

**STATE OF FLORIDA AUDITOR GENERAL**

**Operational Audit**

Report No. 2024-022  
September 2023

**BAKER COUNTY  
DISTRICT SCHOOL BOARD**



Sherrill F. Norman, CPA  
Auditor General

## **Board Members and Superintendent**

During the 2022-23 fiscal year, Sherrie Raulerson served as Superintendent of the Baker County Schools and the following individuals served as School Board Members:

	<u>District No.</u>
Tiffany McInarnay, Vice Chair	1
Jack Baker Jr. from 11-22-22	2
Richard Dean Griffis through 11-21-22	2
Paula T. Barton, Chair	3
Mandi Canaday from 11-22-22	4
Charlie M. Burnett through 11-21-22	4
Amanda Hodges	5

The team leader was Summer B. Elledge, CPA, and the audit was supervised by Glenda K. Hart, CPA.

Please address inquiries regarding this report to Edward A. Waller, CPA, Audit Manager, by e-mail at [tedwaller@aud.state.fl.us](mailto:tedwaller@aud.state.fl.us) or by telephone at (850) 412-2887.

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# BAKER COUNTY DISTRICT SCHOOL BOARD

## ***SUMMARY***

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This operational audit of the Baker County School District (District) focused on selected District processes and administrative activities and included a follow-up on findings noted in our report No. 2021-023. Our operational audit disclosed the following:

**Finding 1:** District school safety procedures need improvement to ensure and demonstrate that school resource officers undergo required psychological evaluations and complete required mental health crisis intervention training.

**Finding 2:** District construction administration procedures for the New Legacy Elementary School Project (Project) did not include comparisons of construction management entity (CME) pay requests and related payments with the CME guaranteed maximum price contract and subcontractor contracts to help ensure potential savings in material and labor costs and prevent cost overruns.

**Finding 3:** District procedures for the Project did not include attendance at the subcontractor bid openings or documented comparisons of the subcontractor bids and contracts to verify that the CME used a competitive selection process to select subcontractors and that the bid award and contract amounts agreed.

**Finding 4:** The District did not verify that subcontractors were appropriately licensed before they commenced work on the Project.

**Finding 5:** The District needs to enhance controls over negotiating and documenting the reasonableness of CME general condition costs.

**Finding 6:** Controls over contracted services and related payments could be enhanced.

## ***BACKGROUND***

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The Baker County School District (District) is part of the State system of public education under the general direction of the Florida Department of Education and is governed by State law and State Board of Education rules. Geographic boundaries of the District correspond with those of Baker County. The governing body of the District is the Baker County District School Board (Board), which is composed of five elected members. The elected Superintendent of Schools is the Executive Officer of the Board. During the 2022-23 fiscal year, the District operated one high, one middle, and four elementary schools and reported 4,897 unweighted full-time equivalent students.

# **FINDINGS AND RECOMMENDATIONS**

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## **Finding 1: School Safety – School Resource Officers**

State law<sup>1</sup> requires that the Board and Superintendent partner with local law enforcement agencies to establish or assign one or more safe-school officers, such as school resource officers (SROs), at each school facility. SROs must be certified law enforcement officers, undergo criminal background checks, drug testing, and a psychological evaluation, and are required to complete mental health crisis intervention training using a curriculum developed by a national organization with expertise in mental health crisis intervention.

For the 2022-2023 fiscal year, the Board contracted with the Baker County Sheriff's Office for an SRO at each of the six District schools. The contract required the SROs to be certified deputies<sup>2</sup> but did not require the SROs to receive a psychological evaluation or to complete the required mental health crisis intervention training. Additionally, the District did not have procedures in place to verify that the SROs had undergone the required psychological evaluations and completed the required training.

Subsequent to our inquiry, the District obtained verification from the Sheriff's Office to demonstrate that three SROs received mental health crisis intervention training before services were provided; however, records were not provided to demonstrate that the three other SROs had received mental health crisis intervention training or that any of the six SROs had undergone the required psychological evaluations.

According to District personnel, the District relies on the Sheriff's Office to ensure that SRO psychological evaluations and mental health crisis intervention training are completed. Notwithstanding, absent effective procedures to ensure and document that SROs timely complete all SRO requirements, the District cannot demonstrate compliance with State law or that appropriate measures have been taken to promote student and staff safety.

