

STATE OF FLORIDA AUDITOR GENERAL

Operational Audit

Report No. 2022-042
November 2021

**SUMTER COUNTY
DISTRICT SCHOOL BOARD**



Sherrill F. Norman, CPA
Auditor General

Board Members and Superintendent

During the 2020-21 fiscal year, Richard A. Shirley served as Superintendent of the Sumter County Schools and the following individuals served as School Board Members:

	<u>District No.</u>
Sally B. Moss, Vice Chair from 7-21-20	1
Brett Sherman from 11-17-20	2
Christine S. Norris, Chair through 11-16-20	2
David A. Williams, Chair from 11-17-20	3
Russell Hogan from 12-18-20	4
Jennifer Boyett, Vice Chair through 7-5-20 ^a	4
Kathie L. Joiner	5

^a Member position vacant 7-6-20, through 12-17-20. Vice Chair position vacant 7-6-20, through 7-20-20.

The team leader was Marguerite B. Andrews, CPA, and the audit was supervised by Anna A. McCormick, CPA.

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

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SUMTER COUNTY DISTRICT SCHOOL BOARD

SUMMARY

This operational audit of the Sumter County School District (District) focused on selected District processes and administrative activities and included a follow-up on findings noted in our report No. 2019-073. Our operational audit disclosed the following:

Finding 1: The District needs to strengthen controls to ensure the accurate reporting of instructional contact hours for adult general education classes to the Florida Department of Education.

Finding 2: Required background screenings were not always obtained at least once every 5 years.

Finding 3: Some unnecessary information technology user access privileges existed that increased the risk for unauthorized disclosure of sensitive personal information of students to occur.

BACKGROUND

The Sumter 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 Sumter County. The governing body of the District is the Sumter 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 2020-21 fiscal year, the District operated nine elementary, middle, high, and specialized schools; sponsored one charter school; and reported 8,462 unweighted full-time equivalent students.

FINDINGS AND RECOMMENDATIONS

Finding 1: Adult General Education Classes

State law¹ defines adult general education, in part, as comprehensive instructional programs designed to improve the employability of the State's workforce. The District received State funding for adult general education, and General Appropriations Act² proviso language required each school district to report enrollment for adult general education programs in accordance with Florida Department of Education (FDOE) instructional hours reporting procedures.³ State Board of Education (SBE) rules⁴ require the District to collect and maintain enrollment and attendance information on students based on minimum enrollment requirements for funding and mandatory withdrawal procedures for students for non-attendance. FDOE procedures provide that fundable instructional contact hours are those scheduled hours that occur between the date of enrollment in a class and the withdrawal date or end-of-class date,

¹ Section 1004.02(3), Florida Statutes.

² Chapter 2020-111, Section 2, Specific Appropriation 126, Laws of Florida.

³ FDOE's Technical Assistance Paper: *Adult General Education Instructional Hours Reporting Procedures*, Dated September 2020.

⁴ SBE Rule 6A-10.0381(5), Florida Administrative Code.

whichever is sooner. Additionally, SBE rules require contact hours for online courses be reported based upon actual hours documented by an online software program or by an instructor.⁵

The District reported 8,828 instructional contact hours provided to 99 students enrolled in 43 adult general education classes during the Fall 2020 Semester. As part of our audit, we examined District records supporting 1,139 contact hours reported for 30 students enrolled in 21 adult general education classes. We found that:

- For 3 students in 3 online classes, contact hours were over reported by 4 hours for 2 classes and under reported by 2 hours for 1 class. Instead of reporting contact hours based upon attendance documented by an online software program or by an instructor, the District used a software program to create a class schedule, estimate, and report contact hours based on possible attendance time. We expanded our examination of District records and identified 623 total hours reported for Fall 2020 Semester online classes based on possible attendance time. Although we requested, as of June 2021, District records were not provided to demonstrate the actual total online class contact hours based upon documented attendance or to quantify misreported hours.
- For 1 student in 1 class, the District misreported 7 contact hours for attendance that occurred before the Fall 2020 Semester reporting time frame. According to District personnel, the error occurred because the Fall Course Schedule, created in the online software program, included certain dates that were also in the Summer Course Schedule and already reported for the Summer 2020 Semester. We expanded our examination of District records and identified an additional 335 hours over reported for the Fall 2020 Semester that had already been reported for the Summer 2020 Semester. Subsequent to our inquiry, the District contacted the FDOE and removed the 342 over reported hours from the Fall 2020 data.

