

**STATE OF FLORIDA AUDITOR GENERAL**

**Operational Audit**

Report No. 2026-038  
October 2025

**PUTNAM COUNTY  
DISTRICT SCHOOL BOARD**



Sherrill F. Norman, CPA  
Auditor General

## **Board Members and Superintendent**

During the 2024-25 fiscal year, Dr. Richard M. Surrency Sr. served as Superintendent of the Putnam County Schools and the following individuals served as School Board Members:

	<u>District No.</u>
Holly H. Pickens	1
David M. Buckles	2
Sandra Gilyard, Chair through 11-18-24	3
Linda Wagner, Vice Chair from 11-19-24	4
Philip Leary, Chair from 11-19-24, Vice Chair through 11-18-24	5

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The team leader was Adeyemi Olaogun, CPA, and the audit was supervised by Ivo N. Njabe, CPA.

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# PUTNAM COUNTY DISTRICT SCHOOL BOARD

## ***SUMMARY***

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This operational audit of the Putnam County School District (District) focused on selected District processes and administrative activities and included a follow-up on findings noted in our report No. 2023-050. Our operational audit disclosed the following:

**Finding 1:** District controls over motor vehicles and motor vehicle use could be enhanced.

**Finding 2:** District controls over tangible personal property annual inventories and related records need improvement to ensure proper accountability.

**Finding 3:** Contrary to State law, the District did not always promptly pay vendors.

**Finding 4:** District controls did not always ensure purchasing cards were promptly canceled for employees who separated from District employment.

**Finding 5:** The District did not always comply with the provisions of State law requiring the District to post on its Web site required graphical representations of summary financial efficiency data and fiscal trend information.

**Finding 6:** District controls over employee services could be enhanced.

**Finding 7:** District construction administration procedures for the Crescent City Junior High School, Palatka Elementary School, and Crescent City Elementary School projects did not include comparisons of construction management entity (CME) pay requests and related payments with the CME guaranteed maximum price contract and subcontractor contracts to help ensure potential savings were achieved.

**Finding 8:** District personnel did not attend subcontractor bid openings, verify that the CME used a competitive selection process to select qualified subcontractors, or ensure that subcontractor bid award and contract amounts agreed.

**Finding 9:** District records did not identify the methodology used and factors considered in establishing general conditions costs totaling \$8.9 million and District procedures for monitoring payments of general conditions costs had not been established.

**Finding 10:** As similarly noted in our report No. 2023-050, some unnecessary information technology (IT) user access privileges existed that increased the risk that unauthorized disclosure of sensitive personal information of students may occur.

**Finding 11:** Nine employees had unnecessary IT user access privileges that were incompatible or unnecessary for their job duties, increasing the risk for unauthorized disclosure, modification, or destruction of District data and IT resources to occur. A similar finding was noted in our report No. 2023-050.

**Finding 12:** As similarly noted in our report No. 2023-050, the District did not always promptly deactivate the IT access privileges of employees who separate from District employment.

## **BACKGROUND**

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The Putnam 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 Putnam County. The governing body of the District is the Putnam 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 2024-25 fiscal year, the District operated 8 elementary, 4 junior-senior high schools, 1 combination school, and 1 virtual school; sponsored 2 charter schools; and reported 10,382 unweighted full-time equivalent students. The District is the fiscal agent for, and a member of, the North East Florida Educational Consortium.<sup>1</sup>

## **FINDINGS AND RECOMMENDATIONS**

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### **Finding 1: Motor Vehicles**

Effective motor vehicles controls, including accurate recordkeeping, provide accountability and help determine whether a vehicle should be retained and maintained for use, or if it is uneconomical or inefficient and should be disposed. Motor vehicle records should demonstrate the public purpose for each vehicle, identify and compare the costs of vehicle use and the benefits derived from that use,<sup>2</sup> and evidence management's approval for continued District use or disposal of the vehicle.

Board policies<sup>3</sup> provide that District vehicles are to be used effectively, efficiently, and only for official District business. Accordingly, the District restricted use of vehicles to employees who demonstrate a clear need for their assigned job duties and required Superintendent or Board approval when an employee is permanently assigned a vehicle. The District also advised employees of the potential tax consequences for routine vehicle use. In addition, according to District personnel, the Director of Finance sporadically reviewed fuel records from the District fuel station to determine cost allocations to Federal grants. However, District procedures had not been established to effectively monitor vehicle use by requiring vehicle use records, periodic review of vehicle odometer miles, or other processes.

As shown in Table 1, as of June 2025, the District maintained 132 District vehicles (excluding school buses), including 26 vehicles that had not been used in over a year.

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<sup>1</sup> The North East Florida Educational Consortium is a regional, non-profit, educational service agency established to provide cooperative services to small and rural member school districts.

<sup>2</sup> The costs of vehicle use include, for example, maintenance, repairs, and insurance whereas vehicle benefits, which may be more difficult to measure, could include, for example, how student education and student and employee health and safety is enhanced by the vehicle use.

<sup>3</sup> Board Policy 8651, *School Board-Owned Vehicles*.

**Table 1  
District Vehicles  
as of June 2025**

Vehicle Assignment	Number of Vehicles	Average Age (in Years)	Vehicle Purpose or Use
Temporary Use	58	13	School-related events
Permanently Assigned to Specified Employees	48	11	Student support services (e.g., transporting migrant students or providing food, information technology, Special Education Program, maintenance, or other District transportation services)
Unassigned	26	25	Not used in over a year
<b>Total Number of Vehicles</b>	<b><u>132</u></b>		

Source: District records and discussions with District personnel.

