

STATE OF FLORIDA AUDITOR GENERAL

Operational Audit

Report No. 2026-117
February 2026

**GADSDEN COUNTY
DISTRICT SCHOOL BOARD**



Sherrill F. Norman, CPA
Auditor General

Board Members and Superintendent

During the 2024-25 fiscal year, Elijah Key served as Superintendent of the Gadsden County Schools and the following individuals served as School Board Members:

	<u>District No.</u>
Cathy S. Johnson, Vice Chair from 11-19-24	1
Steve Scott	2
Leroy McMillan, Chair from 11-19-24, Vice Chair through 11-18-24	3
Charlie D. Frost	4
Stacey Hannigon from 11-19-24	5
Karema D. Dudley through 11-18-24, Chair	5

The Auditor General conducts 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.

The team leader was Jason Law, and the audit was supervised by Shelly G. Curti, CPA.

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

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GADSDEN COUNTY DISTRICT SCHOOL BOARD

SUMMARY

This operational audit of the Gadsden County School District (District) focused on selected District processes and administrative activities and included a follow-up on findings noted in our report No. 2023-056. Our operational audit disclosed the following:

Finding 1: District records did not always demonstrate compliance with statutory safe-school officer requirements. A similar finding was noted in our report No. 2023-056.

Finding 2: The District did not comply with State Board of Education rules requiring resiliency education for all students in grades 6 through 12.

Finding 3: The District Web site continued to lack certain graphical transparency representations prescribed by State law.

Finding 4: District financial reporting procedures to the Board were deficient.

Finding 5: The District inaccurately reported instructional contact hours to the Florida Department of Education for several students enrolled in adult general education classes. A similar finding was noted in our report No. 2023-056.

Finding 6: The District had not established effective controls over credit card use. A similar finding was noted in our report No. 2023-056.

Finding 7: District controls over vendor information changes need improvement.

Finding 8: The District did not maintain appropriate tangible personal property (TPP) records or conduct a physical inventory of TPP. At June 30, 2024, District records identified TPP with costs totaling \$15.8 million on the financial statements.

Finding 9: Ten of the 57 persons with IT user access privileges to sensitive personal information of students had unnecessary access to that information, increasing the risk for unauthorized disclosure of that information to occur.

BACKGROUND

The Gadsden County School District (District) is part of the State system of public education under the general direction of the Florida Department of Education and is governed by State law and State Board of Education rules. Geographic boundaries of the District correspond with those of Gadsden County. The governing body of the District is the Gadsden County District School Board (Board), which is composed of five elected members. The elected Superintendent of Schools is the Executive Officer of the Board. During the 2024-25 fiscal year, the District operated 12 elementary, middle, high, and specialized schools; sponsored 1 charter school; and reported 5,064 unweighted full-time equivalent students.

FINDINGS AND RECOMMENDATIONS

Finding 1: School Safety – Safe-School Officers

State law¹ requires the Board and Superintendent to partner with local law enforcement agencies to establish or assign one or more safe-school officers, such as school safety officers (SSOs), school guardians, and school resource officers (SROs), at each school facility. SSOs and SROs must be certified law enforcement officers and, among other things, are required to complete mental health crisis intervention training using a curriculum developed by a national organization with expertise in mental health crisis intervention. School guardians are District employees who have satisfactorily completed various requirements stipulated by State law,² and are certified by a sheriff. Effective school safety measures include documented verifications to ensure that safe-school officers have completed the required training and are present at each school facility.

For the 2024-25 fiscal year, the District utilized a combination of SSOs, school guardians, and SROs to provide safe-school officers at each District school.³ The Board employed a Safety and Security Specialist, who is also a certified law enforcement officer, to help manage and provide SRO services as necessary; individually contracted with 14 persons for SSO services; employed 10 school guardians; and contracted with the Gadsden County Sheriff's Office for 6 SROs who were deputies. Our evaluation of District controls over safe-school officer services disclosed that improvements were needed. Specifically:

- According to District personnel, they obtained verbal confirmation from applicable police departments that the 14 persons providing SSO services were also certified law enforcement officers employed by the police departments. However, District records were not maintained, and the contracts with each person did not require records, to demonstrate that the SSOs were certified law enforcement officers and had completed mental health crisis intervention training. District personnel indicated that they relied on the police departments to ensure that the SSOs were certified law enforcement officers and had completed the required training.
- District records demonstrated SSO and SRO attendance at applicable schools. However, for the 10 school guardians assigned to six District schools, District records were not maintained to demonstrate attendance or documented verification of that attendance. District personnel indicated that school guardian attendance records were misplaced by former District safety personnel.
- District records were not maintained, and the contract with the Sheriff's Office did not require, records to demonstrate that the 6 SROs had completed the required mental health crisis intervention training. In September 2025, subsequent to our inquiry, the District obtained records from the Sheriff's Office demonstrating that 1 SRO completed the required training before serving as an SRO and 2 SROs completed the training after their SRO service in June 2025. According to District personnel, they relied on the Sheriff's Office to ensure that the SROs had completed required training.