In response to our inquiry, District personnel indicated that the errors occurred because District personnel were not always familiar with FDOE reporting requirements. Since adult general education funding is based, in part, on enrollment data reported to the FDOE, it is important that the District report accurate data.

Recommendation: The District should strengthen controls to ensure instructional contact hours for adult general education classes are accurately reported to the FDOE. Such controls should ensure hours reported for online classes are based upon actual hours documented by an online software program or by an instructor and hours reported represent the appropriate time period. Additionally, the District should determine to what extent adult general education hours were misreported for the Fall 2020 Semester and contact FDOE for proper resolution.

Finding 2: Background Screenings

State law⁶ requires that individuals who serve in an instructional or noninstructional capacity that requires direct contact with students undergo a level 2 background screening⁷ at least once every 5 years. To promote compliance with the statutory background screenings requirements, Board policies⁸ require employees to undergo required background screenings upon employment and at least once every 5 years thereafter.

⁵ SBE Rule 6A-10.0381(10), Florida Administrative Code.

⁶ Sections 1012.32, 1012.465, and 1012.56(10), Florida Statutes.

⁷ A level 2 background screening includes fingerprinting for Statewide criminal history records checks through the FDLE and national criminal history records checks through the Federal Bureau of Investigation.

⁸ Board Policies 1121.01, 3121.01 and 4121.01, *Criminal Background Checks and Employment History Checks*.

In response to our inquiry, District personnel indicated that Human Resource (HR) Department personnel notify applicable new hires to be fingerprinted, obtain the fingerprints, and submit the fingerprints to the Florida Department of Law Enforcement (FDLE) through the Florida Integrated Criminal History System (FALCON). In addition, the HR Department personnel quarterly obtain a report from FALCON to identify District employees who will need to be fingerprinted the following quarter to comply with the 5-year background screening requirement. HR Department personnel also review Board meeting minutes to identify individuals who are discontinuing District employment and routinely remove those individuals from the FALCON report. Notwithstanding, the FALCON reports were not periodically reconciled to District records to ensure all applicable District personnel are timely notified and fingerprinted.

As of April 22, 2021, the District employed 405 instructional and 428 noninstructional personnel. To determine whether required background screenings had been timely performed, we requested for examination District records supporting the screenings for 30 selected employees. As of April 2021, we found that:

- For 1 instructional employee, a background screening had not been obtained since 2008. According to District personnel, the employee's fingerprint information was deleted from FALCON in error because 2 employees had the same name and the wrong employee's name was deleted when 1 of the employees discontinued District employment.
- For 1 noninstructional employee, the last background screening was obtained in 2015. The employee's fingerprint information was deleted from FALCON in error while the employee was on approved leave and noted as "inactive" in the District information technology system.

According to District personnel, they had not recently performed a reconciliation of the individuals included in FALCON to District records. Subsequent to our inquiry, the District completed a reconciliation and identified 8 other employees without timely screenings. For the 8 employees, 7 to 15 years had elapsed since the last screening. Subsequent to our inquiries, the 10 employees obtained background screenings and the screenings disclosed each employee had a suitable background.

Absent effective controls to ensure that required background screenings are timely performed and properly retained, there is an increased risk that individuals with unsuitable backgrounds may have direct contact with students. A similar finding was noted in our report No. 2019-073.

Recommendation: The District should continue efforts to appropriately track and monitor required employee background screenings. Such efforts should include periodic reconciliations of District records and FALCON reports to ensure that required screenings are promptly obtained and evaluated for applicable District employees at least once every 5 years.

Finding 3: Information Technology User Access Privileges

The Legislature has recognized in State law⁹ that social security numbers (SSNs) can be used to acquire sensitive personal information, the release of which could result in fraud against individuals or cause other financial or personal harm. Therefore, public entities are required to provide extra care in maintaining the confidential status of such information. Effective controls restrict individuals from accessing information unnecessary for their assigned job responsibilities and provide for documented, periodic evaluations of information technology (IT) user access privileges to help prevent individuals from

⁹ Section 119.071(5)(a), Florida Statutes.

accessing sensitive personal information inconsistent with their duties. Board policies¹⁰ allow designated District school personnel access to student records to perform administrative, supervisory, or instructional responsibilities that serve a legitimate educational purpose in accordance with State and Federal laws and State Board of Education rules, and District employees are required to certify that they will comply with these requirements.

