Video Wall: Purchase order P1727674 video wall for McAllen ISD's (MISD) Police Department was paid and closed October 19, 2017 totaling \$53,207.00. The invoice from the vendor indicates the monitors, necessary cable and accessories, controller, and installation is included in the purchase. The invoice states "All work is complete!". The MISD Police Department video wall was held in storage until its installation on March 23, 2018. As of May 19, 2018 the wall is still not operational.

Recommendation: Invoices should only be paid in full upon completion. Partial payments can be made if not all items/services are received. Any purchases of goods or services that cost \$50,000.00 or more shall require Board approval before a transaction may take place.

**CH(LOCAL)Purchasing Authority.** The Board delegates to the Superintendent or designee the authority to make budgeted purchases for goods or services. However, any single, budgeted purchase of goods or services that costs \$50,000 or more, regardless of whether the goods or services are competitively purchased, shall require Board approval before a transaction may take place.

**According to Purchasing Manual 2017-2018- A29.** Upon receipt of materials or supplies, the user must make sure that the items received match the packing list in quantity and description. All items that do not match the packing list and the discrepancies reconciled with the vendor. The invoice should be used to verify the contents. The invoice and contents must also be compared to the purchase order to verify that the items received are the items that were ordered and to verify that the prices on the invoice match the prices on the purchase order.

Observation 41 – Secondary Vendor Purchases: Equipment purchases for bid 2016-098 should have gone through the primary vendor. Instead, the equipment was predominately purchased through the secondary awarded vendor with no justification. This lack of justification was noted on various documentation indicating preference to a particular vendor that was chosen over other vendors who had lower bids or were awarded as the primary vendor. 125 line items were purchased through the secondary awarded vendor totaling \$95,813.89 where as the primary vendor has 2 line items totaling \$14,085.00.

Recommendation: Employees must abide by proper selection of awarded vendors. If the primary vendor cannot be used justification must be provided. When not using the Primary Vendor it must be approved by the Director of Purchasing.

**CAA(LOCAL)** All Trustees, employees, vendors, contractors, agents, consultants, volunteers, and any other parties who are involved in the District's financial transactions shall act with integrity and diligence in duties involving the District's fiscal resources

**DH (EXHIBIT)** a. The educator shall not intentionally misrepresent official policies of his school district or educational organization and shall clearly distinguish those views from his personal attitudes and opinions. b. The educator shall honestly account for all funds committed to his charge and shall conduct his financial business with integrity.



**Purchasing Manual §200.318 SUSPENSION AND DEBARMENT** The District must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

**Purchasing Manual Purchases Best Practices Procedure for Quotes** – Use primary vendor (only that quote required). If the primary vendor cannot be used, justification must be provided.

When not using the Primary Vendor, the following guidelines will apply for purchases:

- under \$3,500 – one quote required; “Sequential”, “Separate” and “Component” Purchases shall not be conducted
- \$3,500 - \$9,999.99 – two (2) quotes required
- \$10,000 - \$49,999.99 – three (3) quotes required (through awarded vendors) Federal Funds purchases refer to page A-15 “Micro Purchases”.
- Interlocal Cooperative Agreement (“Co-Op”) Purchases
- Under \$10,000: 1 quote \$10,000 + : 2 quotes (to ensure we are fiscally responsible)

Exceptions to above requirements must be approved by the Director of Purchasing.

Observation 42 – Camera Upgrade Presentation To Board: On February 13, 2017, the Director of Technology Network Services and Support presented the District Intercom & Security Systems Replacement Schedule to the McAllen ISD School Board. The presentation included the 7-year replacement plan for intercoms and 2-year security cameras replacement schedule. The total projected costs for cameras is \$520,870.00. As of March 12, 2018, nineteen (19) security camera projects were completed and totaled \$288,337.70. Projected costs for these nineteen (19) camera projects were \$ 209,861.00. Upon further inspection, an incomplete list of campuses that need camera replacements was presented to the Board of Trustees.

Recommendation: Should prices continue to vary from their projected amounts, the Department of Technology and/or the Purchasing Department should request change orders indicating the new cost of projects. They should work together to monitor costs of projects to determine if this should go to the Board for review.

**CH(LOCAL)Purchasing Authority** the Board delegates to the Superintendent or designee the authority to make budgeted purchases for goods or services. However, any single, budgeted purchase of goods or services that costs \$50,000 or more, regardless of whether the goods or services are competitively purchased, shall require Board approval before a transaction may take place.