As part of our audit, we had discussions with District personnel, requested for examination District records, and found certain control deficiencies over motor vehicle assignment and use. Specifically:

- We selected 24 of the 48 permanently assigned vehicles for audit testing and found that District records did not demonstrate:
  - Effective monitoring of vehicle use through maintenance of vehicle logs or other records. Our discussions with District staff, comparisons of mileage reimbursements to the applicable employees, review of fuel station records, and examination of toll pictures disclosed that, for the period July 2024 through May 2025, 1 of the 24 vehicles was driven 31,149 miles and, for the period February 2020 through May 2025, the District employee assigned the vehicle was erroneously paid \$6,199 for mileage reimbursement claims related to the District vehicle use. In response to our inquiry, District personnel indicated that the employee planned to restore the \$6,199 to the District and that the error occurred because reimbursement claims from employees with permanently assigned vehicles were not identified and rejected.
  - Superintendent or the Board approval for the 24 selected vehicle assignments. In response to our inquiry, District personnel indicated that the required assignment approvals were inadvertently overlooked.
- District management did not approve the number and use of District vehicles, including their public purpose and whether the benefits of owning the 132 vehicles exceeded the related costs. In response to our inquiry, District personnel indicated that the 26 unassigned vehicles had been designated as inactive due to being inoperable and that staffing changes delayed the vehicles' disposal.

Absent effective controls over motor vehicles, there is an increased risk for District vehicles to be used for unauthorized purposes and for District costs associated with maintaining the vehicles to exceed the benefits derived.

**Recommendation: The District should enhance motor vehicle controls to ensure that:**

- **District motor vehicle records are properly completed, maintained, reviewed, and approved to provide for appropriate monitoring of District vehicle use.**
- **District records demonstrate District management approval of the number and use of District motor vehicles and an assessment that the benefits derived from each vehicle exceed the costs to maintain the vehicle. Any vehicles determined to be unnecessary should be promptly surplus and appropriately disposed.**

- **The District does not pay any reimbursement claims submitted by employees for District vehicle use.**

## **Finding 2: Tangible Personal Property**

Provisions in State law,<sup>4</sup> State Board of Education (SBE) rules<sup>5</sup>, Florida Department of Financial Services (FDFS) rules,<sup>6</sup> and Board policies<sup>7</sup> require the District to maintain adequate records of tangible personal property (TPP), such as furniture, fixtures, and equipment and motor vehicles. Those provisions also require that a complete physical inventory be taken annually, the results of the physical inventory be compared to the property records, and any differences be researched and resolved. All TPP items found during the inventory must be included in the property records, which must identify the inventory date and individual attesting to the item's existence. Items not located during the physical inventory must be investigated and, if the investigation determines that any item was stolen, the District is required to file a report with the appropriate law enforcement agency describing the missing item and the circumstances surrounding its disappearance.

The District reported TPP with costs totaling \$35.9 million at June 30, 2024. However, TPP records identifying additions, disposals, and depreciation for the 2022-23 or 2023-24 fiscal years were not maintained. To determine the additions to TPP reported on the financial statements for the fiscal years ended June 30, 2023, and June 30, 2024, respectively, District personnel added applicable capital outlay expenditures to the beginning balances reported. While this procedure may result in materially correct balances on the District financial statements, the District is responsible for maintaining appropriate TPP records in compliance with the State law, SBE rules, FDFS rules, and Board policies.

In addition, according to District personnel, the District had not completed a complete physical inventory of all District TPP since the 2018-19 fiscal year and, although we requested, District records were not provided to demonstrate that physical inventory. In response to our inquiry, District personnel indicated that maintenance of appropriate TPP records and completion of required physical inventory procedures did not occur due to staffing shortages and turnover.

Absent accurate TPP records and effective annual physical inventory procedures, the District cannot demonstrate compliance with State law, SBE and FDFS rules, and Board policies; accountability over TPP is diminished; and there is an increased risk that any loss or theft of District property will not be timely detected, reported to the appropriate parties, and correctly reflected in District TPP and accounting records.

**Recommendation: The District should enhance procedures to provide proper accountability for District TPP. Such enhancements should include the maintenance of appropriate TPP records and documented completion of a physical inventory of TPP each year with a thorough investigation and resolution of TPP items not located during the physical inventory.**

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<sup>4</sup> Chapter 274, Florida Statutes.

<sup>5</sup> SBE Rule 6A-1.001, Florida Administrative Code.

<sup>6</sup> FDFS Rules, Chapter 69I-73, Florida Administrative Code.

<sup>7</sup> Board Policy 7320, *Acquisition, Removal, Disposal, Sale, or Exchange of Major Tangible Property*.

### Finding 3: Prompt Payments

State law<sup>8</sup> requires the District to make payments for the purchase of construction services within 25 days, and for the purchase of goods or services other than construction services within 45 days, after receipt of the payment request or invoice. If the payment request or invoice is not received, the calculated due date is typically from the date that the District accepts the goods or services are completed.

During the period July 2024 through April 2025, the District paid 16,847 vendor invoices totaling \$117.2 million. As part of our audit, we examined District records supporting 12 selected construction vendor invoices totaling \$1.1 million and 18 selected non-construction vendor invoices totaling \$551,836. We found that 11 construction vendor invoices totaling \$1.1 million were paid 32 to 158 days, or an average of 90 days, after the payment request or invoice receipt dates, and 14 non-construction vendor invoices totaling \$495,864 were paid 49 to 222 days, or an average of 124 days, after the payment request or invoice receipt dates.

In response to our inquiries, District personnel indicated that the prompt payment violations may be attributed to errors, delayed verification of receipts, and employee turnover. In addition, District personnel indicated they did not routinely monitor vendor invoice receipt dates or use aging reports to track payment due dates.

Absent timely vendor payments, District records do not demonstrate compliance with State law, vendor relationships may be damaged and limit the District's ability to obtain future vendor services at the best prices, and the District may be subject to interest and late fees.

**Recommendation: The District should enhance procedures to ensure that vendors are paid promptly in accordance with State law. Such enhancements may include monitoring vendor payment request or invoice receipt dates and using aging reports to track payment due dates.**

### Finding 4: Purchasing Cards

Board policies<sup>9</sup> authorize purchasing cards (P-cards) as an alternative to existing procurement processes and provide a convenient, efficient method of purchasing minor goods and services for all authorized staff members. P-cards may only be used for school-related purposes and may not be used to circumvent the general purchasing procedures required by State law and Board policies. According to District personnel, neither Board policies nor District procedures require P-card training.

Timely cancellation of P-cards upon cardholder's separation from District employment is important to avoid misuse of the cards and because the financial institution that administers the District P-card program allows only 60 days to dispute charges. When cardholders separate from District employment, department supervisors are responsible for notifying the P-card administrator to cancel P-cards.