The District student information system (SIS) provides for student records data processing and the District maintains current and former student information, including SSNs, in the District SIS. Student SSNs are included in the student records maintained within the District SIS to, for example, register newly enrolled students and transmit that information to the FDOE through a secure-file procedure and to provide student transcripts to colleges, universities, and potential employers based on authorized requests. The District had an established procedure to evaluate a report each month that showed any users with access to the student SSN field.

While SIS controls were in place to prevent access to the student SSN field for all District employees, our examination of SIS information in August 2021 disclosed that student SSNs were also stored in two additional student identification fields, including one field with information for 11,598 former and 2,324 current District students and another field with information for 13,211 former and 2,452 current District students. We also found that 476 employees had access to view the two fields to help identify and monitor students who attended school in more than one school district and, according to the Director of Finance, only a few of the 476 employees should have such access. In response to our inquiry, District personnel indicated that they were unaware that two other fields contained SSN information and, as of August 2021, were working with the SIS vendor to secure the fields and block inappropriate access.

The existence of unnecessary IT user access privileges increases the risk of unauthorized disclosure of sensitive personal information and the possibility that such information may be used to commit a fraud against current or former District students.

Recommendation: The District should continue efforts to prevent unnecessary access to the SSNs stored in the District SIS.

PRIOR AUDIT FOLLOW-UP

The District had taken corrective actions for findings included in our report No. 2019-073, except that Finding 2 was also noted in that report as Finding 1.

OBJECTIVES, SCOPE, AND METHODOLOGY

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.

¹⁰ Board Policy 8330, Student Records.

We conducted this operational audit from March 2021 through August 2021 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, including, but not limited to, District information technology resources and related controls, school safety, fiscal transparency, compensation, and other expenses. For those areas, our audit objectives were to:

- 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. 2019-073.
- 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 transactions, as well as events and conditions, occurring during the 2020-21 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 and District procedures, and other guidelines, and interviewed District personnel to obtain an understanding of applicable processes and administrative activities.
- 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, system backups, and disaster recovery.
- Evaluated District procedures for maintaining and reviewing employee access to IT data and resources. We examined selected access privileges to District enterprise resource planning system finance and human resources (HR) applications to determine the appropriateness and necessity of the access based on employees' job duties and user account functions and whether the access prevented the performance of incompatible duties. We also examined the administrator account access privileges granted and procedures for oversight of administrative accounts for the applications to determine whether these accounts had been appropriately assigned and managed. Specifically, from the population of 91 users, we tested user access privileges for 23 selected users who had access to the finance and HR applications.
- Evaluated District procedures to prohibit former employee access to electronic data files. We also reviewed selected user access privileges for 26 of the 159 employees who separated from District employment during the period July 1, 2019, through June 30, 2020, to determine whether the access privileges had been timely deactivated.
- Evaluated District procedures for protecting the sensitive personal information of students, including social security numbers, and restricting access privileges to only that information appropriate and necessary based on the employee's assigned job responsibilities.
- Determined whether a comprehensive IT disaster recovery plan was in place, designed properly, operating effectively, and had been recently tested.
- Examined selected operating system, database, network, and application security settings to determine whether authentication controls were configured and enforced in accordance with IT best practices.
- Determined whether a comprehensive IT risk assessment had been established to document the District's risk management and assessment processes and security controls intended to protect the confidentiality, integrity, and availability of data and IT resources.
- Determined whether an adequate, comprehensive IT security awareness and training program was in place.
- Evaluated Board policies and District procedures and examined supporting documentation to determine whether audit logging and monitoring controls were configured in accordance with IT best practices.
- Evaluated the adequacy of District procedures related to security incident response and reporting.
- Evaluated the District data center physical access controls to determine whether vulnerabilities existed.