## ADDITIONAL OBSERVATIONS

Observation 43 – Internship Form: Internal Audit located documentation written by the Director of Instructional Technology to the Director of Technology Network & Support Services to sign an internship form on Friday, July 14, 2017. The Doctoral Internship-Instructional Systems Design and Technology form policy# 2 states it is preferred that the internship site not be the current employing unit of the student; but as this is a professional practice doctorate; we may make modifications as necessary. Policy #6 states the internship project requires 75 hours of work. Additional hours are required for assignments and other course requirements.

Recommendation: The concern that the Internal Audit Department has is whether the Internship was conducted during McAllen ISD work hours or if the policies indicated were not followed for the internship.

Observation 44 – Cabling Bid Specifications: The Department of Technology created the specifications for bids relating to technology and cabling. There have been significant differences in cabling detail specifications between bid and rebids: 2008-130, 2012-035 and 16-000018. Bid 2008-130 has 62 line items detailing feet, with or without raceway, etc. Bid 2012-035 is listed at 33 detailed line items and rebid 16-000018 only notes 13 line items. Specifications have become less detailed and open to interpretation ([EXHIBIT D](#)).

Recommendation: The Purchasing Department should work with The Department of Technology to ensure consistent and sufficient detail is provided so projects may be completed accordingly.

Observation 45 – Purchase Approvals: Documentation was located between the Director of Technology Network & Support Services and the Assistant Superintendent of Business Operations in which the Assistant Superintendent of Business Operations was requested to approve a purchase of Apple Iwatches ([EXHIBIT E](#)).

Recommendation: Employees should abide by all of Purchasing processes and should not circumvent systems in place. **Purchasing Manual Personal Purchases (2017-2018)** District employees shall not be permitted to purchase supplies or equipment for personal use through the District's business office.

Observation 46: Please refer to Security Audit Confidential 17-18-015. Confidential security risks to be presented to management.

## CONCLUSION

The Internal Audit Department noted several oversights of the Department of Technology as well as the Security System which contributes to the findings noted above. The Internal Audit Department does recommend re-training of all personnel under the Director over policies, procedures, and ethical behavior (reference standard 1.6 of the Texas Educators' Code of Ethics<sup>1</sup>) as well as update the department's organizational chart and job descriptions.

---

<sup>1</sup> 1.6 of the Texas Educators' Code of Ethics which states Employees shall not falsify records, or direct or coerce others to do so.

District employees have a responsibility to protect and follow all policies and procedures. Anyone requisitioning, receiving, utilizing, transferring or scrapping District assets/equipment must adhere to the procedural guidance given by the district. District employees have a responsibility to the public in the performance of their duties. Public trust requires that employees avoid even the appearance of impropriety or of a conflict between their professional responsibilities and their personal interests.

**According to the Government Auditing Standards set forth by the Comptroller General of the United States- General Standards** audit scope impairments are factors external to the audit organization which can restrict the auditors' ability to render objective opinions and conclusions. The auditors should attempt to remove the impairment. Failing that, the auditors should disclose the impairment in the scope section of their report and the known effect it had on the results of the audit.

The Internal Audit Department used reasonable audit skill and judgment, and exercised due professional care in performing the audit. The application of care and skill expected from the Internal Audit Department is that of similar individuals in the same or similar audit circumstances.

The Internal Auditor is required to conduct examinations and verifications of the activity under audit to reasonable extents, but not required to perform detail audits of all transactions. Accordingly, the internal auditor cannot give absolute assurance that noncompliance or irregularities do not exist. Nevertheless, the possibility of material irregularities or noncompliance should be considered whenever the internal auditor undertakes an internal auditing assignment. The observations noted in the audit are of the Internal Auditor's professional judgement and cannot account for any environmental factors that may cause considerable changes.

It is the Internal Audit Department's intention to maintain the integrity of our standard of performance and conduct, which provides McAllen Independent School District and its employees its efficient and effective operation.

If you have any questions or concerns, please feel free to contact the Internal Audit Department at (956) 632-8442.

## References

The Internal Audit Department received guidance and was provided standards by the following regulatory bodies.

