

# STATE OF FLORIDA AUDITOR GENERAL

## Operational Audit

Report No. 2023-070  
December 2022

### CHARLOTTE COUNTY DISTRICT SCHOOL BOARD



Sherrill F. Norman, CPA  
Auditor General

## **Board Members and Superintendent**

During the 2021-22 fiscal year, Steve Dionisio served as Superintendent of the Charlotte County Schools and the following individuals served as School Board Members:

	<u>District No.</u>
Cara Reynolds, Vice Chair through 11-8-21	1
Kim Amontree, Vice Chair from 11-9-21	2
Robert Segur	3
Ian Vincent, Chair from 11-9-21	4
Wendy Atkinson, Chair through 11-8-21	5

The team leader was Karen H. Raulerson, CPA, and the audit was supervised by Ramon L. Bover, 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.

This report and other reports prepared by the Auditor General are available at:

[FLAuditor.gov](http://FLAuditor.gov)

Printed copies of our reports may be requested by contacting us at:

**State of Florida Auditor General**

**Claude Pepper Building, Suite G74 · 111 West Madison Street · Tallahassee, FL 32399-1450 · (850) 412-2722**

# CHARLOTTE COUNTY DISTRICT SCHOOL BOARD

## SUMMARY

---

This operational audit of the Charlotte County School District (District) focused on selected District processes and administrative activities and included a follow-up on findings noted in our report No. 2020-205. Our operational audit disclosed the following:

**Finding 1:** The District did not always provide the required youth mental health awareness and assistance training.

**Finding 2:** District controls over school resource officer services could be improved.

**Finding 3:** Contrary to State law, the instructional personnel grandfathered salary schedules for the 2019-20 through 2021-22 fiscal years did not base a portion of each employee's compensation upon performance. A similar finding was noted in our report No. 2020-205.

**Finding 4:** The District did not comply with State law by timely and prominently posting on the District Web site the required graphical representations of summary financial efficiency data and fiscal trend information.

## BACKGROUND

---

The Charlotte 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 Charlotte County. The governing body of the District is the Charlotte County District School Board (Board), which is composed of five elected members. The appointed Superintendent of Schools is the Executive Officer of the Board. During the 2021-22 fiscal year, the District operated 23 elementary, middle, high, and specialized schools; sponsored 2 charter schools; and reported 16,472 unweighted full-time equivalent students.

## FINDINGS AND RECOMMENDATIONS

---

### Finding 1: Mental Health Awareness and Assistance Training

Pursuant to State law,<sup>1</sup> the District received a mental health assistance allocation totaling \$734,011 for the 2021-22 fiscal year to establish or expand school-based mental health care services and related training. State law<sup>2</sup> requires the District to designate a school safety specialist to, among other things, ensure that 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

---

<sup>1</sup> Section 1011.62(14), Florida Statutes (2021).

<sup>2</sup> Sections 1006.07(6)(a) and 1012.584, Florida Statutes.

training requirements. Specifically, as of September 2022, only 1,196 (64 percent) of the 1,883 school employees had completed the required training. In response to our inquiries, District personnel indicated that the District experienced delays in delivering the required training due to the limited number of trainers and courses available when school was not in session.

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 the required youth mental health awareness and assistance training.**

## **Finding 2: School Safety - School Resource Officer Services**

State law<sup>3</sup> requires the Board and Superintendent to partner with local law enforcement agencies to assign one or more safe-school officers, such as school resource officers (SROs), at each school facility. Effective school safety measures include documented verification that an SRO is present at each school facility during school hours.

For the 2021-22 fiscal year, the District contracted with the Charlotte County Sheriff's Office and the City of Punta Gorda Police Department to provide 31 SROs at 21 District schools and the 2 charter schools.<sup>4</sup> The Sheriff's Office contract assigned SROs for 8.6 hours on days that school was in session and the Police Department contract assigned SROs for 8 hours during regular teacher workdays.

To demonstrate SRO work efforts, the Sheriff's Office and Police Department maintained SRO time records and provided the District with daily reports of SROs assigned to work at each school. In addition, school administrators were required to notify the District Security and Emergency Management Department when an SRO is absent, although no notifications were made during the 2021-22 fiscal year. However, District procedures did not require SROs to document their arrival and departure times, either through the visitor management system<sup>5</sup> or otherwise. Moreover, school administrators or other District personnel did not document verification of the accuracy of the Sheriff's Office and Police Department daily reports.