- Determined whether a fire suppression system had been installed in the District data center.
- From the population of expenditures totaling \$3.3 million and transfers totaling \$10.9 million during the period July 1, 2020, through March 18, 2021, 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 \$879,906 and \$7.8 million, respectively, 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 \$128,857 total workforce education program funds expenditures for the period July 1, 2020, through March 11, 2021, examined District records supporting eight selected expenditures totaling \$7,076 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).
- Examined the nine certifications eligible for the 2020-21 fiscal year performance funding to determine whether the District maintained documentation for student attainment of the industry certifications.
- From the population of 8,828 contact hours reported in 43 adult general education classes provided to 99 students during the Fall 2020 Semester, examined District records supporting 1,139 reported contact hours for 30 selected students 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 the District Web site to determine whether the 2020-21 fiscal year proposed, tentative, and official budgets were prominently posted pursuant to Section 1011.035(2), Florida Statutes. In addition, we determined whether the Web site contained the required graphical representations, for each public school within the District and for the District, 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 District records supporting teacher salary increase allocation payments totaling \$912,220 to 262 teachers and the required reports submitted to the FDOE (salary distribution plan and expenditure report) to determine whether the District submitted applicable reports to the FDOE and used the funds in compliance with Section 1011.62(18), Florida Statutes.
- Examined District records for the audit period for 30 employees and 38 contractor workers selected from the population of 833 employees and 808 contractor workers to assess whether individuals who had direct contact with students were subjected to the required fingerprinting and background screening.
- Evaluated the effectiveness of Board policies and District procedures in monitoring the ethical conduct of instructional personnel and school administrators, including reporting responsibilities related to employee misconduct that affects the health, safety, or welfare of a student to determine the sufficiency of those policies and procedures to ensure compliance with Section 1001.42(6), Florida Statutes.
- Evaluated District procedures for acquiring health insurance for officers and employees and examined related records to determine whether the District complied with Section 112.08, Florida Statutes. We also reviewed the reasonableness of procedures for acquiring other types of commercial insurance to determine whether the basis for selecting insurance carriers was documented in District records and conformed to good business practices.
- 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, 1006.12, 1006.13, 1011.62(15) and (16), and 1012.584, Florida Statutes.

- Examined District records to determine whether the Board had adopted appropriate mental health awareness policies and the District implemented procedures to promote the health, safety, and welfare of students and ensure compliance with Sections 1011.62(16) and 1012.584, Florida Statutes, and SBE Rule 6A-1.094124, Florida Administrative Code.
- From the population of expenditures totaling \$22,311 for the period July 2020 through March 19, 2021, from State grants and appropriations, examined documentation to determine District compliance with the restrictions imposed on the use of these resources.
- 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

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.

A handwritten signature in blue ink that reads "Sherrill F. Norman". The signature is fluid and cursive, with a large initial "S" and "N".

Sherrill F. Norman, CPA
Auditor General

MANAGEMENT'S RESPONSE



SUMTER COUNTY SCHOOL BOARD

2680 W C-476, Bushnell, Florida 33513 – <http://www.sumter.k12.fl.us>

Preparing the Next Generation Today!

Richard A. Shirley
Superintendent of Schools

BOARD MEMBERS

District 1 **Sally Moss**

District 2 **Brett Sherman**

District 3 **David A. Williams**

District 4 **Russell Hogan**

District 5 **Kathie L. Joiner**

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The Villages Charter School
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October 27, 2021

Ms. Sherrill F. Norman, CPA
Auditor General - State of Florida
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

Re: Sumter County District School Board
Preliminary and Tentative Audit Finding
For Operational Audit Fiscal Year Ended June 30, 2021

Dear Ms. Norman:

This letter is intended as the Sumter County School District's response to the preliminary and tentative operational audit finding dated October 15, 2021 for the District's fiscal year ending June 30, 2021.

Finding 1: Adult General Education Classes

The Sumter County School District has provided training for Adult Education data entry staff related to reporting requirements for instructional hours. This training was provided through the Workforce Education and District Data Advisory Council (WEDDAC). This DOE led training was not available when the school's new data technician was first hired and the subsequent error occurred during the COVID-19 pandemic. The district has also followed up with the Florida Department of Education to determine how the misreporting of instructional hours can be resolved.

Finding 2: Background Screenings

The District has implemented a quarterly reconciliation process between FALCON and Skyward to ensure background screenings are performed promptly and at least every five years.

Finding 3: Information Technology User Access Privileges

We are reviewing security as it is related to the data fields. We are removing access from all unnecessary users.

Please contact Deborah W. Smith at 352-793-2315 x 50246 if you have any questions.

Sincerely,

Richard A. Shirley
Superintendent