**Recommendation: The District should enhance procedures to ensure and demonstrate compliance with State school safety laws. Such enhancements should include added provisions in the Sheriff's Office contract requiring confirmation that each SRO has received the required psychological evaluation and completed the required mental health crisis intervention training. Additional enhancements should include the maintenance of records demonstrating that each SRO obtained the required evaluation and training.**

## **Finding 2: Monitoring Construction Payments**

Under the construction management entity (CME) process, contractor profit and overhead are contractually agreed upon, and the CME is responsible for all scheduling and coordination in both the design and construction phases and is generally responsible for the successful, timely, and economical completion of the construction project. The CME may be required to offer a guaranteed maximum price (GMP), which allows for the difference between the actual cost of the project and the GMP amount, or

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<sup>1</sup> Section 1006.12, Florida Statutes.

<sup>2</sup> All Baker County Sheriff Office-certified deputies are subject to criminal background checks and drug testing; however, although District personnel asked the Sheriff's Office, no evidence was provided to indicate that the Sheriff's Office requires District SRO's to have psychological evaluations or mental health crisis intervention training.

the net cost savings, to be returned to the District. To ensure potential savings in material and labor costs and prevent cost overruns or other impediments to successful completion of GMP contracts, it is important that District personnel verify that payments to CMEs agree with applicable support such as GMP and subcontractor contracts.

The District solicited competitive proposals, as required by State law,<sup>3</sup> for CME services related to the New Legacy Elementary School Project and, in June 2021, the Board entered into a GMP contract totaling \$34.7 million with a CME for these services. During the period July 2022 through March 2023, the District made payments totaling \$6.7 million to the CME for the project. To evaluate District monitoring controls over CME payments, we inquired of District personnel and examined District records supporting all the payments made to the CME during that period, including \$6 million paid to the CME for subcontractor services.

Our examination of District records disclosed that District personnel reconciled CME pay requests to subcontractor invoices, verified the mathematical accuracy of the requests, and also verified prior payments were properly accumulated. However, District personnel indicated that they did not compare CME pay requests and related payments to the GMP contract nor were the payments for subcontractor services compared to the subcontractors' contracts. According to District personnel, the CME retained the subcontractor contracts and the District relied on the CME to reconcile the subcontractor contracts to the CME pay requests for subcontractor services. However, District reliance on CME procedures provide little assurance that the pay requests and related District payments were proper.

As part of our audit, we requested and the District obtained subcontractor contracts from the CME supporting the \$6 million paid to the CME for subcontractor services and we determined that the payments were generally consistent with the GMP and subcontractor contracts. However, our procedures cannot substitute for management's responsibility to implement adequate controls over construction payments. Absent effective monitoring of CME payment processes, there is an increased risk that subcontractor services may not be obtained at the lowest cost consistent with acceptable quality, that CME pay requests may include inaccurate subcontractor costs, and that the maximum cost savings may not be achieved under the GMP contract process.

**Recommendation: To ensure that the District realizes maximum cost savings under a GMP contract, the District should verify that, before CME payments are made, CME pay requests are consistent with the GMP and subcontractor contracts.**

### **Finding 3: Subcontractor Selection**

The GMP construction contract for the New Legacy Elementary School Project required the CME to solicit bids and award subcontracts. Good business practice dictates that District personnel monitor the subcontractor selection process to ensure that services are obtained at the lowest cost consistent with acceptable quality and to realize cost savings under the GMP contract.

According to District personnel, the CME solicited subcontractor bids, held bid openings, and met with District personnel to discuss the subcontractors that would be awarded the bids. However, District

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<sup>3</sup> Section 287.055, Florida Statutes.

procedures did not require District personnel to attend the subcontractor bid openings or compare subcontractor bid awards to the CME's subcontractor contracts to ensure that subcontractors were competitively selected, and that subcontractor bid award and contract amounts agreed. District personnel indicated that they did not perform these procedures because they relied on the CME to ensure that subcontractors were competitively selected.