- Texas Education Agency (TEA).
  - <https://tea.texas.gov>
- Texas Association of School Boards (TASB).
  - <https://www.tasb.org>
- Institute of Internal Auditors (IIA).
  - <https://na.theiia.org>
- Government Accountability Office (GAO).
  - <https://www.gao.gov/>
- National Institute of Standards and Technology (NIST).
  - <https://www.nist.gov/>
- McAllen ISD Board Policy Manual.
  - <https://pol.tasb.org/Home/Index/637>
- Family Educational Rights and Privacy Act (FERPA).
  - <https://www2.ed.gov/policy/gen/guid/fpco/ferpa/index.html?>
- Health Insurance Portability and Accountability Act (HIPAA).
  - <https://www.hhs.gov/hipaa/index.html>
- Code of Federal Regulations (CFR).
  - <https://www.gpo.gov/fdsys/granule/CFR-2014-title2-vol1/CFR-2014-title2-vol1-sec200-313>
  - <https://www.gpo.gov/fdsys/granule/CFR-2014-title2-vol1/CFR-2014-title2-vol1-sec200-318>
- Texas Education Agency Financial Accountability System Resource Guide (FASRG).
  - [https://tea.texas.gov/Finance\\_and\\_Grants/Financial\\_Accountability/Financial\\_Accountability\\_System\\_Resource\\_Guide/](https://tea.texas.gov/Finance_and_Grants/Financial_Accountability/Financial_Accountability_System_Resource_Guide/)
- Local Government Code 252.062.
  - <https://statutes.capitol.texas.gov/SOTWDocs/LG/htm/LG.252.htm>
- McAllen ISD Purchasing Services 2017-2018 Manual.
  - <http://mcallenisd.wpengine.com/business-department/business-services/budget-preparation-manual/purchasing-manuals/>

**JOB TITLE:** Technician, Electronic Equipment

**JOB CODE:** 6586

**REPORTS TO:** Director, Network Services

**PAY GRADE:** CT-07

**DEPARTMENT/CAMPUS:** Department of Technology - NSS

**DATE:** June 1, 2015

**WAGE/HOUR STATUS:** Nonexempt

**FUNDING SOURCE:** 199

---

**PRIMARY PURPOSE:**

Duties include performing installation and routine service and repairs of a variety of electronic equipment such as instruments of communication, surveillance, alarms etc.

**QUALIFICATIONS:**

**Education/Certification:**

High School Diploma or GED  
Must have a clear driving record  
Valid Texas Driver's License

**Special Knowledge/Skills:**

Standard practices, methods, techniques, materials, tools and equipment used in repairing and maintaining electrical and electronic equipment  
Use precision tools and electronic testing and measuring equipment in diagnosing and repairing malfunction of electronic/mechanical equipment  
Operate a computer as required by current systems  
Knowledgeable of building codes, rules and regulations for alarm systems

**Experience:**

Three (3) years experience in electronic equipment experience to encompass installation, repair and maintenance

**MAJOR RESPONSIBILITIES AND DUTIES:**

1. Install and maintain district electrical equipment solutions to include but not limited to telecommunications and security systems (alarms/cameras).
2. Verify proposed systems for compliance with pertinent codes and regulations; install systems in compliance with appropriate codes; ensure safety standards are maintained throughout the process.
3. Conduct operational tests to determine effectiveness and efficiency.
4. Confer with supervisors and building administrators to determine work priorities; confer with originators regarding desired finished product; determine exact specifications of work requested; estimate supplies.
5. Schedule preventive maintenance programs on electrical equipment solutions such as telephone and security systems.
6. Maintain tools, equipment and parts needed to repair systems.
7. Assist in creating and maintaining standards of current and future solutions.

| EXHIBIT A

Job Description  
Technician, Electronic Equipment

8. Conduct inventory to determine material requirements and estimate project costs.
9. Read and interpret blueprints, schematics, wiring diagrams and equipment manuals.
10. Acquire knowledge of repair techniques for any new equipment installed.
11. Ability to follow through and carry out assignments, problem solving and sound judgment.
12. Ability to understand and follow department policies and procedures.
13. Perform other duties assigned by immediate supervisor (primary evaluator).

**SUPERVISORY RESPONSIBILITIES:**

None

**EQUIPMENT USED:**

Computer, precision tools, electronic testing equipment, hand and power tools

**WORKING CONDITIONS:**

**Mental Demands:**

Maintain emotional control, ability to read, understand verbal instructions, and communicate effectively  
Ability to work under minimum supervision

**Physical Demands/Environmental Factors:**

Use electric equipment; some bending, lifting and stooping while performing job related functions;  
exposure to heat, cold and dusty working conditions.