Reliance on law enforcement agencies without documented verification provides limited assurance that the SSOs were qualified law enforcement officers and that the SSOs and SROs completed required

¹ Section 1006.12, Florida Statutes.

² Section 30.15, Florida Statutes.

³ Of the 12 District schools, 4 were located at two shared sites. The charter school obtained safe-school officer services by contracting directly for a school guardian.

training. Additionally, absent effective controls over safe-school officer services, including records of school guardian attendance and documented verification of their presence during school hours, the District cannot demonstrate compliance with State law or that appropriate measures have been taken to promote student and staff safety. A similar finding was noted in our report No. 2023-056.

Recommendation: The District should enhance procedures to ensure and document compliance with State school safety laws. Such enhancements should include:

- **Provisions in applicable contracts requiring documentation that each SSO is a certified law enforcement officer and that each SSO and SRO has completed the required mental health crisis intervention training, and the maintenance of such documentation.**
- **Maintenance of records to verify school guardian attendance and documented verification of their presence during school hours.**

Finding 2: Resiliency Education

Pursuant to State law,⁴ the District received a mental health assistance allocation totaling \$360,861 for the 2024-25 fiscal year to implement the school-based mental health assistance program. State Board of Education (SBE) rules⁵ require the District to annually provide a minimum of 5 hours of data-driven instruction to students in grades 6 through 12 related to civic, character, and life skills education through resiliency education to, for example, promote resiliency to empower youth to persevere and reverse the harmful stigma of mental health by reframing the approach from mental health education to resiliency education, prevent suicide, and prevent the abuse of and addiction to alcohol, nicotine, and drugs. Failure to comply with SBE rule requirements may result in the imposition of sanctions specified in State law.⁶

During the 2024-25 fiscal year, District personnel used an instructional online program to deliver resiliency education to students in grades 6 through 12. As part of our audit, we requested for examination District records supporting completion of the required resiliency education and found that 2,096 (99 percent) of the 2,117 students in grades 6 through 12 did not complete the education.

Although the instructional online program had the ability to track each student's completion of the required education, according to District personnel, District Office staff did not monitor student completion of the education. Absent documented verification that the required education was completed, the District cannot demonstrate compliance with State law and students may miss critical educational opportunities designed to build confidence and support mental health.

Recommendation: The District should implement effective controls to ensure that all students in grades 6 through 12 complete the required resiliency education. Such controls should include District Office staff documented monitoring and verification that the required education is completed.

⁴ Section 1011.62(13), Florida Statutes.

⁵ SBE Rule 6A-1.094124(4), Florida Administrative Code.

⁶ Section 1008.32, Florida Statutes.

Finding 3: 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,⁷ 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 graphical representations for the 2021-22, 2022-23, and 2023-24 fiscal years at the time of our review in April 2025, the Web site lacked the required graphical representations for the 2022-23 and 2023-24 fiscal years.

In response to our inquiries, District personnel indicated that, due to employee turnover, the required graphical representations were not posted. Notwithstanding, 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. Similar findings were noted in our report Nos. 2023-056 and 2020-042.

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

Finding 4: Financial Reporting to the Board

State law⁸ requires the Board to maintain a General Fund ending fund balance that is sufficient to address normal contingencies. To help ensure that the balance is appropriately monitored throughout the year, SBE rules⁹ require the Superintendent, at least monthly, to submit financial statements (reports) for use and consideration by the Board. Board policies¹⁰ provide that the format of these statements must be approved by the Board and include a cumulative report to date of all receipts and expenditures for the school year.

Our examination of District records for the 2024-25 fiscal year disclosed that, while the Board had regular financial workshop meetings on a monthly basis, the Board did not establish a format for monthly financial reporting, and the only monthly financial reports that were provided for Board inspection and discussion

⁷ Section 1011.035(2), Florida Statutes.

⁸ Section 1011.051, Florida Statutes.

⁹ SBE Rule 6A-1.008, Florida Administrative Code.

