

STATE OF FLORIDA AUDITOR GENERAL

Operational Audit

Report No. 2023-056
November 2022

GADSDEN COUNTY DISTRICT SCHOOL BOARD



Sherrill F. Norman, CPA
Auditor General

Board Members and Superintendent

During the 2021-22 fiscal year, Elijah Key served as Superintendent of the Gadsden County Schools and the following individuals served as School Board Members:

	<u>District No.</u>
Cathy S. Johnson	1
Steve Scott, Vice Chair	2
Leroy McMillan, Chair	3
Charlie D. Frost	4
Karema D. Dudley	5

The team leader was Gloria Whitten, and the audit was supervised by Shelly G. Curti, 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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GADSDEN COUNTY DISTRICT SCHOOL BOARD

SUMMARY

This operational audit of the Gadsden County School District (District) focused on selected District processes and administrative activities and included a follow-up on findings noted in our report No. 2020-042. Our operational audit disclosed the following:

Finding 1: District records did not always demonstrate compliance with statutory emergency drill and safe-school officer training requirements.

Finding 2: The District did not always provide the required youth mental health awareness and assistance training.

Finding 3: Contrary to State law, the District did not base annual salary adjustments for instructional and administrative personnel, in part, upon applicable student performance, instructional practice, and instructional leadership requirements. A similar finding was noted in our report No. 2020-042.

Finding 4: District controls over credit cards and related purchases need improvement.

Finding 5: 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 6: The District did not timely and prominently post on the District Web site the required budget information for the 2021-22 fiscal year as prescribed by State law. A similar finding was noted in our report No. 2020-042.

Finding 7: As of August 2022, the District had not developed a comprehensive security awareness training program to facilitate employee ongoing education and training.

Finding 8: Although informal procedures existed for addressing certain security incidents, the District had not established a comprehensive information technology security incident response plan as of August 2022.

BACKGROUND

The Gadsden 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 Gadsden County. The governing body of the District is the Gadsden 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 2021-22 fiscal year, the District operated 12 elementary, middle, high, and specialized schools; sponsored 1 charter school; and reported 4,726 unweighted full-time equivalent students.

FINDINGS AND RECOMMENDATIONS

Finding 1: School Safety

To provide for proper attention to the health, safety, and welfare of students and District staff, State law¹ requires the Board to formulate and prescribe policies and procedures for emergency drills associated with active shooter and hostage situations and the drills must be conducted at least as often as other emergency drills. Pursuant to the Florida Fire Prevention Code (Fire Code)² and Board policies,³ fire emergency egress drills must be conducted every month a facility is in session.

In addition to emergency drills, State law⁴ requires the Board and Superintendent to partner with local law enforcement agencies to establish or assign one or more safe-school officers, such as school resource officers (SROs) or school guardians, at each school facility. SROs must be certified law enforcement officers and, among other things, complete mental health crisis intervention training using a curriculum developed by a national organization with expertise in mental health crisis intervention. School guardians are District employees and must satisfactorily complete training requirements, including a 144-hour training program conducted by Criminal Justice Standards and Training Commission-certified instructors. Pursuant to State law, the Gadsden County Sheriff's Office (Sheriff's Office) is to certify as school guardians those District employees who meet the requirements, including the required training.⁵

District procedures require each school principal to complete and keep on file an emergency evacuation/safety drill form to document each emergency drill performed. To determine whether, during the 10-month period August 2021 through May 2022, the required emergency drills (10 active shooter and hostage situation emergency drills and 10 fire emergency drills) were performed, we requested for examination support for the 180 required emergency drills at nine District school locations.⁶

We found that District records did not demonstrate the conduct of 86 (96 percent) of the 90 required active shooter and hostage situation emergency drills and 70 (78 percent) of the 90 required fire emergency drills. In response to our inquiries, District personnel indicated that some of the emergency drills may have been conducted but not documented, while others were not conducted due to oversights or misunderstandings about the drill requirements.