---

The foregoing statements describe the general purpose and responsibilities assigned to this job and are not an exhaustive list of all responsibilities and duties that may be assigned or skills that may be required.

Approved by \_\_\_\_\_ Date \_\_\_\_\_

Reviewed by \_\_\_\_\_ Date \_\_\_\_\_

| EXHIBIT A



| EXHIBIT B



| EXHIBIT B





| EXHIBIT B



| EXHIBIT B

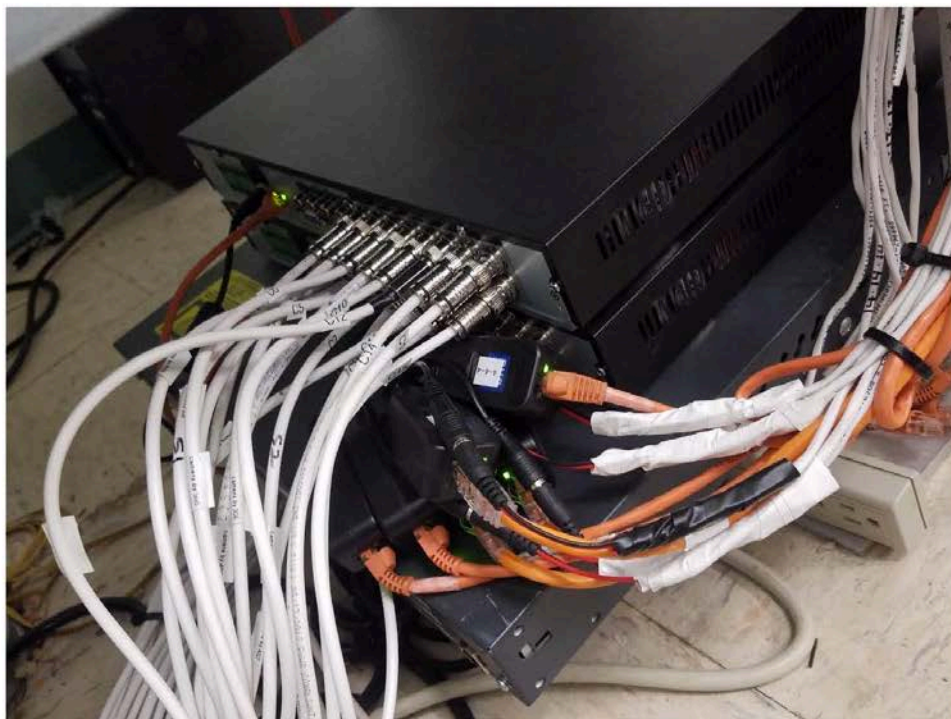


| EXHIBIT B



| EXHIBIT B





| EXHIBIT B



EXHIBIT C



EXHIBIT C





EXHIBIT C



**McALLEN INDEPENDENT SCHOOL DISTRICT**  
**RFP No. 16-000018 – Network Cabling Service Re-Bid**  
**Specifications and Scope of Work**