From the population of 28 subcontractors contracted to provide services totaling \$29.8 million for the New Legacy Elementary School Project, we requested, and District personnel obtained from the CME, contracts for all subcontractors. We compared the bid awards listed on the bid tabulation sheets to the subcontractor bids and confirmed that the subcontractors were competitively selected and agreed with the GMP and subcontractor contract amounts. However, our procedures cannot substitute for the District's responsibility to verify that subcontractor contracts are awarded by the CME using a competitive selection process and that the bid award and contract amounts agree.

Without District procedures requiring verification that CMEs use a competitive process for selecting subcontractors, and documented comparisons of bid awards and GMP and subcontractor contracts, there is an increased risk that subcontractor services may not be obtained at the lowest cost consistent with acceptable quality and the District may not realize maximum cost savings under a GMP contract.

**Recommendation: The District should establish procedures to require that District personnel attend subcontractor bid openings and to include a documented comparison of subcontractor bid awards to the GMP and subcontractor contracts to verify that the CME uses a competitive selection process to select subcontractors and that the bid award and contract amounts agree.**

#### **Finding 4: Subcontractor Licenses**

State law<sup>4</sup> provides that a CME must consist of, or contract with, licensed or registered professionals for the specific fields or areas of construction to be performed. State law<sup>5</sup> also establishes certain certification requirements for persons engaged in construction contracting, including licensing requirements for specialty contractors such as electrical, air conditioning, plumbing, and roofing contractors. However, according to District personnel, the District had not established procedures requiring that verifications of subcontractor licenses be performed and documented before the subcontractors commence work on District facilities.

For the New Legacy Elementary School Project, the District's CME subcontracted certain construction services requiring licensure under State law to seven subcontractors for \$20.1 million. As part of our procedures, we obtained documentation to confirm that all seven subcontractors were appropriately licensed. However, our procedures do not substitute for management's responsibility to implement adequate internal controls.

In response to our inquiry, District personnel indicated that they relied on the CME license verification process to ensure that subcontractors performing services for District projects were properly licensed. However, without District confirmation that the CME's subcontractor license verification process was effective, District reliance on the process provides limited assurance that appropriate subcontractor

<sup>4</sup> Section 1013.45(1)(c), Florida Statutes.

<sup>5</sup> Chapter 489, Florida Statutes.

licenses were maintained. Absent timely documented verifications that subcontractors are appropriately licensed, the District lacks assurance that the subcontractors working on District facilities meet the qualifications to perform the work for which they are engaged.

**Recommendation:** The District should establish procedures to require documented verification that subcontractors are appropriately licensed before they commence work on District facilities. Such procedures could require District personnel to verify each subcontractor’s license or, alternatively, to document evaluations of the effectiveness of the CME subcontractor license verification process.

#### **Finding 5: General Conditions Costs**

GMP contracts typically include provisions for general conditions costs that are not directly associated with a particular activity and may include costs relating to labor supervision, temporary offices and utilities, travel expenses, clean-up, permits, and testing. Established policies and procedures that provide appropriate guidance for effectively negotiating and documenting the reasonableness of general conditions costs are essential to ensure that potential cost savings are realized under GMP contracts. For contracts that include general conditions costs at a fixed rate, appropriate policies and procedures could include, for example, comparisons of proposed general conditions costs with those of similar projects, including similar projects at other school districts, and negotiations with the CME to determine a reasonable amount for total general conditions costs.

The GMP contract for the New Legacy Elementary School Project included general conditions costs totaling \$1.4 million that were billed to the District at a fixed rate over the duration of the project. However, the District had not established policies and procedures for evaluating and documenting the reasonableness of negotiated general conditions costs and District records did not document the methodology used and factors considered during the negotiation process to establish the reasonableness of the contracted general conditions costs.

District personnel indicated they relied on the CME to set the general conditions costs as part of the GMP process and the District paid those costs in accordance with contract terms. Notwithstanding, without evaluating and documenting the reasonableness of general conditions costs and effectively negotiating general conditions costs the District may be limited in its ability to ensure potential cost saving are realized.

**Recommendation:** The District should establish policies and procedures for negotiating and documenting the reasonableness of general conditions costs. Such policies and procedures should require documentation of the methodology used and factors considered in negotiating general conditions costs.

#### **Finding 6: Contracted Services**

Effective contract management requires and ensures that records are maintained to evidence satisfactory receipt of contracted services by personnel with direct knowledge of the services prior to payment. For the period July 2022 through March 2023, the District paid a total of \$1,433,095 for contracted services.