The Board contracted with the Sheriff's Office to provide an SRO at each of 3 District schools and to provide required training for each of the 14 school guardians who provided services at the remaining District schools. However, the contract did explicitly require assurance that the SROs had completed the required mental health crisis intervention training and did not require the Sheriff's Office to provide documentation assuring the Board that school guardians were certified to meet all guardian requirements,

¹ Section 1006.07(4), Florida Statutes.

² Section 20.2.4.2.3 of the Florida Fire Prevention Code, 7th Edition (2020).

³ Board Policy 3.40, *Safe and Secure Schools*.

⁴ Section 1006.12, Florida Statutes.

⁵ Section 30.15(1)(k)2., Florida Statutes.

⁶ Of the 12 District schools, 4 were located at two shared sites and one was a technical center not required to conduct emergency drills. For the District-sponsored charter school, District records supported the conduct of all required drills.

including the required training. In addition, although we requested, District records were not provided to evidence verification that the SROs and school guardians completed required training.

According to District personnel, the District relied on the Sheriff's Office to ensure SROs and school guardians completed required training; notwithstanding, such reliance provides limited assurance that the required training was properly completed. Subsequent to our inquiries, District personnel contacted the Sheriff's Office and obtained records that demonstrated 9 of the 14 school guardians met the guardian requirements, including the required training.

Procedures that effectively ensure and document that monthly active shooter and hostage situation and fire emergency drills are timely conducted and SROs and school guardians complete required training promote compliance with State law. In addition, such procedures promote the safety of students and school personnel and provide assurance that the SROs and school guardians are appropriately trained to avert, or appropriately intervene, during school crises.

Recommendation: The District should enhance procedures to ensure and document that active shooter and hostage situation and fire emergency drills are timely conducted, SROs complete required training, and school guardians meet all requirements to be certified.

Finding 2: Mental Health Awareness and Assistance Training

Pursuant to State law,⁷ the District received a mental health assistance allocation totaling \$282,245 for the 2021-22 fiscal year to establish or expand school-based mental health care services and related training. State law⁸ requires the District to designate a school safety specialist to ensure that District school personnel receive youth mental health awareness and assistance training.

Our discussions with District personnel and examination of District records disclosed that the District designated a school safety specialist; however, the District did not always comply with the mental health training requirements. Specifically, as of June 2022, only 34 (6 percent) of the District's 595 school personnel had completed the required youth mental health awareness and assistance training. In response to our inquiries, District personnel stated that the District has been unable to provide the required training due to the effects of the COVID-19 pandemic, which hindered the District's ability to host personnel due to occupancy restrictions and virus mitigation procedures.

Without the required training, a mental health services need may not be timely identified and appropriately met and, absent documentation evidencing the required training, the District cannot demonstrate compliance with State law.

Recommendation: The District should enhance procedures to ensure that all District school personnel receive youth mental health awareness and assistance training.

⁷ Section 1011.62(14), Florida Statutes.

⁸ Section 1012.584, Florida Statutes.

Finding 3: Performance Salary Schedule

State law⁹ requires the Board to adopt performance salary schedules that provide annual salary adjustments for instructional personnel based, in part, upon student performance and instructional practice and for school administrators based, in part, upon student performance and instructional leadership. Table 1 shows the numbers of District instructional personnel and school administrator positions compensated and the related total compensation for the 2019-20, 2020-21, and 2021-22 fiscal years.

Table 1
Number of Instructional Personnel and School Administrator
Positions and Related Compensation
For the 2019-20 Through 2021-22 Fiscal Years

	2019-20	2020-21	2021-22
Number of Instructional Personnel Positions Compensated	375	356	331
Total Instructional Personnel Compensation (in Millions)	\$12.52	\$12.50	\$12.44
Number of School Administrator Positions Compensated	52	51	49
Total School Administrator Compensation (in Millions)	\$ 2.96	\$ 2.93	\$ 3.14

Source: District records.