**Bid Sheet**

<b>BridgeNet Communications</b>		<b>Rate</b>	<b>Comments</b>
Item # 1:	CATEGORY A - COPPER CABLING CATEGORY 6 SINGLE DATA CABLE WITH RACE WAY 0-300 FEET. Note: Installation must include Cat6 components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD. Brand/Model: Belden/Panduit or Equal. QTY 1 FT - Foot	\$234.00 per drop at 300' (\$0.79 per foot)	Panduit/Belden
Item # 2:	CATEGORY A - COPPER CABLING CATEGORY 6 SINGLE DATA CABLE "WITHOUT" RACE WAY 0-300 FEET. Note: Installation must include Cat6 components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD. Brand/Model: Belden/Panduit or Equal. QTY 1 FT - Foot	\$216.00 per drop at 300' (\$0.72 per foot)	Panduit/Belden
Item # 3:	CATEGORY A - COPPER CABLING CATEGORY 6 DUAL DATA CABLE WITH RACE WAY 0-300 FEET. Note: Installation must include Cat6 components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD. Brand/Model: Belden/Panduit or Equal. QTY 1 FT - Foot	\$459.00 per drop at 300' (\$1.53 per foot)	Panduit/Belden
Item # 4:	CATEGORY A - COPPER CABLING CATEGORY 6 DUAL DATA CABLE "WITHOUT" RACE WAY 0-300 FEET. Note: Installation must include Cat6 components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD. Brand/Model: Belden/Panduit or Equal. QTY 1 FT - Foot	\$420.00 per drop at 300' (\$1.40 per foot)	Panduit/Belden
Item # 5:	CATEGORY B - RE-CERTIFICATION CAT5e/CAT6 JACKS. Includes Cat5e/Cat6 jack, testing, and results. Note: Price must include any additional materials needed as they relate to meeting Scope of Work Section 9 Network Cabling Specifications. Brand/Model: Belden CDT/Panduit or Equal. QTY 1 Each	\$50.00	Panduit/Belden
Item # 6:	CATEGORY C - FIBER OPTIC CABLE. 500 FT - 6 Strand Fiber Optic Cable (50 Micron). Brand/Model: Belden CDT/Panduit or Equal. QTY 1 Each	\$1,575.00	Panduit/Belden
Item # 7:	CATEGORY C - FIBER OPTIC CABLE. 500 FT - 12 Strand Fiber Optic Cable (50 Micron). Brand/Model: Belden CDT/Panduit or Equal. QTY 1 Each	\$2,510.00	Panduit/Belden
Item # 8:	CATEGORY D - COMPUTER LABS CATEGORY 6 CABLING - 30 Data. Brand/Model: Belden/Panduit or Equal. QTY 1 Each	\$2,350.00	Panduit/Belden
Item # 9:	CATEGORY D - COMPUTER LABS CATEGORY 6 CABLING - 30 Patch Cords 4ft. Brand/Model: Belden/Panduit or Equal. QTY 1 Each	\$205.00	Panduit/Belden
Item # 10:	CATEGORY D - COMPUTER LABS CATEGORY 6 CABLING - 30 Patch Cords 7ft. Brand/Model: Belden/Panduit or Equal. QTY 1 Each	\$235.00	Panduit/Belden
Item # 11:	CATEGORY D - COMPUTER LABS CATEGORY 6 CABLING - 1-48 Port Patch (Modular) Panel. Brand/Model: Belden/Panduit or Equal. QTY 1 Each	\$85.00	Panduit/Belden

EXHIBIT D

**McALLEN INDEPENDENT SCHOOL DISTRICT  
RFP No. 16-000018 – Network Cabling Service Re-Bid**

<b>Specifications and Scope of Work</b>		
Item# 12:	CATEGORY D - COMPUTER LABS CATEGORY 6 CABLING - Wall mount cabinet. Brand/Model: Panduit Panzone #PZAEWM3 or Equal. QTY 1 Each	Panduit/Belden Price includes 1/4" plywood for cabinet support
	\$645.00	
Item# 13:	CATEGORY D - COMPUTER LABS CATEGORY 6 CABLING - 1 uplink cable to IDF/MDF up to 300 ft. Brand/Model: Belden/Panduit or Equal. QTY 1 Each	Panduit/Belden
	\$216.00	

EXHIBIT D

**Bid No. 2008-130 - Network Cabling Services Bidsheet**

Primary vendor  
Genesis Networks  
62 Linetems

**Copper Cabling**

Item	Category 5 Enhanced	WITH RACEWAY			WITHOUT RACEWAY	
		100 - 150FT	151 - 200FT	201 - 296FT	100 - 150FT	151 - 200FT
1	SINGLE DATA	\$ 165.50	\$ 184.00	\$ 209.50	\$ 140.00	\$ 158.50
2	DUAL DATA	\$ 221.50	\$ 240.00	\$ 265.50	\$ 196.00	\$ 214.50
3	TRIPLE DATA	\$ 283.00	\$ 301.50	\$ 327.00	\$ 257.50	\$ 276.00
4	QUAD DATA	\$ 338.00	\$ 357.50	\$ 383.00	\$ 313.50	\$ 332.00
5	FIVE DATA	\$ 394.00	\$ 413.50	\$ 439.00	\$ 369.50	\$ 388.00
6	SIX DATA	\$ 450.00	\$ 469.50	\$ 495.00	\$ 425.50	\$ 444.00

Note: Installation must include Cat5E Belden/Panduit components i.e. cable, Cat5E Jacks, Faceplate, Labeling, Testing (1' patch cord, (1) 9ft Cat5E patch cord