¹⁰ Board Policy 7.20, *Accounting and Control Procedures*.

were monthly cumulative reports of receipts and expenditures generated from the District's enterprise resource planning (ERP) System. Because the reports excluded relevant information such as current cash balances, outstanding commitments, and actual or projected fund balances, the reports lacked sufficient information for the Board to make critical employee compensation and procurement decisions throughout the year. Additionally, as of January 2026, the District had not completed the annual financial report for the 2024-25 fiscal year and it was not readily apparent whether District efforts were effective in monitoring the General Fund ending fund balance each month.

In response to our inquiry, District personnel indicated that financial reporting deficiencies occurred mainly because the Finance Department experienced extensive personnel turnover. Without sufficient monthly financial reports in a Board-approved format, the Board's ability to make effective and efficient management decisions and avoid financial mismanagement is limited.

Recommendation: The Board should establish a monthly financial report format that provides relevant information, such as current cash balances, outstanding commitments, and actual or projected fund balances, to assist the Board in making critical employee compensation and procurement decisions throughout the year and to effectively monitor the General Fund ending fund balance each month. Additionally, District procedures should be established to ensure that those reports are provided monthly to the Board.

Finding 5: Adult General Education Classes

State law¹¹ defines adult general education, in part, as comprehensive instructional programs designed to improve the employability of the State's workforce. The District received State funding for adult general education, and General Appropriations Act¹² proviso language requires each district to report enrollment for adult general education programs in accordance with FDOE instructional hours reporting procedures.¹³ SBE rules¹⁴ require the District to collect and maintain enrollment and attendance information for students based on minimum enrollment requirements for funding and mandatory withdrawal procedures for students for non-attendance.

The District reported 2,109 instructional contact hours provided to 13 students enrolled in 32 adult general education classes during the Fall 2024 Semester. As part of our audit, we examined District records for 1,441 hours reported for 9 students enrolled in 22 adult general education classes. We found that instructional contact hours for all 9 students were incorrectly reported. The reporting errors ranged from 102 hours underreported to 202 hours overreported, for a net total of 356 hours overreported. Additionally, our review of adult general education class attendance records identified 5 other students enrolled in 17 classes who had hours that were excluded from the reported hours, resulting in 838 underreported hours.

In response to our inquiries, District personnel indicated that the misreported hours occurred primarily due to programming errors and employee turnover. Since adult general education funding is based, in

¹¹ Section 1004.02(3), Florida Statutes.

¹² Chapter 2024-231, Laws of Florida, Specific Appropriation 119.

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

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

part, on enrollment data reported to the FDOE, it is important that the District report accurate data. A similar finding was noted in our report No. 2023-056.

Recommendation: The District should strengthen controls to ensure that instructional contact hours for adult general education classes are accurately reported to the FDOE. Such controls should include effective training and other procedures to ensure that programming errors are detected and corrected before the hours are reported. The District should also determine to what extent adult general education hours were misreported for the Fall 2024 semester and contact the FDOE for proper resolution.

Finding 6: Credit Cards

Board policies¹⁵ authorize a corporate card (credit card) program for select employees to purchase goods or services related to business travel within given guidelines while conducting business on behalf of the Board. The Board contracted with a financial institution to provide the credit cards and process credit card purchases, and the District placed certain monthly dollar limits on employee credit card use. As credit cards have an elevated risk of fraud, waste, and abuse, it is important for the District to develop effective guidelines to help ensure appropriate accountability over credit card use.

District personnel indicated that credit card users were verbally instructed to complete and sign credit card receipt forms documenting, for example, charge amounts and descriptions of items purchased. However, the District had not established guidelines to effectively administer the credit card program and to clearly communicate management's expectations and cardholder responsibilities for safeguarding card use.

During the period July 1, 2024, through February 28, 2025, the District issued credit cards to 15 employees and credit card expenditures totaled \$135,994. To evaluate the propriety of these expenditures, we examined District records supporting 30 selected credit card charges totaling \$10,452. Our examination found that District records did not demonstrate independent review and approval for 22 charges totaling \$8,582. Additionally, 15 of those 22 charges (totaling \$6,117) were to vendors that sold educational supplies or were for travel-related costs; however, the District did not maintain receipt forms or other documentation identifying the District purpose of the charges.

In response to our inquiry, District personnel indicated that District guidelines governing credit card use were being developed but, due to extensive personnel turnover, the guidelines had not been completed. While our audit procedures did not identify credit card misuse, without sufficient controls over credit card use, there is an increased risk for unauthorized or inappropriate credit card charges to occur and not be timely detected. A similar finding was noted in our report No. 2023-056.