During the period July 2024 through May 2025, District P-card expenditures totaled \$3.6 million and 92 P-cards were in use. To evaluate the timeliness of P-card cancellations, we requested for examination District records supporting the 16 cardholders who separated from District employment and found that

<sup>8</sup> Sections 218.74, and 218.735, Florida Statutes.

<sup>9</sup> Board Policy 6424, *Purchasing Cards*.

the P-cards of 7 cardholders were not promptly canceled. The cancellations were 13 to 257 or an average of 89 days after the cardholders' employment separation dates. According to District personnel, the untimely P-card cancellations occurred because department supervisors did not promptly notify P-card administrators about the cardholders' employment separations.

Although our examination of District records did not disclose any inappropriate P-card charges after the 7 cardholders' employment separation dates, our procedures cannot substitute for the District's responsibility to implement adequate internal controls over P-card cancellations. The untimely cancellation of P-cards increases the risk for P-cards to be misused and may limit the District's ability to satisfactorily resolve disputed charges.

**Recommendation:** The District should enhance procedures to require and ensure that P-cards are promptly canceled upon a cardholder's employment separation. Such procedures should include targeted P-card training for department supervisors, emphasizing the critical importance of timely notification when a cardholder separates from District employment.

### **Finding 5: 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>10</sup> the District must post on its Web site, for each public school within the District and for the District, certain 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.

Although the District Web site was required to include the required graphical representations for the 2021-22, 2022-23, and 2023-24 fiscal years at the time of our review in June 2025, the Web site lacked the required graphical representations for the 2023-24 fiscal year. In response to our inquiry, District personnel indicated that the required graphical representations for 2023-24 fiscal year were inadvertently overlooked. Subsequent to our inquiry, District personnel updated the Web site to include the 2023-24 fiscal year required graphical representations.

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.

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<sup>10</sup> Section 1011.035(2), Florida Statutes.

## Finding 6: Employee Services

As a matter of good business practice, staffing should reflect actual workload demands and clearly defined job responsibilities. When telework is part of the staffing strategy, it is important for the Board to establish effective policies that:

- Require an agreement to authorize the telework arrangement.
- Specify the terms and conditions of the expected employee services.
- Provide for discontinuing a telework arrangement when no longer in the best interests of the District.

In addition, it is important to maintain appropriate records specifying the expected and actual employee services and who assigned and verified the proper completion of such services.

Although the Board had not adopted any telework policies, the District established a hybrid telework program that allowed some employees to work remotely on select days and, during the 2024-25 fiscal year, six employees<sup>11</sup> participated in the program. As part of our audit, we requested for examination District records supporting the telework program and were provided District agreements with five employees authorizing and specifying the details of their program participation. According to District personnel, an agreement was not established with the sixth employee, an administrator on special assignments, because the Superintendent approved the work arrangement after verbal discussions with the HR Department.

Our examination of District records and discussions with District personnel disclosed that the employee had been the Executive Director of Federal Programs until she transitioned to the role of administrator on special assignments in September 2024. At that time, she began teleworking on a full-time basis while continuing to receive her annual salary of \$124,374. Although we requested, District records were not provided to specify the administrator on special assignments expected and actual services or who assigned and verified proper completion of the services. However, according to District personnel, the employee was tasked with assisting the District with writing grants for Federal programs, grant review, and Federal program initiatives. In September 2024, the District appointed a new Executive Director of Federal Programs with an annual salary of \$121,042. The job responsibilities of the newly appointed Executive Director of Federal Programs also included writing grants for Federal programs, grant review, and Federal program initiatives. Consequently, the District effectively doubled salary expenditures for the Executive Director responsibilities without demonstrating the benefit to the District. In May 2025, the administrator on special assignments resigned from District employment and, according to District personnel, the District had no plans to fill her position.

Board-approved employment policies that include fair and transparent telework policies could enhance the District's ability to support a culture of equity and accountability, the appropriate alignment of staffing with actual workload demands, and help promote fiscal responsibility and operational efficiency. In addition, the maintenance of appropriate District records identifying expected services of each employee,

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<sup>11</sup> The six employees included the Executive Director of Federal Programs (later reassigned as an administrator on special assignments), Project Manager of Information Technology, Administrative Support for Federal Grants, Administrative Assistant for Human Resources, Administrative Assistant for Information Technology, and a Personnel Specialist for Human Resources.

along with who assigned and verified the proper completion of those services, could reduce the likelihood of overlapping responsibilities and avoid paying multiple employees for performing the same services.

**Recommendation: The Board should adopt effective employment policies that require an agreement to authorize a telework arrangement, specify the terms and conditions of the expected employee services, and provide for discontinuing a telework arrangement when no longer in the best interests of the District. In addition, appropriate District records identifying the specific expected and actual employee services and who assigned and verified the proper completion of the services should be maintained.**

### **Finding 7: Monitoring Construction Payments**

Under the construction management entity (CME) process, contractor profit and overhead are contractually agreed upon, and the CME is responsible for all scheduling and coordination in both the design and construction phases and is generally responsible for the successful, timely, and economical completion of the construction project. The CME may be required to offer a guaranteed maximum price (GMP), which allows for the difference between the actual cost of the project and the GMP amount, or the net cost savings, to be returned to the District. To ensure potential savings in material and labor costs and prevent cost overruns or other impediments to successful completion of GMP contracts, it is important that District personnel verify that payments to CMEs agree with applicable support such as GMP and subcontractor contracts.

District construction expenditures during the period July 2023 through April 2025, totaled \$78.5 million, including \$74 million to CMEs for the Crescent City Junior High School, Palatka Elementary School, and Crescent City Elementary School Construction projects. To evaluate District controls over monitoring payments to CMEs for these projects, we inquired of District personnel and examined District records supporting all payments to the CMEs during that period, including \$50.1 million paid to the CMEs for subcontractor services.

We determined that District personnel verified the mathematical accuracy of CME pay requests and that prior payments were properly accumulated. However, there was no evidence that District personnel compared the pay requests and related payments to the GMP contract or subcontractor invoices or that the payments for subcontractor services were compared to the subcontractor contracts. According to District personnel, the CME retained the subcontractor contracts and the District relied on the CME to monitor subcontractor services and related payments. However, District reliance on CME procedures provide little assurance that the pay requests and related District payments were proper.