Our examination of District records disclosed that the Board-adopted salary schedules for instructional personnel for the 2019-20, 2020-21, and 2021-22 fiscal years were based, in part, upon student performance and instructional practice. However, for those fiscal years, the schedules were not used because the Board approved instructional bargaining agreements that provided salary adjustments without student performance or instructional practice considerations. For example, the instructional personnel bargaining agreement for the 2021-22 fiscal year excluded consideration of student performance or instructional practice but granted an 18 percent salary increase to all instructional personnel whose 2020-21 fiscal year salaries were at or below \$38,115 and a step increase based on years of experience for instructional personnel who had salaries above \$45,000 and experience of more than 10 years. In addition, contrary to State law, the Board-adopted salary schedules for school administrators for the 2019-20, 2020-21, and 2021-22 fiscal years did not provide for salary adjustments based, in part, upon student performance and instructional leadership.

In response to our inquiries, District management indicated that, due to budget constraints, the Board-adopted performance salary schedules for instructional personnel were not funded and performance salary schedules for school administrators were not adopted. Notwithstanding, we are unaware of any authority that exempts the District from the statutory performance-based requirements.

Without providing annual salary adjustments based, in part, on the applicable student performance, instructional practice, and instructional leadership requirements, the District cannot demonstrate compliance with State law and there is an increased risk that instructional personnel and school

⁹ Section 1012.22(1)(c), Florida Statutes.

administrators whose performance exceeds management's expectations will not be properly recognized and compensated. Similar findings were noted in our report Nos. 2020-042 and 2017-147.

Recommendation: The Board should comply with State law by adopting and implementing performance salary schedules that provide annual salary adjustments for instructional personnel based, in part, upon student performance and instructional practice and for school administrators based, in part, upon student performance and instructional leadership.

Finding 4: Credit Cards

Board policies¹⁰ authorize a Corporate Card (credit card) Program for select employees to purchase goods or services related to business travel within given guidelines while conducting business on behalf of the Board. The Board contracted with a financial institution to provide the credit cards and process credit card purchases, and the District placed certain monthly dollar limits on employee credit card use. As credit cards are vulnerable to fraud and misuse, it is important for Board policies and District procedures to provide effective controls over the accountability and use of credit cards.

District personnel indicated that cardholders were verbally instructed to complete credit card receipt (CCR) forms, which required the cardholder's signature, vendor, charge amount, description of items purchased, and cost center. In addition, cardholders were verbally instructed to submit the CCR forms along with related support to the Finance Department within 3 days of the purchase; however, the District had not established credit card program guidelines to effectively communicate management's intentions and cardholder responsibilities for safeguarding card use. Such guidelines should include, for example, identification of the basis for credit card issuances and documented review and approval of the cards issued; use of cardholder agreements to define management's intentions and establish cardholder responsibilities; individual transaction limits based on employee responsibilities; revisions to the CCR form to require identification of the purpose for card charges and documented review and approval; and prompt cancellation of lost or stolen cards.

During the period July 1, 2021, through April 25, 2022, the District assigned credit cards to 14 employees and credit card expenditures totaled \$174,000. As part of our audit, we examined District records supporting 45 selected credit card transactions totaling \$38,945. We found that the CCR forms for 4 transactions totaling \$6,310 were timely submitted to the Finance Department within 3 days of the purchase; however, we also noted that:

- Contrary to Board policies, 22 transactions totaling \$29,265 were unrelated to business travel (e.g., transactions for office supplies, subscription fees, and testing fees) and 10 of these transactions totaling \$13,082 were not supported by CCR forms.
- Cardholders untimely submitted CCR forms supporting 12 credit card transactions totaling \$12,670, ranging from 3 to 75 days late or an average of 24 days late.
- Although we requested, CCR forms were not provided for the remaining 19 transactions totaling \$19,965 and District records did not contain adequate evidence such as meeting agendas, documented explanations, or other correspondence to support these transactions that, based on the vendor names, seemed to be primarily for supplies and District administrator travel-related costs.

¹⁰ Board Policy 7.361, *Corporate Card Program*.