As part of our audit, we examined District records supporting 22 selected payments totaling \$321,523 related to 22 contracts. Our audit procedures disclosed that the District had designed and implemented

internal controls that generally documented satisfactory receipt of services prior to payments; however, we noted concerns with an athletic trainer services<sup>6</sup> contract with payments totaling \$7,562.45 as of March 31, 2023. Specifically, District records did not identify the service dates and hours and District personnel with direct knowledge of the services did not document verification that the services were received prior to payment.

Subsequent to our inquiry, in May 2023 District personnel contacted the service provider and requested records supporting the service hours for the December 2022 payment totaling \$2,228.10. However, records could not be provided for 21.88 of the 63.66 service hours and District personnel indicated that the service provider would refund \$765.80 to the District for the unsupported hours. In August 2023, the District requested additional service provider records to support the remaining service hours and related costs totaling \$5,334.35.

According to District personnel, the deficiency occurred due to personnel oversights. Absent appropriate documented verification of contracted services, there is an increased risk that the District may overpay for such services, the services may not be received consistent with Board expectations, and any overpayments that occur may not be timely detected and recovered. A similar finding was noted in our report No. 2021-023.

**Recommendation:** The District should enhance procedures to ensure that, prior to payment, school personnel with direct knowledge of the contracted services verify and document satisfactory receipt of the services.

## ***PRIOR AUDIT FOLLOW-UP***

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The District had taken corrective actions for findings included in our report No. 2021-023, except that Finding No. 6 was also noted in that report as Finding No. 4.

## ***OBJECTIVES, SCOPE, AND METHODOLOGY***

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The Auditor General conducts operational audits of governmental entities to provide the Legislature, Florida's citizens, public entity management, and other stakeholders unbiased, timely, and relevant information for use in promoting government accountability and stewardship and improving government operations.

We conducted this operational audit from March 2023 through July 2023 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

This operational audit focused on selected District processes and administrative activities. For those areas, our audit objectives were to:

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<sup>6</sup> Athletic trainer services included emergency care assessment and referral, treatment and rehabilitation, and injury prevention programs. The contract provided for an estimated 200 hours or more at \$35 per hour.



- Evaluate management’s performance in establishing and maintaining internal controls, including controls designed to prevent and detect fraud, waste, and abuse, and in administering assigned responsibilities in accordance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines.
- Examine internal controls designed and placed in operation to promote and encourage the achievement of management’s control objectives in the categories of compliance, economic and efficient operations, reliability of records and reports, and safeguarding of assets, and identify weaknesses in those controls.
- Determine whether management had taken corrective actions for findings included in our report No. 2021-023.
- Identify statutory and fiscal changes that may be recommended to the Legislature pursuant to Section 11.45(7)(h), Florida Statutes.

This audit was designed to identify, for those areas included within the scope of the audit, weaknesses in management’s internal controls significant to our audit objectives; instances of noncompliance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines; and instances of inefficient or ineffective operational policies, procedures, or practices. The focus of this audit was to identify problems so that they may be corrected in such a way as to improve government accountability and efficiency and the stewardship of management. Professional judgment has been used in determining significance and audit risk and in selecting the particular transactions, legal compliance matters, records, and controls considered.

As described in more detail below, for those programs, activities, and functions included within the scope of our audit, our audit work included, but was not limited to, communicating to management and those charged with governance the scope, objectives, timing, overall methodology, and reporting of our audit; obtaining an understanding of the program, activity, or function; identifying and evaluating internal controls significant to our audit objectives; exercising professional judgment in considering significance and audit risk in the design and execution of the research, interviews, tests, analyses, and other procedures included in the audit methodology; obtaining reasonable assurance of the overall sufficiency and appropriateness of the evidence gathered in support of our audit findings and conclusions; and reporting on the results of the audit as required by governing laws and auditing standards.

Our audit included the selection and examination of transactions and records, as well as events and conditions, occurring during the 2022-23 fiscal year audit period, and selected District actions taken prior and subsequent thereto. Unless otherwise indicated in this report, these records and transactions were not selected with the intent of statistically projecting the results, although we have presented for perspective, where practicable, information concerning relevant population value or size and quantifications relative to the items selected for examination.