As part of our audit, we requested and the District obtained subcontractor contracts from the CMEs supporting the amounts paid to the CMEs for subcontractor services. Our examination of those and other applicable records disclosed that the amounts paid to the CMEs, including amounts for subcontractor service costs, were generally consistent with the GMP contract and, if applicable, subcontractor contracts. However, our procedures cannot substitute for management's responsibility to implement adequate controls over construction payments. Absent effective monitoring of CME payment processes, there is an increased risk that CME and subcontractor services may not be obtained at the lowest cost consistent with acceptable quality and that the maximum cost savings may not be achieved under the GMP contract process.

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

### **Finding 8: Subcontractor Selections**

The GMP construction contracts for the Crescent City Junior High School, Palatka Elementary School, and Crescent City Elementary School projects discussed in Finding 7 required the CMEs to solicit subcontractor bids and award subcontracts. Good business practice dictates that District personnel monitor the subcontractor selection process to ensure that services are obtained from qualified subcontractors at the lowest cost consistent with acceptable quality and to realize cost savings under the GMP contract.

During the period July 2023 through April 2025, the Board entered into GMP contracts with three CMEs for \$213.9 million, including \$182.9 million for services to be provided by 80 subcontractors. According to District personnel, they did not attend the CME subcontractor bid openings or verify subcontractor licenses to ensure that qualified subcontractors were competitively selected. Nor did District personnel obtain subcontractor bids and related subcontracts to ensure that subcontractor bid award and contract amounts agreed with the respective GMP contract amounts. In response to our inquiry, District personnel indicated that they relied on the CME subcontractor selection process; however, such reliance provided the District with limited assurance that subcontractor services were obtained from qualified providers at the lowest cost consistent with acceptable quality.

As part of our audit, District personnel obtained subcontractor bid tabulation sheets for 15 of the 80 subcontractors, along with the applicable subcontractor licenses. Our examination of those documents disclosed that the subcontractors were properly licensed; however, 5 subcontractors were not competitively selected. The costs related to these subcontractors' services<sup>12</sup> ranged from \$31,170 to \$179,285 and averaged \$78,621. In response to our inquiry, District personnel indicated that the 5 subcontractors had provided similar services to the District so bids were not warranted; however, although we requested, District records were not provided to support the District's response.

Absent District procedures requiring documented verification that CMEs use a competitive process for selecting qualified subcontractors, and comparisons of bid awards and GMP and subcontractor contracts, there is an increased risk that qualified subcontractors may not be selected at the lowest cost consistent with acceptable quality and the District may not realize maximum cost savings under a GMP contract.

**Recommendation:** The District should establish procedures to require District personnel to attend and document attendance at subcontractor bid openings, confirm applicable subcontractor licenses, and compare subcontractor bid awards to the GMP and subcontractor contracts to verify that the CME uses a competitive selection process to select qualified subcontractors and that the GMP contract and subcontractor contract and bid award amounts agree.

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<sup>12</sup> The 5 subcontractors provided electrical, site preparation, and plumbing services.

## Finding 9: General Conditions Costs

GMP contracts typically include provisions for general conditions costs that are not directly associated with a particular activity and may include costs relating to labor, supervision, temporary offices and utilities, travel expenses, clean-up, permits, and testing. Established policies and procedures that provide appropriate guidance for effectively negotiating, monitoring, and documenting the reasonableness of general conditions costs are essential to ensure that potential cost savings are realized under GMP contracts. For contracts that include general conditions costs, appropriate policies and procedures could include, for example:

- Comparisons of proposed general conditions costs with those of similar projects, including similar projects at other school districts.
- Negotiations with the CME to determine a reasonable amount for total budgeted general conditions costs.
- Review, on at least a test basis, of detailed documentation such as CME payroll records and CME-paid invoices supporting the general conditions costs and for compliance with the GMP contract.

As discussed in Finding 8, the Board contracted with three CMEs for GMP contracts for construction projects totaling \$213.9 million at three schools. The GMP contracts included provisions for general conditions costs totaling \$8.9 million; however, District records did not identify the methodology used and the factors considered to establish the reasonableness of those costs. In addition, the District did not monitor the general conditions costs paid to the CMEs. In response to our inquiries, District personnel indicated that there were no policies or procedures established for the negotiation, monitoring, or documentation of the reasonableness of general conditions costs as the District relied on the CMEs to monitor those costs.

Although we requested, District personnel did not request documentation such as payroll reports, maintenance logs, or invoices from the CME to support the general conditions costs. Absent the District's effective negotiation of general conditions costs and monitoring that includes review of detailed documentation supporting CME general conditions costs, the District may be limited in its ability to determine the propriety of CME payment requests for general conditions costs or to realize cost savings associated with general conditions costs in GMP contracts.

**Recommendation: The District should establish effective procedures for negotiating, monitoring, and documenting the reasonableness of general conditions costs. Such procedures should require documentation of the methodology used and factors considered in negotiating general conditions costs. In addition, the District should maintain records that evidence general conditions costs monitoring, including review of sufficiently detailed documentation supporting general conditions costs in CME pay requests.**

## Finding 10: Information Technology User Access Privileges to Student Sensitive Information

The Legislature has recognized in State law<sup>13</sup> 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

<sup>13</sup> Section 119.071(5)(a), Florida Statutes.

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 accessing sensitive personal information inconsistent with their responsibilities.

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 maintained within the District SIS to, for example, register newly enrolled students and transmit that information to the Florida Department of Education through a secure-file procedure and to facilitate proper processing of student scholarship applications. Board policies<sup>14</sup> allow designated school officials and personnel access to student records to perform administrative, supervisory, or instructional responsibilities that serve a legitimate educational purpose. According to Information Services (IS) Department personnel, data clerks, disciplinary officers, and guidance counselors need access to student SSN records to conduct their job duties. The District also provides certain access to student SSNs for non-district personnel (other individuals) in the SIS to provide school safety, transportation, and other student support services.