In response to our inquiry, District personnel indicated that all purchases were for valid educational purposes and that the lack of appropriate support was due to oversights and because no one was designated to monitor the process. While our tests did not disclose any potential fraud, the absence of adequate controls governing credit card assignment and use increases the risk for unauthorized or inappropriate credit card use to occur and not be timely detected.

Recommendation: The District should establish effective procedures governing the assignment and use of credit cards. Such procedures should include designation of a District employee to properly monitor the credit card program and use of cardholder agreements to demonstrate management’s intentions and each cardholder’s acceptance of established conditions for card use. Also, District procedures should require and ensure that:

- The basis for credit card issuances and review and approval of the cards issued are documented.
- Individual credit card transaction limits are established based on employee responsibilities.
- Credit card charges are limited to business travel while conducting business on behalf of the Board. Should the Board decide that credit cards may be used for other purposes, Board action should be taken to authorize such use.
- CCR forms are prepared and timely submitted, along with appropriate support for credit card charges, to the Finance Department.
- Lost or stolen cards are promptly canceled to prevent unauthorized card use.

In addition, we recommend that the CCR form be revised to require identification of the purpose for card charges and to document review and approval of the charges.

Finding 5: Adult General Education Classes

State law¹¹ 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 Act¹² 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.¹³ SBE rules¹⁴ 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.

The District reported 963 instructional contact hours provided to nine students enrolled in six adult general education classes during the Fall 2021 Semester. As part of our audit, we examined District records supporting all 963 contact hours reported for the students and found that the hours were under reported by a net total of 787 hours, including 925 (ranging from 66 to 290) under-reported hours for seven students and 138 (44 and 94 hours) over-reported hours for two students.

In response to our inquiry, District personnel indicated that the errors occurred mainly due to new personnel who were not familiar with the contact hours reporting process, data input errors, and

¹¹ Section 1004.02(3), Florida Statutes.

¹² Chapter 2021-36, Laws of Florida, Specific Appropriation 122.

¹³ FDOE Technical Assistance Paper: *Adult General Education Instructional Hours Reporting Procedures*, Dated September 2020.

¹⁴ SBE Rule 6A-10.0381(5), Florida Administrative Code.

implementation of the District enterprise resource planning system. 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 that instructional contact hours for adult general education classes are accurately reported to the FDOE. Such controls should include appropriate training for employees who report instructional contact hours. Additionally, the District should contact the FDOE for proper resolution of the hours misreported.

Finding 6: Fiscal Transparency

To promote responsible spending, more citizen involvement, and improved accountability, it is important for the District to provide easy access to its budget and related information. Pursuant to State law,¹⁵ the District must post on the District Web site a plain language version of each proposed, tentative, and official budget that describes each budget item in terms that are easily understandable to the public.

In addition, the information posted on the District Web site must include 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 on the:

- Ratio of full-time equivalent (FTE) students to FTE instructional personnel.
- Ratio of FTE students to FTE administrative personnel.
- Total operating expenditures per FTE student.
- Total instructional expenditures per FTE student.
- General administrative expenditures as a percentage of total budget.
- Rate of change in the General Fund's ending fund balance not classified as restricted.

The District Web site must also include a link to the Web-based fiscal transparency tool developed by the FDOE pursuant to State law¹⁶ to enable taxpayers to evaluate the financial efficiency of the District and compare the financial efficiency of the District with other similarly situated school districts. This information must be prominently posted on the District Web site in a manner that is readily accessible.

At the time of our review in April 2022, the District had posted the official budget for the 2021-22 fiscal year; however, the District had not posted the proposed and tentative budgets for the fiscal year, the required graphical representations, or a link to the Web-based fiscal transparency tool developed by the FDOE. In response to our inquiry, District personnel indicated that, due to an oversight, the information was not posted.

Providing the required fiscal transparency information in a timely manner enhances citizen involvement and the ability to analyze, monitor, and evaluate District budget outcomes. A similar finding was noted in our report No. 2020-042.

Recommendation: The District should ensure compliance with statutory transparency requirements by timely posting all required information on the District Web site.

¹⁵ Section 1011.035(2), Florida Statutes.