An audit by its nature does not include a review of all records and actions of management, staff, and vendors, and as a consequence, cannot be relied upon to identify all instances of noncompliance, fraud, waste, abuse, or inefficiency.

In conducting our audit, we:

- Reviewed applicable laws, rules, Board policies, District procedures, and other guidelines, and interviewed District personnel to obtain an understanding of applicable processes and administrative activities and the related requirements.

- Reviewed Board information technology (IT) policies and District procedures to determine whether the policies and procedures addressed certain important IT control functions, such as security, systems development and maintenance, network configuration management, logging and monitoring, system backups, and disaster recovery.
- Evaluated District procedures for maintaining and reviewing employee access to IT data and resources. We examined selected user access privileges to District enterprise resource planning (ERP) system finance and human resources (HR) applications to determine the appropriateness and necessity of the access privileges based on employee job duties and user account functions and whether the access privileges prevented the performance of incompatible duties. Specifically, from the population of 94 employee accounts, we requested for examination District records supporting the propriety of update access privileges to selected critical ERP systems for finance and HR application functions for 30 selected employee accounts.
- Evaluated District procedures to prohibit former employee access to electronic data files. We also reviewed selected user access privileges for 37 employees who separated from District employment during the period July 1, 2022, through March 15, 2023, to determine whether the access privileges were timely deactivated.
- Determined whether the District had a comprehensive IT disaster recovery plan in place that was designed properly, operating effectively, and had been recently tested.
- Examined selected application security settings to determine whether authentication controls were configured and enforced in accordance with IT best practices.
- Inquired whether the District had expenditures or entered into any contracts under the authority granted by a state of emergency declared or renewed during the audit period.
- From the population of expenditures and transfers totaling \$16.1 million during the period July 2022 through March 2023 from nonvoted capital outlay tax levy proceeds, Public Education Capital Outlay funds, and other restricted capital project funds, examined documentation supporting selected expenditures and transfers totaling \$15.6 million to determine District compliance with the restrictions imposed on the use of these resources, such as compliance with Section 1011.71(2), Florida Statutes.
- From the population of \$75,161 total workforce education program funds expenditures for the period July 2022 through March 2023, selected 15 expenditures totaling \$12,508 and examined supporting documentation to determine whether the District used the funds for authorized purposes (i.e., not used to support K-12 programs or District K-12 administrative costs).
- For each of the eight industry certifications eligible for 2022-23 fiscal year performance funding, examined the certifications to determine whether the District maintained documentation for student attainment of the industry certifications.
- Examined District records supporting 6,203 reported contact hours for 30 selected students from the population of 10,120 contact hours reported for 59 adult general education instructional students during the Fall 2022 Semester to determine whether the District reported the instructional contact hours in accordance with State Board of Education (SBE) Rule 6A-10.0381, Florida Administrative Code.
- Examined District Web site to determine whether the 2022-23 fiscal year proposed, tentative, and official budgets were prominently posted pursuant to Section 1011.035(2), Florida Statutes. In addition, we determined whether the District Web site contained, for each public school within the District and for the District, the required graphical representations of summary financial efficiency data and fiscal trend information for the previous 3 years, and a link to the Web-based fiscal transparency tool developed by the Florida Department of Education (FDOE).
- Examined documentation supporting the District's annual tangible personal property physical inventory process to determine whether the inventory results were reconciled to the property

records, appropriate follow-up was made for any missing items, and law enforcement was timely notified for any items that could not be located and considered stolen.