As of June 2025, the District SIS contained the SSNs of 61,538 former and 4,316 current District students. As part of our audit, we examined District records supporting the access privileges for the 99 employees and 27 other individuals who had access to that student information. However, although we requested, District records were not provided to demonstrate that 55 employees and the 27 other individuals needed such access. In response to our inquiry, IS Department personnel indicated that the unnecessary access was due to oversights and IS Department personnel indicated that the District performs periodic evaluations of IT user access privileges and that the last evaluation, conducted in March 2024, did not include consideration of user access privileges to student SSNs because evaluating user access to student SSNs was deemed a lower priority.

Subsequent to our inquiries, in May 2025 District IS Department personnel removed the student SSN access of 31 employees and the 27 other individuals and stated that they planned to remove access for the remaining 24 employees. However, 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. Similar findings were noted in our report Nos. 2023-050 and 2020-093.

**Recommendation: The District should continue efforts to ensure that only those individuals who have a demonstrated need to access sensitive personal information of students, including student SSNs, be granted such access. Such efforts should include effective documented periodic evaluations of assigned IT user access privileges to determine whether such privileges are necessary and the timely removal of any unnecessary access privileges detected.**

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<sup>14</sup> Board Policy No. 8330, *Student Records*.

## Finding 11: Information Technology User Access Privileges to Business Applications

Access controls are intended to protect data and IT resources from unauthorized disclosure, modification, or destruction. Effective access controls provide employees access to IT resources based on a demonstrated need to view, change, or delete data and restrict employees from performing incompatible functions outside their areas of responsibilities. Periodic evaluations of assigned IT access privileges are necessary to ensure that employees can only access those IT resources that are necessary to perform their assigned job duties.

As a part of our audit, we examined District records as of June 2025 and identified 59 employees with IT access privileges to the District business applications, including the finance and human resources (HR) modules. To determine whether the IT user access privileges were consistent with each employee's job responsibilities and assigned duties, we requested for examination District records supporting critical finance and HR application access privileges for 23 selected employees and found that the access privileges were unnecessary for 9 of the 23 employees. For example, 3 employees (a payroll specialist, an operations specialist, and the interim purchasing coordinator) had unnecessary update access to the finance application that allowed them to create purchase orders and 2 employees (an administrative assistant and an application support analyst) at the North East Florida Educational Consortium had unnecessary update access to the HR application that allowed them to modify payroll adjustments. Subsequent to our inquiries, in June 2025 District personnel removed incompatible or unnecessary access privileges for the 9 employees.

Additionally, we found that the District had not evaluated the assigned access privileges to the District business applications including the finance and HR modules since March 2024 because District procedures did not require periodic evaluations of assigned IT access privileges for all accounts with such access.

While other District controls (e.g., payroll processing controls to independently review error reports and prevent duplicate payments and department budget monitoring controls) mitigate some risks associated with these access control deficiencies, inappropriate access privileges increase the risk that unauthorized disclosure, modification, or destruction of District data may occur without timely detection. In addition, absent effective periodic evaluations of assigned access privileges, the District lacks assurance that the assigned access privileges remain necessary and appropriate for the performance of employee assigned duties. A similar finding was noted in our report No. 2023-050.

**Recommendation:** The District should continue and strengthen efforts to ensure that access privileges are limited to those necessary for employees to perform their assigned duties. Such efforts should include documented periodic evaluations of IT user access privileges to critical finance and HR application functions at least annually to confirm continued necessity and appropriateness.

## Finding 12: Information Technology – Timely Deactivation of User Access Privileges

Effective management of IT user access privileges includes the timely deactivation of access privileges when an employee separates from employment. As certain critical systems and confidential and sensitive information stored in the systems are accessible through the District IT System, prompt

deactivation of IT user access privileges is necessary to ensure that the privileges are not misused to compromise District data or IT resources.

According to District personnel, when an employee separates from the District, the HR Department ensures that all applicable departments including the District IS Department receive timely notification of the separation. The District IS Department received notification so that user access privileges can be promptly deactivated. While limited access privileges must be briefly maintained for a former employee to view final pay information, any other access, including access to HR, finance, and student modules, can be deactivated immediately.

During the period July 1, 2024, through May 14, 2025, 136 employees separated from District employment. As a part of our audit, we examined District records for 30 selected employees and compared the employment separation dates to the dates access to District applications was deactivated. We found that, while the HR Department timely notified the IS Department of the 30 former employees' separations, the access privileges of 12 former employees were not promptly deactivated. For these 12 individuals, IT user access privileges to the HR, finance, and student modules continued for 12 to 46 days, or an average of 26 days, after their respective employment separation dates.

In response to our inquiries, District personnel indicated that the untimely deactivations occurred because the District lacked an automated process for removing access upon employee separation. Notwithstanding, without prompt deactivation of user access privileges, the risk is increased for fraud or misuse to occur without timely detection. A similar finding was noted in our report No. 2023-050.

**Recommendation: The District IS Department should establish procedures to ensure that access privileges to update the HR, finance, and student modules are immediately deactivated upon a user's separation from District employment.**

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

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The District had taken corrective actions for findings included in our report No. 2023-050 except as noted in Findings 10, 11, and 12 and shown in Table 3.

**Table 3**  
**Findings Also Noted in Previous Audit Reports**

Finding	2021-22 Fiscal Year	2018-19 Fiscal Year
	Operational Audit Report No. 2023-050, Finding	Operational Audit Report No. 2020-093, Finding
10	5	6
11	6	Not Applicable
12	7	Not Applicable