¹⁶ Section 1010.20, Florida Statutes.

Finding 7: Information Technology Security Awareness Training

A comprehensive security awareness training program apprises new employees of, and reemphasizes to other employees, the importance of preserving the confidentiality, integrity, and availability of data and information technology (IT) resources entrusted to them. An effective security awareness program includes the identification of the specific knowledge, skills, and abilities needed to support the security of District data and IT resources.

As of August 2022, the District had not developed a comprehensive security awareness training program to facilitate employee ongoing education and training. Such education and training should address, for example, acceptable or prohibited methods for storage and transmission of data, password protection and usage, preventing copyright infringement, malicious software and virus threats, workstation controls, and handling of sensitive or confidential information. In response to our inquiry, District staff indicated that they disseminate acceptable policy and procedure information to all employees prior to initial use of IT resources and annually thereafter; however, information provided for our review was not comprehensive and only addressed a few security issues such as limiting IT resource use to legitimate educational purposes, copyright issues, data destruction, and not sharing passwords.

The lack of a comprehensive, mandatory security awareness training program increases the risk that employees may compromise the confidentiality, availability, and integrity of District data and IT resources.

Recommendation: District management should establish a comprehensive, mandatory security awareness training program to ensure that employees receive ongoing education and training about their responsibilities for, and the importance of, securing District data and IT resources.

Finding 8: Information Technology Security Incident Response Plan

State law¹⁷ requires the Board to determine the policies and programs that are necessary for the efficient operation and general improvement of the District. To ensure an appropriate, effective, and timely response to security incidents, it is important for District management to develop, and the Board to approve, a comprehensive IT security incident response plan and distribute the plan to each incident response team member.

Comprehensive security incident response plans typically detail responsibilities and procedures for identifying and logging security violations through use of a centralized reporting structure; notifying appropriate local, State, and Federal authorities when loss or damage to entity data or IT resources has or may have occurred; and training incident response team members to ensure that members understand and can perform required procedures. Such plans also include responsibilities and procedures for promptly notifying affected parties about security breaches of confidential personal information; periodically reviewing critical system resources to ensure continued integrity; and analyzing and assessing security incidents to determine whether additional actions are necessary.

Although District personnel indicated that informal procedures existed for addressing security incidents, including procedures to identify, classify, contain, investigate, report, and respond to IT security incidents,

¹⁷ Section 1001.41(1), Florida Statutes.

the District had not established as of August 2022 a comprehensive IT security incident response plan. Should an incident occur that involves the potential or actual compromise, loss, or destruction of District data or IT resources, the lack of a comprehensive IT security incident response plan may result in the District's failure to take appropriate and timely action to prevent further loss or damage to the District's data and IT resources. In response to our inquiry, District personnel indicated that, although they believed the District's current procedures are adequate, the District will consider development of a comprehensive IT security incident response plan.

Recommendation: To provide reasonable assurance that the District will timely and appropriately respond to events that may jeopardize the confidentiality, integrity, or availability of District data and IT resources, the District should develop and obtain Board approval of a comprehensive IT security incident response plan. At a minimum, the plan should include:

- **Procedures for capturing and maintaining applicable events.**
- **The process for involving appropriate authorities.**
- **The process for notifying applicable parties of a security breach.**
- **Identification of response team members and training requirements with regard to the team member roles and responsibilities.**

PRIOR AUDIT FOLLOW-UP

The District had taken corrective actions for findings included in our report No. 2020-042, except as noted in Findings 3 and 6 and shown in Table 2.

**Table 2
Findings Also Noted in Previous Audit Reports**

Finding	2018-19 Fiscal Year	2015-16 Fiscal Year
	Operational Audit Report No. 2020-042, Finding	Operational Audit Report No. 2017-147, Finding
3	3	2
6	6	Not Applicable

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.