In response to our inquiry, District personnel indicated that they relied on Sheriff's Office and Police Department records to support SRO services. Notwithstanding, such reliance provided limited assurance that the services were received as expected. Absent effective procedures to ensure and document that SRO services were received and conformed to contract terms, 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 better demonstrate compliance with State school safety laws. Such enhancements should include documented verification that at least one SRO is present during school hours at each school.**

<sup>3</sup> Section 1006.12, Florida Statutes.

<sup>4</sup> Safe-school officers were not required at the 2 other District schools that conducted classes virtually.

<sup>5</sup> According to District personnel, an electronic visitor management system was used to record information about school visitors, including visitor arrival and departure times.

### Finding 3: Instructional Personnel – Grandfathered Salary Schedule

State law<sup>6</sup> requires the Board to adopt a grandfathered salary schedule for instructional personnel hired before July 1, 2014, that bases a portion of each employee’s compensation upon performance demonstrated under State law.<sup>7</sup> The Board adopted grandfathered salary schedules for each of the 2019-20 through 2021-22 fiscal years for personnel compensated based on the grandfathered salary schedules. Table 1 shows the number of instructional personnel compensated based on the grandfathered salary schedules and the total compensation of those employees.

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

	2019-20	2020-21	2021-22
Number of Instructional Personnel Compensated Based on the Grandfathered Salary Schedule	492	426	371
Total Instructional Personnel Compensation Based on the Grandfathered Salary Schedule (in Millions)	\$28.7	\$25.6	\$24.0

Source: District records.

The grandfathered salary schedules set forth instructional personnel compensation based on instructional personnel experience and educational backgrounds; however, the schedules did not base a portion of each employee’s compensation upon employee performance.

In response to our inquiry, District personnel indicated that employee performance could not be negotiated into the instructional personnel bargaining agreements for the 2019-20 through 2021-22 fiscal years; however, in May 2022 the Board approved performance pay provisions in the instructional personnel grandfathered salary schedule and negotiated collective bargaining agreement for the 2022-23 fiscal year. Absent grandfathered salary schedules that base a portion of each applicable employee’s compensation on performance, the District cannot demonstrate compliance with State law and there is an increased risk that instructional personnel whose performance exceeds management’s expectations will not be properly recognized and compensated. A similar finding was noted in our report No. 2020-205.

**Recommendation: The District should continue efforts to ensure that the instructional personnel grandfathered salary schedules base a portion of each employee’s compensation upon performance demonstrated under State law.**

### Finding 4: 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,<sup>8</sup> the District must post on its Web site, for each public school within the District and for the District, certain

<sup>6</sup> Section 1012.22(1)(c)4.b., Florida Statutes.

<sup>7</sup> Section 1012.34, Florida Statutes.

<sup>8</sup> Section 1011.035(2), Florida Statutes.

graphical representations of summary financial efficiency data and fiscal trend information for the previous 3 years. Specifically, the District Web site must show 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 Florida Department of Education (FDOE) pursuant to State law<sup>9</sup> to enable taxpayers to evaluate the financial efficiency of the school district and compare the financial efficiency of the school 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 Web site lacked the graphical representations for the 2018-19, 2019-20, and 2020-21 fiscal years and a link to the Web-based fiscal transparency tool developed by the FDOE. In response to our inquiry, District personnel indicated that the graphical representations for the previous 3 years and a link to the transparency tool were not posted to the District Web site due to staff turnover.

Subsequent to our inquiry, the District posted the required graphical representations in June 2022 and linked the Web site to the fiscal transparency tool in November 2022. Providing the required financial efficiency data and fiscal trend information in a timely manner enhances citizen involvement and the ability to analyze, monitor, and evaluate fiscal outcomes.

**Recommendation:** The District should continue efforts to comply with statutory transparency requirements by timely posting all required information on the District Web site.

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

---

The District had taken corrective actions for findings included in our report No. 2020-205, except that Finding 3 was also noted in that report as Finding 2.

## ***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.

---

<sup>9</sup> Section 1010.20, Florida Statutes.