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

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

We conducted this operational audit from April 2025 through July 2025 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. 2023-050.
- 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 2024-25 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 State laws, State Board of Education (SBE) 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.
- Evaluated District procedures for maintaining and reviewing employee access to IT data and resources. We examined selected access privileges to the District's enterprise resource planning 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 prevented the performance of incompatible duties. Specifically, we examined District records supporting selected user access privileges for 23 of the 59 users who had update access privileges to the finance and HR applications.
- Evaluated District procedures to prohibit former employee access to electronic data files. Specifically, we examined District records supporting selected user access privileges for 30 of the 136 employees who separated from District employment during the period July 1, 2024, through May 14, 2025, to determine whether the access privileges were promptly deactivated.
- Determined whether an adequate, comprehensive IT security awareness and training program was in place.
- Evaluated District procedures for protecting the sensitive personal information of students, including social security numbers. Specifically, we examined access privileges of the 99 District employees and 27 other individuals who had access to sensitive personal student information in April 2025 to evaluate the appropriateness and necessity of the access privileges based on the individuals' assigned job responsibilities.
- Inquired and examined District records to determine whether the District had expenditures or entered into any contracts under the authority granted by a state of emergency declared or renewed during the audit period.
- Evaluated Board policies and District procedures and examined supporting documentation to determine whether District records demonstrated compliance with Section 1001.452, Florida Statutes, including whether school advisory councils (SACs) adopted bylaws and the Board reviewed SAC membership compositions. Also, we inquired of District personnel and examined District records to determine whether required SAC meetings were held pursuant to Board policies and SACs complied with Sunshine Law requirements (i.e., proper notice of meetings, meetings readily accessible to the public, and properly maintained meeting minutes).
- From the population of expenditures totaling \$62.8 million and transfers totaling \$432,456 during the period July 2024 through April 2025 from nonvoted capital outlay tax levy proceeds, Public Education Capital Outlay funds, and other restricted capital project funds, examined documentation supporting selected expenditures totaling \$11.2 million to evaluate District compliance with the restrictions imposed on the use of these resources, such as compliance with Section 1011.71(2), Florida Statutes.
- Examined the District Web site to determine whether the proposed, tentative, and official budgets for the audit period were prominently posted pursuant to Section 1011.035(2), Florida Statutes. In addition, we determined whether the District Web site contained, for each public school within

the District and for the District, the required graphical representations of summary financial efficiency data and fiscal trend information for the previous 3 years, and a link to the Web-based fiscal transparency tool developed by the Florida Department of Education (FDOE).

- Determined whether authorized signatures for all banking agreements were timely updated for personnel changes during the audit period.
- From the population of tangible personal property (TPP) items with recorded costs totaling \$35.9 million at June 30, 2024, selected and inspected 25 property items with recorded costs totaling \$381,372 to determine whether the District had appropriately marked the items.
- Examined Board minutes identifying surplus property deletions and disposals during the audit period, interviewed District personnel, and reviewed District records to evaluate the District's surplus property control procedures.
- Examined documentation supporting the District's annual TPP physical inventory process for the audit period to determine whether the inventory results were reconciled to the property records, appropriate follow-up was made for any missing items, and law enforcement was timely notified for any items unlocated and considered stolen.
- Evaluated District procedures for identifying and inventorying attractive items pursuant to Florida Department of Financial Services Rules, Chapter 69I-73, Florida Administrative Code.
- Evaluated District controls over motor vehicles (other than buses) and, from the population of 132 vehicles, selected 24 vehicles assigned on a full-time basis to employees. We examined vehicle assignment forms and logs for these 24 vehicles to determine District compliance with United States Treasury regulations related to the reporting of taxable fringe benefits, and whether the logs were completed and contained relevant information including names, dates, vehicle numbers, starting and ending odometer readings, and supervisory review and approval.
- From the compensation payments totaling \$83.9 million to 1,737 employees during the period July 2024 through April 2025, examined District records supporting compensation payments totaling \$171,092 to 32 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.
- Determined whether the appointed Superintendent's compensation for the period July 2024 through April 2025 was in accordance with Section 1001.50, Florida Statutes, and Board policies.
- Examined District records to determine whether the Board adopted a salary schedule with differentiated pay for both instructional personnel and school administrators based on District determined factors including, but not limited to, additional responsibilities, school demographics, critical shortage areas, and level of job performance difficulties in compliance with Section 1012.22(1)(c)4.b., Florida Statutes.
- Examined District records for the audit period for 30 contractor workers selected from the population of 684 contractor workers to assess whether individuals who had direct contact with students were subjected to the required fingerprinting and background screening.
- Evaluated Board policies and District procedures addressing the ethical conduct of school personnel, including reporting responsibilities related to employee misconduct which affects the health, safety, or welfare of a student, and the investigation responsibilities for all reports of alleged misconduct to determine whether those policies and procedures were effective and sufficient to ensure compliance with Section 1001.42(6) and (7)(b)3., Florida Statutes.
- Evaluated the effectiveness of Board policies and District procedures for reporting to the FDOE personnel subject to the disqualification list in accordance with SBE Rule 6A-10.084, Florida Administrative Code.

- From the construction expenditures totaling \$78.5 million from July 2023 through April 2025, we selected the three significant construction management projects with expenditures totaling \$74 million and guaranteed maximum price contracts totaling \$213.9 million, examined documentation to determine compliance with Board policies, District procedures, and applicable provisions of State law and rules. Specifically, we examined District records to determine whether:
  - The construction managers were properly selected pursuant to Section 255.103, Florida Statutes.
  - District personnel properly monitored subcontractor selections and licenses. We also expanded audit procedures to examine applicable construction manager records to determine whether the CME selected qualified subcontractors and contracted with those subcontractors.
  - The architects were properly selected pursuant to Section 287.055, Florida Statutes, and adequately insured.
  - Appropriate Board policies and District procedures addressing the negotiation and monitoring of general conditions costs had been established.
  - Documentation supporting the selected payments was sufficient and complied with the guaranteed maximum price and subcontractor contract provisions and subcontractor bid awards.
  - The projects progressed as planned consistent with established benchmarks and were cost effective, and the contractors performed as expected.
  - The District made use of its sales tax exemption to make direct purchases of materials or documented justification for not doing so.
- Examined District records to determine whether the Board had adopted appropriate school safety policies and the District implemented procedures to ensure the health, safety, and welfare of students and compliance with Sections 1006.07, 1006.12, and 1011.62(12), Florida Statutes.
- 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 Sections 1012.584 and 1011.62(13), Florida Statutes, and SBE Rule 6A-1.094124, Florida Administrative Code.
- From the population of purchasing card (P-card) expenditures totaling \$3.6 million during the period July 2024 through March 2025, examined documentation supporting 36 selected expenditures totaling \$748,638 to determine whether P-cards were administered in accordance with Board policies and District procedures. We also determined whether the District timely canceled the P-cards for the 16 cardholders who separated from District employment during the audit period.
- Examined District records to determine whether the Board had established an adequate, comprehensive electronic funds transfer (EFT) policy and evaluated the adequacy of EFT controls. From the population of 60 EFTs and payments totaling \$69.7 million during the audit period, we examined 24 selected EFTs and payments totaling \$44.1 million to determine whether the EFTs and payments were adequately supported, properly authorized, and complied with SBE Rule 6A 1.0012, Florida Administrative Code.
- Examined District records for the audit period to determine whether District procedures were effective for timely distributing the correct amount of local capital improvement funds to eligible charter schools, pursuant to Section 1013.62(3), Florida Statutes.
- Examined District records and evaluated construction planning processes for the period July 2024 through March 2025 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.