We conducted this operational audit from April 2022 through August 2022 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:

- 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. 2020-042.
- 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 2021-22 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, system backups, and disaster recovery.
- Evaluated District procedures to prohibit former employee access to electronic data files. We also reviewed selected user access privileges for the 124 employees who separated from District employment during the period July 2021 through April 2022 to determine whether 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.
- Determined whether an adequate, comprehensive IT security awareness and training program was in place.
- Evaluated the adequacy of District procedures related to security incident response and reporting.
- Inquired whether the District had any 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 totaling \$2.3 million and transfers totaling \$470,727 for the period July 2021 through April 2022 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 \$1.5 million and \$470,727, 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 \$448,094 total workforce education program funds expenditures for the period July 2021 through April 2022, selected 30 expenditures totaling \$386,450 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).
- Examined District records supporting the population of 963 reported contact hours for the nine students during the Fall 2021 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 the District Web site to determine whether the 2021-22 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).
- Evaluated District procedures to determine whether the District properly identified and inventoried attractive items pursuant to Florida Department of Financial Services Rules, Chapter 69I-73, Florida Administrative Code.
- From the compensation payments totaling \$25.9 million to 950 employees during the period July 2021 through April 2022, examined District records supporting compensation payments totaling \$71,601 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.
- From the population of 331 instructional personnel and 49 school administrators compensated a total of \$15.6 million during the audit period, examined documentation for 30 selected employees who were paid a total of \$1.5 million to determine whether the District had developed adequate performance assessment procedures for instructional personnel and school administrators based on student performance and other criteria in accordance with Section 1012.34(3), Florida

Statutes, and determined whether a portion of each selected instructional employee's compensation was based on performance in accordance with Section 1012.22(1)(c)4. and 5., Florida Statutes.

- Examined District records supporting teacher salary increase allocation payments totaling \$826,746 for the audit period to 284 instructional personnel to determine whether the District submitted required reports (salary distribution plan and expenditure report) to the FDOE and used the funds in compliance with Section 1011.62(16), Florida Statutes (2021).
- Evaluated the effectiveness of Board policies and District procedures for investigating all reports of alleged misconduct by personnel if the misconduct affects the health, safety, or welfare of a student and also notifying the result of the investigation to the FDOE pursuant to Section 1001.42(7)(b)3., Florida Statutes.
- Evaluated Board policies and District procedures to ensure that health insurance was provided only to eligible employees, retirees, and dependents and that, upon an employee's separation from District employment, insurance benefits were timely canceled as appropriate based on the Board policies. We also determined whether the District had procedures for reconciling health insurance costs to employee, retiree, and Board-approved contributions.
- 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 and 1006.12, Florida Statutes, and Section 1006.13, Florida Statutes (2021).
- 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(14), Florida Statutes (2021), and SBE Rule 6A-1.094124, Florida Administrative Code.
- From the population of credit card transactions totaling \$174,000 during the period July 2021 through April 2022, examined documentation supporting 45 selected transactions totaling \$38,945 to determine whether credit cards were administered in accordance with Board policies, District procedures, and good business practices.
- Examined District records and evaluated construction planning processes for the audit period to determine whether the processes were comprehensive, included consideration of restricted resources and other alternatives to ensure the most economical and effective approach, and met District short-term and long-term needs.
- Evaluated District procedures for identifying facility maintenance needs and establishing resources to address those needs, including the determination of maintenance department staffing needs. We also determined whether such procedures included consideration of appropriate factors and performance measures that were supported by factual information.
- From the population of general expenditures totaling \$19.3 million during the period July 2021 through March 2022, examined District records supporting 30 transactions totaling \$154,409 to determine whether selected expenditures were reasonable, correctly recorded, and adequately documented; for a valid District purpose; properly authorized and approved; and in compliance with applicable laws, contract terms, and Board policies.

- 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 the first name being the most prominent.

Sherrill F. Norman, CPA
Auditor General

MANAGEMENT'S RESPONSE



THE SCHOOL BOARD OF GADSDEN COUNTY

Educating Every Student Today, Making Gadsden Stronger Tomorrow

Elijah Key, Superintendent of Schools

35 Martin Luther King, Jr. Blvd Quincy, Florida 32351

Main: (850) 627-9651 or Fax: (850) 627-2760

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November 15, 2022

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RE: Auditor General's Operational Audit Findings

Dear Ms. Norman

I have carefully reviewed each finding and engaged appropriate district personnel in discussions regarding specific remedies as they relate to the findings and recommendations.