Item	Category 6	WITH RACEWAY		WITHOUT RACEWAY	
		100 - 150FT	151 - 200FT	100 - 150FT	151 - 200FT
7	SINGLE DATA	\$ 178.50	\$ 209.00	\$ 153.00	\$ 183.50
8	DUAL DATA	\$ 269.50	\$ 319.00	\$ 244.00	\$ 293.50
9	TRIPLE DATA	\$ 363.00	\$ 434.50	\$ 337.50	\$ 409.00
10	QUAD DATA	\$ 451.00	\$ 544.50	\$ 425.50	\$ 519.00
11	FIVE DATA	\$ 539.00	\$ 653.50	\$ 513.50	\$ 628.00
12	SIX DATA	\$ 627.00	\$ 763.50	\$ 601.50	\$ 738.00

Note: Installation must include Cat6 Belden/Panduit components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6' cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instance utilize raceway with prior approval by MISD.

**ReCerify Cat5E/Cat6 Jacks:**

Item	Description	Cost
13	Including Belden CDT/Panduit Cat5E/Cat6 jack, testing, and results	\$45.00

Note: Price must include any additional materials needed as they relate to meeting MISD Network Cabling Specification

**Fiber Optic Cable**

Item	Description	Cost
14	500 ft - 6 strand fiber optic cable (50 micron) Belden CDT/Panduit	\$3,045.00
15	500 ft - 12 strand fiber optic cable (50 micron) Belden CDT/Panduit	\$3,935.00

Note: Fiber cable must be terminated using MISD Network Cabling Specifications and must include proper fiber termination per MISD Network Cabling Specifications "Exhibit A".

**Computer Labs - Category 6 cabling**

Item	Description	Cost
------	-------------	------

EXHIBIT D

201 - 296FT
\$ 184.00
\$ 240.00
\$ 301.50
\$ 357.50
\$ 413.50
\$ 469.50

6ft Cat5E

ft Cat6 patch  
s will cabling

s "Exhibit A".

tion tray as

copy of bid  
igs,

— 222 —

---

---



Request For Proposal No. 2012-035 - Network Cabling Services Re-Bid

		Bidsheet				
Item No.	Name	Description	Unit	Qty	Brand	Cost
Category A: Copper Cabling/Cat5e/6						
		100-150 Feet. Note: Installation must include Cat5 Belden/Panduit components i.e. cable, Cat5 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat5 patch cord, (1) 9ft Cat5 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	100-150 Feet			
1	Single Data Cable With Race Way			1	Panduit	\$219.46
		151-200 Feet. Note: Installation must include Cat5 Belden/Panduit components i.e. cable, Cat5 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat5 patch cord, (1) 9ft Cat5 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	151-200 Feet			
2	Single Data Cable With Race Way			1	Panduit	\$255.00
		100-150 Feet. Note: Installation must include Cat5 Belden/Panduit components i.e. cable, Cat5 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat5 patch cord, (1) 9ft Cat5 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	100-150 Feet			
3	Single Data Cable <i>Without</i> Race Way			1	Panduit	\$205.01
		151-200 Feet. Note: Installation must include Cat5 Belden/Panduit components i.e. cable, Cat5 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat5 patch cord, (1) 9ft Cat5 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	151-200 Feet			
4	Single Data Cable <i>Without</i> Race Way			1	Panduit	\$231.00
		100-150 Feet. Note: Installation must include Cat5 Belden/Panduit components i.e. cable, Cat5 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat5 patch cord, (1) 9ft Cat5 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	100-150 Feet			
5	Dual Data Cable With Race Way			1	Panduit	\$397.22
		151-200 Feet. Note: Installation must include Cat5 Belden/Panduit components i.e. cable, Cat5 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat5 patch cord, (1) 9ft Cat5 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	151-200 Feet			
6	Dual Data Cable With Race Way			1	Panduit	\$468.69
		100-150 Feet. Note: Installation must include Cat5 Belden/Panduit components i.e. cable, Cat5 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat5 patch cord, (1) 9ft Cat5 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	100-150 Feet			
7	Dual Data Cable <i>Without</i> Race Way			1	Panduit	\$382.72
		151-200 Feet. Note: Installation must include Cat5 Belden/Panduit components i.e. cable, Cat5 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat5 patch cord, (1) 9ft Cat5 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	151-200 Feet			
8	Dual Data Cable <i>Without</i> Race Way			1	Panduit	\$420.69
		100-150 Feet. Note: Installation must include Cat5 Belden/Panduit components i.e. cable, Cat5 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat5 patch cord, (1) 9ft Cat5 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	100-150 Feet			
9	Triple Data Cable With Race Way			1	Panduit	\$557.18
		151-200 Feet. Note: Installation must include Cat5 Belden/Panduit components i.e. cable, Cat5 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat5 patch cord, (1) 9ft Cat5 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	151-200 Feet			
10	Triple Data Cable With Race Way			1	Panduit	\$664.34