- Evaluated District procedures for identifying and inventorying attractive items pursuant to Florida Department of Financial Services Rules, Chapter 69I-73, Florida Administrative Code.
- From the population of compensation expenditures totaling \$25.5 million to 959 employees during the period July 2022 through March 2023, examined District records supporting compensation payments totaling \$46,937 to 30 selected employees to determine whether the rate of pay complied with the Board-approved salary schedule and whether supervisory personnel reviewed and approved employee reports of time worked.
- Examined District records for the audit period supporting the teacher salary increase allocation received pursuant to Chapter 2022-156, Laws of Florida, Specific Appropriation 86, totaling \$1.2 million and records supporting related payment totaling the same amount made to 311 instructional personnel to determine whether the District submitted required reports (salary distribution plan and expenditure report) to the FDOE and used the allocation in compliance with Section 1011.62(14), Florida Statutes (2022).
- Examined Board policies, District procedures, and related records and determined whether a portion of instructional employee's compensation was based on performance in accordance with Section 1012.22(1)(c)4. and 5., Florida Statutes.
- Examined documentation for the one significant construction project (guaranteed maximum price of \$34.7 million) with a construction management entity and associated expenditures totaling \$6.7 million during the period July 2022 through March 2023, to determine compliance with Board policies, District procedures, and provisions of State laws and rules. Specifically, we examined District records to determine whether:
  - The construction manager was properly selected pursuant to Section 255.103, Florida Statutes.
  - District personnel properly monitored subcontractor selection and licensures.
  - The architects were properly selected pursuant to Section 287.055, Florida Statutes, and adequately insured.
  - Appropriate Board policies and District procedures addressing the negotiation and monitoring of general conditions costs had been established.
  - Documentation supporting the payments was sufficient and complied with the contract provisions.
  - The projects progressed as planned consistent with established benchmarks, and were cost effective, and the contractors performed as expected.
  - The District made use of its sales tax exemption to make direct purchases of materials, or documented its justification for not doing so.
- Examined District records to determine whether the Board had adopted appropriate school safety policies and the District implemented procedures to ensure the health, safety, and welfare of students and compliance with Sections 1006.07 and 1006.12, Florida Statutes; and Section 1011.62(12), Florida Statutes (2022).
- Examined District records to determine whether the Board had adopted appropriate mental health awareness policies and the District had implemented procedures to promote the health, safety, and welfare of students and ensure compliance with Section 1012.584, Florida Statutes; Section 1011.62(13), Florida Statutes (2022); and SBE Rule 6A-1.094124, Florida Administrative Code.

- Determined whether non-compensation expenditures were reasonable, correctly recorded, adequately documented, for a valid District purpose, properly authorized and approved, and in compliance with applicable State laws, SBE rules, contract terms and Board policies; and applicable vendors were properly selected. Specifically, from the population of non-compensation expenditures totaling \$20.8 million during the period July 2022 through March 2023, we examined documentation related to 30 selected payments for general expenditures totaling \$101,586.
- From the population of payments totaling \$1.4 million during the period July 2022 through March 2023 related to 65 contracts for services, examined supporting documentation, including the contract documents, for 22 selected payments totaling \$321,523 to determine whether:
  - The District complied with applicable competitive selection requirements (e.g., SBE Rule 6A-1.012, Florida Administrative Code).
  - The contracts clearly specified deliverables, time frames, documentation requirements, and compensation.
  - District records evidenced that services were satisfactorily received and conformed to contract terms before payment.
  - The payments complied with contract provisions.
- Communicated on an interim basis with applicable officials to ensure the timely resolution of issues involving controls and noncompliance.
- Performed various other auditing procedures, including analytical procedures, as necessary, to accomplish the objectives of the audit.
- Prepared and submitted for management response the findings and recommendations that are included in this report and which describe the matters requiring corrective actions. Management's response is included in this report under the heading **MANAGEMENT'S RESPONSE**.

## **AUTHORITY**

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Section 11.45, Florida Statutes, requires that the Auditor General conduct an operational audit of each school district on a periodic basis. Pursuant to the provisions of Section 11.45, Florida Statutes, I have directed that this report be prepared to present the results of our operational audit.



Sherrill F. Norman, CPA  
Auditor General

# MANAGEMENT'S RESPONSE



## Baker County Public Schools

Sherrie Raulerson, Superintendent of Schools

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September 18, 2023

Ms. Sherrill F. Norman, CPA  
Auditor General  
Claude Denson Pepper Building, Suite G74  
111 West Madison Street  
Tallahassee, Florida 32399

Dear Ms. Norman:

As always it is a pleasure to work with your audit staff. We are happy to address the preliminary and tentative audit findings reported during our recent operational audit for the fiscal year ending June 30, 2023. The following items have been addressed and/or corrective action taken:

- **Finding No. 1: School Safety – School Resource Officers**

The District will draft an addendum, after conferring with legal counsel, to the current Baker County Sheriff's Office contract for school resource officers to enhance compliance with F.S. 1006.12. The addendum will include provisions requiring all SROs to receive the required psychological evaluation and required mental health crisis intervention training, and to provide documentation to the District that demonstrates each SRO obtained the required evaluation and training. The documentation should be in the form of official copies of completion certificates and evaluations or a signed affidavit by the Sheriff certifying completion of evaluation and training. All future contracts with the Baker County Sheriff's Office will include these provisions. As of the date of this response, all SROs have completed the required mental health crisis intervention training and the required psychological evaluations.