We conducted this operational audit from April 2022 through November 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. 2020-205.
- 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 and 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, 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. 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, we:
  - Examined District records supporting the ten roles that allowed update access privileges to selected critical ERP system finance application functions resulting in the review of the appropriateness of access privileges granted for 20 accounts.
  - Examined District records supporting the eight roles that allowed update access privileges to selected critical ERP system HR application functions resulting in the review of the appropriateness of access privileges granted for 44 accounts.
- Evaluated District procedures for protecting the sensitive personal information of students, including social security numbers. Specifically, from the population of the 160 employees who had access to sensitive personal student information, we examined the access privileges of 30 selected employees to evaluate the appropriateness and necessity of access privileges were based on the employee's assigned job duties.
- Evaluated District procedures to prohibit former employee access to electronic data files. We also reviewed selected user access privileges for the 308 employees who separated from District employment during the period July 1, 2021, through April 27, 2022, to determine whether the access privileges had been 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 operating system, database, network, and application security settings to determine whether authentication controls were configured and enforced in accordance with IT best practices.
- Evaluated District IT procedures for requesting, testing, approving, and implementing changes to the District business system.



- 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.
- 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 \$18.5 million and transfers totaling \$10.1 million during the audit period 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 \$2.6 million and \$10.1 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.
- Analyzed the population of \$5.2 million total workforce education program funds expenditures for adult education programs at Charlotte Technical College for the audit period and examined District records supporting ten selected expenditures totaling \$723,173 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).
- From the population of 131 industry certifications eligible for 2021-22 fiscal year performance funding, examined 37 selected certifications to determine whether the District maintained documentation for student attainment of the industry certifications.
- From the population of 6,063 contact hours reported for 53 adult general education instructional students enrolled in 67 classes for the Fall 2021 Semester, examined District records supporting 1,474 contact hours for 21 selected students enrolled in 23 adult general education classes 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).
- From the population of 371 instructional personnel compensated a total of \$24 million during the audit period, determined whether a portion of instructional employee compensation was based on performance in accordance with Section 1012.22(1)(c)4., Florida Statutes.
- Examined District records supporting teacher salary increase allocation payments to the 1,055 instructional personnel totaling \$2.9 million for the audit period 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 addressing the ethical conduct of employees, including reporting responsibilities related to employee misconduct which 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 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 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.

- 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(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.
- For the only District-sponsored charter school that closed during the 2019-20, 2020-21, and 2021-22 fiscal years, evaluated District procedures to determine whether applicable funds and property appropriately reverted to the District and whether the District did not assume debts of the school, except as previously agreed upon by the District.
- Examined District records to determine whether District procedures were effective for distributing the correct amount of local capital improvement funds to eligible charter schools by February 1, 2018, pursuant to Section 1013.62(3), Florida Statutes.
- 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.



Sherrill F. Norman, CPA  
Auditor General

# MANAGEMENT'S RESPONSE

---

Stephen Dionisio  
Superintendent



## School Board

Cara Reynolds, Chairman  
Wendy Atkinson, Vice-Chairman  
Kim Amontree  
John LeClair  
Bob Segur

December 16, 2022

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

Dear Ms. Norman:

We have received the list of preliminary and tentative audit findings and hereby submit our written response as required by Section 11.45(7)(d), Florida Statute.

Response to Finding 1 Mental Health Awareness and Assistance Training: The District has a plan in place to meet the 80% training requirement by July 1, 2023 as required by statute.

Response to Finding 2 School Safety – School Resource Officer Services: The district complies with the requirement to have at least one School Resource Officer at each school. The District will create a process to document that the Sheriff's Office and the Police Department provided School Resource Officers in accordance with the contract.

Response to Finding 3 Instructional Personnel Grandfathered Salary Schedule: The District came into compliance beginning July 1, 2022 through the ratification of the current collective bargaining agreement.

Response to Finding 4 Fiscal Transparency: The district is in compliance as the links are now on the website.

Thank you for the professional manner in which this audit was conducted. We appreciate the insight that your staff provides to us to continuously improve the operations of Charlotte County Public Schools.

Sincerely,



Stephen Dionisio  
Superintendent of Schools

1445 Education Way, Port Charlotte, FL 33948 • (941) 255-0808 • fax (941) 255-7571 • [www.yourcharlotteschools.net](http://www.yourcharlotteschools.net)