EXHIBIT D



11	Triple Data Cable <i>Without</i> Race Way	100-150 Feet. Note: Installation must include Cat6 Belden/Panduit components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	100-150 Feet	1	Panduit	\$542.68
12	Triple Data Cable <i>Without</i> Race Way	151-200 Feet. Note: Installation must include Cat6 Belden/Panduit components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	151-200 Feet	1	Panduit	\$592.39
13	Quad Data Cable With Race Way	100-150 Feet. Note: Installation must include Cat6 Belden/Panduit components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	100-150 Feet	1	Panduit	\$709.94
14	Quad Data Cable With Race Way	151-200 Feet. Note: Installation must include Cat6 Belden/Panduit components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	151-200 Feet	1	Panduit	\$852.88
15	Quad Data Cable <i>Without</i> Race Way	100-150 Feet. Note: Installation must include Cat6 Belden/Panduit components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	100-150 Feet	1	Panduit	\$695.44
16	Quad Data Cable <i>Without</i> Race Way	151-200 Feet. Note: Installation must include Cat6 Belden/Panduit components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	151-200 Feet	1	Panduit	\$756.88
17	Five Data Cable With Race Way	100-150 Feet. Note: Installation must include Cat6 Belden/Panduit components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	100-150 Feet	1	Panduit	\$866.30
18	Five Data Cable With Race Way	151-200 Feet. Note: Installation must include Cat6 Belden/Panduit components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	151-200 Feet	1	Panduit	\$1,044.98
19	Five Data Cable <i>Without</i> Race Way	100-150 Feet. Note: Installation must include Cat6 Belden/Panduit components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	100-150 Feet	1	Panduit	\$851.80
20	Five Data Cable <i>Without</i> Race Way	151-200 Feet. Note: Installation must include Cat6 Belden/Panduit components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	151-200 Feet	1	Panduit	\$924.98

EXHIBIT D

21	Six Data Cable With Race Way	100-150 Feet. Note: Installation must include Cat6 Belden/Panduit components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	100-150 Feet	1	Panduit	\$1,029.86
22	Six Data Cable With Race Way	151-200 Feet. Note: Installation must include Cat6 Belden/Panduit components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	151-200 Feet	1	Panduit	\$1,244.28
23	Six Data Cable <i>Without</i> Race Way	100-150 Feet. Note: Installation must include Cat6 Belden/Panduit components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	100-150 Feet	1	Panduit	\$1,015.36
24	Six Data Cable <i>Without</i> Race Way	151-200 Feet. Note: Installation must include Cat6 Belden/Panduit components i.e. cable, Cat6 Jacks, Faceplate, Labeling, Testing (1) 6ft Cat6 patch cord, (1) 9ft Cat6 patch cord. Primary routing of cabling should be to run cabling through walls. Only in certain instances will cabling utilize raceway with prior approval by MISD.	151-200 Feet	1	Panduit	\$1,100.28
<b>Category B - Race Certification</b>						
25	Recertify Cat5E/Cat6 Jacks	Including Belden CDT/Panduit Cat5E/Cat6 Jack, testing, and results. Note: Price must include any additional materials needed as they relate to meeting MISD Network Cabling Specifications "Exhibit A".	Each	1	Belden CDT	\$50.00
<b>Category C - Fiber Optic Cable</b>						
26	Fiber Optic Cable	500 ft - 6 strand fiber optic cable (50 micron)	Each	1	Belden CDT	\$3,381.27
27	Fiber Optic Cable	500 ft - 12 strand fiber optic cable (50 micron)	Each	1	Belden CDT	\$3,893.83
<b>Category D - Computer Lab - Category 6 Cabling</b>						
28	30 Data		Each	1	Panduit	\$4,890.00
29	30 Patch Cords 4ft		Each	1		\$219.35
30	30 Patch Cords 7ft		Each	1		\$261.14
31	1 - 48 Port Patch Panel (modular)		Each	1		\$345.51
	Wall mount cabinet (Panduit Panzone part number p30cwm3 or equivalent)			1		\$640.38
32						
33	1 - uplink cable to IDF/MDF up to 300		Each	1		\$278.30