In accordance with Section 11.45(4)(d), Florida Statutes, attached is the written responses to the findings in the operational audit of the Gadsden County School District.

Please let me know if you need additional information.

Sincerely,

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GADSDEN COUNTY SCHOOL DISTRICT
Response to Auditor General's Operational Audit Findings

<p>Finding 1: School Safety District records did not always demonstrate compliance with statutory emergency drill and safe-school officer training requirements.</p>

District Response to Finding 1: The District agrees with this finding. The District has implemented steps to ensure that safety drills are properly documented monthly and reported. In addition, the district currently has on file the certification documentation of the required 144 hours of training for all of the safe school officers (guardians) hired by the district. The Sheriff's office has also provided documentation for 2 of 3 SRO's who have completed the mental health crisis training.

District Response to recommendation: Gadsden County School District has developed plans/procedures to ensure documentation of timely conducted monthly active shooter and fire drills. The District's School Safety office has created a checklist to serve as a reminder for each school to submit a monthly Crisis Response Training Report. The checklist includes the school's name, a designated safety contact, and the months that a training report is expected to be received. Along with a Crisis Response Training Report, every school has been required to submit a drill schedule and input the scheduled dates in the Intrado system (Alyssa's Alert App). The Intrado System will alert the District's Crisis Response Team and Board Members that a drill is being conducted. All Crisis Response Training Reports require a signature, date, and will be submitted to the Safety Department by the end of each month to be kept on file at the District Office.

Gadsden County School District has developed plans/procedures to effectively ensure documentation of SRO and Guardians certification by law enforcement officers and completion of required mental health and crisis intervention training. All district hired Guardians will be required to provide a copy of a Certificate of completion proving that they have met all training requirements, including a 144-hour training program conducted by the Gadsden County Sheriff's Office. Upon hire, all District hired Guardians will be required to complete Mental Health and Crisis Intervention training on an annual basis. Presently, SROs and Guardians have completed Mental Health Awareness, Intervention Referral and De-escalation Strategies training. A copy of the Certificates of completion will be kept on file at the District Office in both the HR Department and the Safety Specialist Office.

Finding 2: Mental Health Awareness and Assistance Training

The District did not always provide the required youth mental health awareness and assistance training.

District Response to Finding 2: The District agrees with this finding. On September 26, 2022, the district advertised for a coordinator in Student Services that will serve as the Mental Health Coordinator and will help coordinate mental health awareness training with the Safe School Specialist and the Director of Professional Learning for all of the District employees.

District Response to Recommendation: As noted the District has already begun the process of enhancing procedures to ensure that all District school personnel receive youth mental health awareness and assistance training through Student Services and the Office of Professional Learning.

Finding 3: Performance Salary Schedule

Contrary to State law, the District did not base annual salary adjustments for instructional and administrative personnel, in part, upon applicable student performance, instructional practice, and instructional leadership requirements. A similar finding was noted in our report No. 2020-042.

District Response to Finding 3: The District agrees with this finding that was also reported in report No. 2020-42. The District's immediate focus has been to use available resources to meet the State law requirement (s. 1011.62(14)) of a \$47,500.00 minimum instructional salary requirement. The District has made significant progress toward meeting the minimum salary requirement.

District Response to the Recommendation: The Board will comply with State law by adopting and implementing performance salary schedules that provide annual salary adjustments for instructional personnel based, in part, upon student performance and instructional practice and for school administrators based, in part, upon student performance and instructional leadership. It is the intention of the District to become fully compliant with both State mandates no later than the end of the 2022-23 school year. Moving forward, all State allocations for instructional salary increases will continue to be used to reach the \$47,500.00 minimum instructional salary requirement (s. 1011.62(14)) and to establish salary adjustments that are performance based (s.1012-22).