- Determined whether non-compensation expenditures were reasonable, correctly recorded, adequately documented, for a valid District purpose, properly authorized and approved, and in compliance with applicable State laws, SBE rules, contract terms and Board policies; and applicable vendors were properly selected. Specifically, from the population of non-compensation expenditures totaling \$82.2 million during the period July 2024 through April 2025, we examined documentation supporting 34 selected payments for general expenditures totaling \$6.5 million.
- Examined District records to determine whether payments to vendors were promptly made in accordance with Sections 218.735(1)(a) and 218.74(2), Florida Statutes.
- Examined District records for the audit period to determine whether District procedures ensured that vendor and employee information changes, such as address and bank information changes, were properly authorized, documented, and verified before payments were made.
- Evaluated the District's participation in the North East Florida Educational Consortium and determined whether the District served as the fiscal agent for the administration of the funds and complied with the provisions of Sections 1001.42(4)(j), (12)(k), and (14) Florida Statutes, and SBE Rules 6A-1.013 and 6A-1.099, Florida Administrative Code.
- Communicated on an interim basis with applicable officials to ensure the timely resolution of issues involving controls and noncompliance.
- Performed various other auditing procedures, including analytical procedures, as necessary, to accomplish the objectives of the audit.
- Prepared and submitted for management response the findings and recommendations that are included in this report and which describe the matters requiring corrective actions. Management's response is included in this report under the heading **MANAGEMENT'S RESPONSE**.

## **AUTHORITY**

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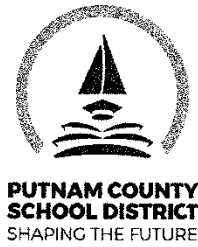
Section 11.45, Florida Statutes, requires that the Auditor General conduct an operational audit of each school district on a periodic basis. Pursuant to the provisions of Section 11.45, Florida Statutes, I have directed that this report be prepared to present the results of our operational audit.



Sherrill F. Norman, CPA  
Auditor General

# MANAGEMENT'S RESPONSE

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## Finding 1

The District acknowledges this finding and concurs that consistent procedures for managing District-owned vehicles should be enhanced. The District recognizes the importance of maintaining accurate records, clear oversight, and documented controls for the use, assignment, and monitoring of vehicles to ensure compliance, efficiency, and fiscal responsibility.

To strengthen internal controls and prevent recurrence, the following corrective actions have been implemented:

### 1. Mileage and Reimbursements

- During the audit period, one employee was reimbursed for mileage that may have included travel using a district vehicle. The employee identified in the finding remitted full repayment of the mileage amount cited, in good faith, while the District continues to verify the supporting documentation and calculations.
- Supervisors will closely monitor all mileage reimbursement requests to ensure that employees with assigned vehicles do not also claim mileage reimbursement for District travel when using the assigned vehicle.
- The Director of Finance or designee will conduct periodic reviews of mileage reimbursement submissions to verify compliance with District policy and ensure accuracy.

### 2. Monitoring Vehicle Use

- The Director of Transportation or designee will conduct quarterly reviews of vehicle fuel records, odometer readings, and usage logs to confirm proper use

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and documentation of District vehicles.

- Employees authorized to drive a District vehicle home must maintain a daily mileage record documenting dates, distances, and purposes of use.
- The Superintendent or designee will review the results of these internal audits and address any discrepancies through corrective action as needed.

### 3. Vehicle Approval and Disposal

- The Superintendent or designee will conduct an annual review of all vehicle assignments and the total number of active vehicles to confirm necessity, alignment with job duties, and adherence to public purpose.
- The Lead Mechanic, under the direction of the Director of Transportation, will perform semiannual inspections to determine whether vehicles remain operable, necessary, and cost-effective.
- Vehicles deemed inoperable, unused, or no longer efficient will be designated for disposal through public auction in accordance with School Board policy and state requirements.
- Documentation of approvals, inspections, and disposal actions will be maintained by the Transportation Department for ongoing accountability and transparency.

## **Finding 2**

The District acknowledges this finding and concurs that consistent procedures for TPP recordkeeping and inventory should be enhanced. We are committed to maintaining accurate property records in compliance with all statutes and policies.

To address this, the District launched an improvement plan:

- The District is upgrading its tracking system to enable real-time entry, monitoring, and reconciliation of inventory items.

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- New internal controls and tracking are being implemented to ensure that annual inventories are conducted and accurately recorded. Missing or unverified items will be promptly investigated and reported as required.

### **Finding 3**

The District acknowledges this finding and concurs that timely vendor payments should be made.

- The Director of Finance or designee will continue to review statements and open POs throughout the fiscal year to identify items and services that have been received, and require payment.
- The accounts payable staff will work with departments and/or schools to ensure invoices for those received items or services are processed in a timely manner.
- The Director of Finance or designee will work with construction contractors to enhance procedures to minimize the likelihood of late vendor payments.

### **Finding 4**

The District acknowledges this finding and concurs that P-card procedures should be enhanced.

- The Director of Finance or designee will ensure that a P-card is not issued until the user has been trained and completes the proper paperwork.
- Training ensures that all P-Card holders are aware of the P-Card requirements, including the critical importance of timely notifications for users who are no longer with the District.
- The Director of Finance or their designee will enhance procedures by working with the Human Resources department to ensure that any necessary notification of termination reaches the Finance department, initiating the process of canceling the user's P-card.

### **Finding 5**

The District acknowledges this finding and concurs that fiscal transparency must be annually updated.

- Once this was brought to our attention, the CFO immediately contacted NEFEC, and it was corrected within twenty-four hours.

- The CFO will update procedures to include Calendar reminders to reach out to NEFEC and remind them of the need to post the transparency data.