Company Name: BridgeNet Communications, LLC.  
 Address: PO Box 1556 Donna, TX. 78537  
 Phone No: 956-461-3336  
 Contact Person: Mark Ramirez  
 Email: bridgetnetcommunications@yahoo.com

EXHIBIT D

**From:** Karr, Pat E. - Department of Technology  
**To:** [Salazar, Soria E. - Department of Technology](#)  
**Subject:** Fw: WORKFLOW/Action PR\_APPROVALS created by SSALAZAR  
**Date:** Thursday, April 6, 2017 6:29:26 PM  
**Attachments:** [OutlookEmoji-1478268438660\\_loqo.png.png](#)

---

Here you go. Reprocess it.

pat



---

**From:** Garcia, Lorena - Business Operations  
**Sent:** Thursday, April 6, 2017 5:22 PM  
**To:** Gonzalez, Alejandra - Purchasing  
**Cc:** Cabrera, Elizabeth - Purchasing; Karr, Pat E. - Department of Technology  
**Subject:** Fw: WORKFLOW/Action PR\_APPROVALS created by SSALAZAR

Approved.

Lorena Garcia  
Assistant Superintendent for Business Operations



---

EXHIBIT E

**From:** Karr, Pat E. - Department of Technology  
**Sent:** Thursday, April 6, 2017 8:50 AM  
**To:** Garcia, Lorena - Business Operations  
**Subject:** Fw: WORKFLOW/Action PR\_APPROVALS created by SSALAZAR

Lorena,

can you please give your blessing to this order so Purchasing won't kick it back?

thanks,

Pat

Pat Karr, Director  
Network Services & Support  
2185 North Broadway  
McAllen TX. 78501  
956.632.3238



<https://www.gotomeet.me/PatKarr>

---

**From:** Sungard Notification  
**Sent:** Wednesday, April 5, 2017 11:37 AM  
**To:** Karr, Pat E. - Department of Technology  
**Subject:** WORKFLOW/Action PR\_APPROVALS created by SSALAZAR

**\*\* WARNING!!!! \*\* PLEASE, PLEASE, PLEASE read this warning!**

On your reply to this email, please make sure you do not have any special symbols.  
Delete symbols like the TM (for trademark) or any other symbol that is not text from lines like:  
"Sent from my Samsung Epic 4G"

To approve this, simply reply and type Y, YES, or OK in the first line.  
To reject this, reply and type N or NO in the first line.

EXHIBIT E

To add comments, type up to 255 characters on subsequent lines delimited by double square brackets.  
 Example: [[this is an official comment to the e-mail response]]  
 All other comments will be ignored.

WORKFLOW MODEL INFORMATION:

-----  
 User=PKARR  
 Model=PR\_APPROVALS  
 Activity=A20\_0126  
 Key=2A7B0D99-F024-4F96-9116-CCEA9DB74A40  
 Version=12  
 UniqueKey=DC8CC19D-DBF4-431E-A6CA-9E9D9C16C27A

WORKFLOW INSTANCE INFORMATION:

-----  
 Purchase Request# = R1726384  
 PR Total\$ = 2240.00  
 Requested By = Sonia Salazar  
 Request Date = 3/23/2017  
 Entry Date = 3/23/2017  
 Bid Number = 2016-020  
 Vendor = V0000150-APPLE INC

Item#	Quantity	Price Item	Total	Product Code	Description	Split Amount/
			Account		Project(s) Percent	
=====						
0001	5.000	399.00	1995.00		PART NUMBER# MQ182LL/A APPLE WATCH	
				199-53-6399-1P-807-Y-99-T-00	100%	
0002	5.000	49.00	245.00		PART# S5402LL/A APPLE CARE+ FOR APPLE	
				199-53-6399-1P-807-Y-99-T-00	100%	

WORKFLOW HISTORY INFORMATION:

-----  
 User ID : SSALAZAR  
 Status : Accepted  
 Date/Time : 3/23/2017 2:04:29 PM  
 User ID : SMATA  
 Status : Accepted  
 Date/Time : 4/5/2017 11:36:26 AM

EXHIBIT E