Finding 4: Credit Cards

District controls over credit cards and related purchases need improvement.

District Response to Finding 4: The District agrees with this finding according to the current Board Policies. Therefore, the Superintendent will proposed Board Policy revision for district credit cards; the Superintendent shall specify those authorized to use corporate credit cards, the types of expenses that can be paid by corporate credit cards and the proper supervision of the use of corporate credit cards.

District Response to Recommendation: As a result of this finding, the Superintendent met with district corporate credit card holders on October 27, 2022 to iterate the following administrative procedures:

- 1) The district credit card may only be used for approved district expenses not to circumvent the general purchasing procedures established by State law and District policies.
- 2) The district credit card shall only be used in connection with Board-approved or district-related activities that are for the benefit of the District.
- 3) A revised Procurement Card Receipt Form with supporting documents must be completed and submitted to the Finance Department (invoices@gcpsmail.com), which is currently monitored by account clerk, for each corporate credit card purchase no later than 72 hours (3 days) after the purchase. This form requires the purpose for the purchase and supervisor's signature.
- 4) Inappropriate or illegal use of the corporate credit card and/or failure to strictly comply with the limitations and requirements set forth in these administrative procedures may result in a loss of corporate credit card privileges, disciplinary action, up to and including termination, personal responsibility for any and all inappropriate charges, including finance charges and interest assessed in connection with the purchase, and/or possible referral to law enforcement authorities for prosecution.

Finding 5: Adult General Education Classes

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.

District Response to Finding 5: The district agrees with this finding. The Audit finding regarding the accurate reporting of adult general education instructional contact hours was reviewed with the Director of Adult Career and Technical Education. The impact of inaccurate instructional contact hours on the District's FLDOE adult general education funding was discussed. The director provided the attached explanation and steps taken to ensure accurate reporting of adult general education instructional contact hours.

District Response to Recommendation: The District will strengthen controls to ensure that instructional contact hours for adult general education classes are accurately reported to the FDOE

through our new Student Information System, FOCUS. Employees will also be trained for reporting contact hours.

Finding 6: Fiscal Transparency

The District did not timely and prominently post on the District Website the required budget information for the 2021-22 fiscal year as prescribed by State law. A similar finding was noted in our report No. 2020-042.

District Response to Finding 6: The District agrees with this finding. The District launched a new website on 11/14/2022 and is currently working to ensure the required fiscal transparency requirement is met by 2/28/2023.

District Response to Recommendation: The District will ensure compliance with statutory transparency requirements by posting all required information on the District Web site by 2/28/2023 under Finance and Business at <https://www.gadssdenschools.org/businessfinance>.

Finding 7: Information Technology Security Awareness Training

As of August 2022, the District had not developed a comprehensive security awareness training program to facilitate employee ongoing education and training.

District Response to Finding 7: The District agrees with this finding. The District recognizes that the current security awareness training (KnowBe4) in place for all employees needs to be more comprehensive.

District Response to Recommendation: The District has established a comprehensive, mandatory security awareness training to ensure that employees receive ongoing education and training about their responsibilities for and the importance of securing District Data and IT resources. Information Technology Security Awareness Training, the District's IT Security Awareness Training has been codified in a PowerPoint which will be presented to district employees annually at the beginning of each school year and KnowBe4 ongoing training will continue to be used to educate employees. In addition, a narrated version will be available for new employees.

Finding 8: Information Technology Security Incident Response Plan

Although informal procedures existed for addressing certain security incidents, the District had not established a comprehensive IT security incident response plan as of August 2022.

District Response to Finding 8: The District agrees with this finding, that informal procedures exist for addressing security threats however; there is no Comprehensive plan.

District Response to Recommendation: To provide assurance that the District will timely and appropriately respond to events that may jeopardize the confidentiality, integrity, or availability of District data and IT resources, the District has developed a plan and will seek district approval before January 31, 2023. As a result of the Auditor General's findings regarding Information Technology Security Incident Response Plan, the IT Department has codified in writing the District's Information Technology Security Incident Response Plan.