- **Finding No. 2: Monitoring Construction Payments**

The District has not built a new school in almost twenty years and all the staff tasked with the completion of this project have no prior experience with Special Facilities funding procedures. As such, the District hired a professional Construction Management Entity (CME) to help with this project. Per Auditor General recommendations, the District will develop and implement local procedures to ensure all future new school construction projects will realize our maximum cost savings under a GMP contract. Prior to payment, District personnel will verify that all CME pay requests are consistent with the GMP and subcontractor contracts.

- **Finding No. 3: Subcontractor Selection**

The District has not built a new school in almost twenty years and all the staff tasked with the completion of this project have no prior experience with Special Facilities funding procedures. As such, the District hired a professional Construction Management Entity (CME) to help with this project. Based on Auditor General recommendations, the District will develop and implement local procedures to ensure that the

*"Preparing individuals to be lifelong learners, self-sufficient, and responsible citizens of good character"*

**DISTRICT SCHOOL BOARD MEMBERS**

Tiffany McInarnay, District 1 🐾 Jack Baker, Jr., District 2 🐾 Paula T. Barton, District 3 🐾 Mandi Canaday, District 4 🐾 Amanda Hodges, District 5

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CME on all future new school construction projects use a competitive process for selecting subcontractors and a District representative be present for all subcontractors' bid openings. Additionally, District personnel will verify that the subcontractor bid award documentation agrees with the subcontractor contract amount.

- **Finding No. 4: Subcontractor Licenses**

The District has not built a new school in almost twenty years and all the staff tasked with the completion of this project have no prior experience with Special Facilities funding procedures. As such, the District hired a professional Construction Management Entity (CME) to help with this project. To ensure that all subcontractors are appropriately licensed prior to working on any new school construction projects, District personnel will request from the CME all documentation necessary to verify all subcontractors' licenses are current and that they are qualified to perform the work for which they have been engaged.

- **Finding No. 5: General Conditions Costs**

The District has not built a new school in almost twenty years and all the staff tasked with the completion of this project have no prior experience with Special Facilities funding procedures. To protect the District in the future, we will revise board policy 7.141 Option 2 "Selecting Professional Services", with input from our legal counsel, to establish procedures for negotiating contract costs including general conditions costs. The District will also add contract language to the scope of work requiring an itemized listing of general conditions costs to be included in the GMP contract.

- **Finding No. 6: Contracted Services**

In response to Finding No. 4 in report number 2021-023, the District developed and implemented a new procedure to ensure each therapy services contracted vendor signs in and out at every school site and has their time on that campus monitored and approved by either the principal or his/her designee at each school site. These records are then compared to the actual invoices submitted by each therapy services contracted vendor and audited for accuracy before being approved by the Director of Exceptional Student Education. However, athletic training services are slightly different than therapy services for ESE students. The Athletic training services are provided at each athletic event, some events are on school campuses and some are not, and at all official practices, as necessary. All future contracts for athletic training services will include a section or addendum to address the types of documentation needed by the District to support the number of hours billed, which will include service dates, actual hours worked, timesheets, and detailed descriptions of the services provided including the sporting event the athletic trainer attended. Additionally, all invoices and all documentation for athletic training services will be reviewed for accuracy by the appropriate personnel before being approved by the Athletic Director at the high school since these individuals would have direct knowledge of the services performed. After review and signature by the Athletic Director, the invoices will then be submitted to the District Finance office for final review and payment processing.

Thank you for the assistance and technical advice your staff gave us during the operational audit and for pointing out areas our district can improve upon.

If you have any questions or need further assistance, please contact me.

Sincerely,



Sherrie Raulerson  
Superintendent of Schools