### **Finding 6**

The District acknowledges this finding and concurs that consistent procedures for approving and monitoring telework arrangements were not in place at the time of review. To address this concern and strengthen internal controls, the District has implemented a formal process governing all hybrid or telework arrangements.

- In August 2025, the District adopted a new Hybrid Work Standard Operating Procedure (SOP) that clearly defines the criteria, approval process, and monitoring expectations for any temporary hybrid or telework arrangement. Key elements of the SOP include:
  - Authorization and Documentation: All hybrid or telework arrangements must be formally requested in writing and approved by the employee's supervisor, Human Resources, and the Superintendent or designee. Each request must include a defined start and end date, a specific schedule, and a justification identifying the extenuating circumstance.
  - Defined Terms and Conditions: The SOP specifies that hybrid work may only be approved on a short-term basis to address documented extenuating circumstances (e.g., medical recovery, emergency, or district-directed need).
  - Performance Monitoring: Supervisors are responsible for setting measurable expectations, maintaining regular check-ins, and verifying completion of assigned work. All records of approval, schedules, and performance monitoring are retained in the employee's personnel file.
  - Discontinuation: The District reserves the right to modify or discontinue a hybrid work arrangement at any time based on performance, operational needs, or if the arrangement no longer serves the best interests of the District.

These procedures ensure that any future telework arrangements are temporary, equitable, and fully documented, promoting both accountability and operational efficiency. The District considers this finding corrected as of the implementation date of the new Hybrid Work SOP.

### **Finding 7**

The District acknowledges and concurs with the finding that implementing enhanced controls will ensure that CME pay requests align with GMP contracts, approved change orders, and subcontractor agreements.

To strengthen internal controls and ensure transparency in construction payments, the District has implemented the following actions:

- The Director of Facilities or designee will review every CME pay request prior to payment to confirm it matches the GMP contract, approved change orders, and subcontractor agreements.
- A running log of CME pay requests will be maintained with supporting documentation to track cumulative payments and verify they do not exceed the GMP contract amount.
- The Director of Facilities or designee will confirm that the billed work accurately reflects actual progress and that all payment amounts are reasonable and properly supported.

These measures ensure that CME and subcontractor payments are accurate, transparent, and consistent with approved contracts, promoting accountability and fiscal integrity in all construction projects.

### **Finding 8**

The District acknowledges the Auditor General's finding and concurs that increased oversight and documentation are necessary to ensure CMEs use a fair and competitive process when selecting subcontractors.

Previously, the District relied on the CME's internal bidding process. Moving forward, the District will implement additional verification steps to confirm that subcontractor selections are competitive and properly licensed, ensuring that the CME uses a competitive selection process to select qualified subcontractors.

- The Director of Facilities and/or Purchasing (or a designee) will attend and document attendance at all subcontractor bid openings.
- District personnel will verify that all subcontractors are properly licensed and qualified prior to contract approval.
- The District will review subcontractor bids and awards to confirm that selections were made competitively and that pricing is reasonable before finalizing the GMP contract.

- The District will retain records of all bid openings, license verifications, and selection documentation for transparency and audit readiness.

These actions ensure that subcontractor services are competitively awarded to qualified vendors, providing the best value to the District while upholding compliance and public trust.

### **Finding 9**

The District acknowledges and concurs with this finding and has developed procedures to ensure that all general conditions costs are reasonable, documented, and consistent with project requirements and state standards.

To strengthen this process, the District will:

- Ensure that all general conditions expenses are governed by contract terms, are reasonable, auditable, and compliant with the State Requirements for Educational Facilities (SREF).
- During GMP negotiations, compare proposed general conditions costs to those of similar projects within the District and other Florida districts of comparable size and scope to establish fairness and consistency.
- Review and monitor general conditions invoices throughout each project to confirm that costs align with the approved budget and project progress.
- Maintain detailed supporting documentation, including invoices, payroll records, and cost summaries, to ensure transparency and facilitate audit review.

These procedures ensure that all general conditions costs are appropriately negotiated, properly monitored, and fully documented in compliance with applicable requirements.

### **Finding 10**

The District acknowledges this as a repeat finding from 2023-050 & 2020-093 and concurs with the need for enhanced monitoring of user access to protect confidential student information.

To prevent recurrence and strengthen data security controls, the District has implemented the following corrective measures:

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- The Information Technology Department has reviewed all employee accounts and removed any unnecessary access to student SSNs.
- Moving forward, the District will define and document the specific positions that require SSN access and ensure that only those positions are granted such privileges as approved by the Assistant Superintendent of Business Operations or designee.
- The IT department will run monthly reports of sensitive data access to ensure security control. The Assistant Superintendent of Business Operations or designee will review the reports for compliance.

These actions reinforce the District's commitment to safeguarding student data, ensuring transparency in system permissions, and maintaining full compliance with state and federal privacy requirements.

### Finding 11

The District acknowledges this finding and concurs with the importance of maintaining effective user access controls to protect sensitive data and ensure compliance with state and federal regulations.

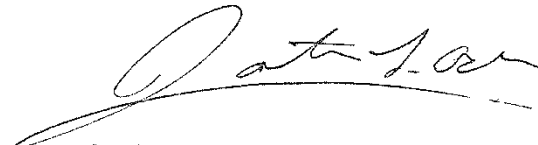
- Moving forward, the District will define and document the access privileges of specific positions to ensure that access is limited to those necessary for employees to perform their assigned duties. The Assistant Superintendent of Business Operations or designee will approve such privileges.
- The District will conduct periodic evaluations of IT user access privileges to critical finance and HR application functions at least annually to confirm the continued necessity and appropriateness of these privileges. The Assistant Superintendent of Business Operations or designee will review the reports for compliance.

These actions reinforce the District's commitment to ensuring access privileges are immediately deactivated upon a user's separation from District employment.

### Finding 12

The District acknowledges this finding and concurs with the importance of promptly removing system access for separated employees to maintain network security and data integrity.

- Direct notification from Human Resources through the personnel action form process provides the Information Technology Department with immediate notice of all employee separations. This process ensures timely notification.
- The Director of IT or designee will continue to review and refine the internal processes to ensure the timely deactivation of user access to critical finance, human resources, and student information systems.



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