Recommendation: The District should finalize and implement comprehensive guidelines governing credit card use. Such guidelines should, for example, require and ensure that:

- **A District employee is designated to monitor and oversee the proper administration of the credit card program. The employee's duties should include ensuring documentation of the basis for credit card issuances and the review and approval of cards issued and promptly canceling cards that are lost, stolen, and when employees separate from District employment.**

¹⁵ Board Policy 7.361, *Corporate Credit Card Program*.

- **Cardholder agreements are used to define management’s expectations and establish cardholder responsibilities, including the cardholder’s signature acknowledging acceptance of those responsibilities.**
- **Single and monthly dollar charge limits are established based on cardholder responsibilities.**
- **District records demonstrating the purpose for, and independent review and approval of, charges are maintained.**

Finding 7: Vendor Information Changes

State law¹⁶ requires each school district to establish and maintain internal controls designed to, among other things, detect fraud, promote and encourage compliance with applicable contracts and best practices, and safeguard assets. Such controls should include properly documented and independently verified and authorized vendor information (e.g., address and bank account) additions or changes before payments to vendors are made to confirm the propriety of the information and to reduce the likelihood of fraud or errors associated with the payments. Such controls should also ensure that the vendor information update access privileges of employees are compatible and consistent with their assigned job responsibilities.

During the 2024-25 fiscal year, the District made vendor payments totaling \$34.7 million by check and by electronic direct payments. Our inquiry with District personnel and examination of District records disclosed that there were five employees during that fiscal year who had update access privileges to add or change vendor information in the District ERP System. Additionally, for the period July 1, 2024, through May 5, 2025, District records extracted from the ERP System identified 380 vendor information changes that had been made for vendors.

Our examination of District records and discussions with District personnel disclosed certain deficiencies in controls over District vendor information changes. Specifically, District procedures had not been established requiring use of a vendor information change request form or other mechanism to document the requests, independent review and approval of the requests, or independent, direct contact with designated vendor staff to document verification of the authenticity of the requests.

In response to our inquiries, District personnel indicated that, during the 2024-25 fiscal year, they conducted procedures to verify that District records accurately contained all vendor taxpayer identification numbers, and that the District Accounts Payable Specialist identified several necessary vendor information changes based on invoices submitted for payment. While our examination of District records, including vendor taxpayer identification information and other records supporting vendor payments related to these changes, did not disclose any instances that payments were sent to inappropriate addresses or accounts, our procedures cannot substitute for District management’s responsibility to implement effective controls over vendor information changes. Without such controls, there is an increased risk for fraudulent or erroneous vendor payments to occur without timely detection and recovery of losses.

¹⁶ Section 1010.01(5), Florida Statutes.

Recommendation: The District should establish and employ vendor information change request forms to document all vendor information change requests. In addition, before additions or changes to vendor information are made in the ERP System, District personnel should ensure that District records demonstrate that the change requests were independently reviewed, verified, and authorized by the vendor.

Finding 8: Tangible Personal Property

Provisions in State law,¹⁷ Florida Department of Financial Services (FDFS) rules,¹⁸ and Board policies¹⁹ require the District to maintain adequate records of tangible personal property (TPP), such as furniture, fixtures, and equipment and motor vehicles. The records are to list specified information for each TPP item. The 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 items' existence. Items not located during the physical inventory must be investigated and, if the investigation determines that the 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.

At June 30, 2024, District financial statement records identified TPP with costs totaling \$15.8 million. To determine TPP financial statement ending balances, District personnel added applicable capital outlay expenditures to the TPP beginning balances and deducted Board-approved disposal amounts. While this procedure may result in materially correct TPP financial statement balances, the District is responsible for maintaining appropriate TPP records in compliance with the State law, FDFS rules, and Board policies. Appropriate TPP records help ensure that reported TPP balances are accurate and that TPP items are properly managed.

Additionally, our examination of District records and inquiries of District personnel disclosed that a complete TPP inventory had not been performed for any of the District cost centers and District personnel were not aware, and District records did not demonstrate, when the last physical inventory was taken. District personnel also indicated that TPP inventories had not been taken due to staffing limitations, including turnover in the positions involved with the TPP physical inventory process. Absent effective annual physical inventory procedures, the District cannot demonstrate compliance with State law, SBE rules, 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, or correctly reflected in District property and accounting records.

Recommendation: The District should enhance procedures to ensure compliance with TPP requirements, including the maintenance of appropriate TPP records and the conduct of a documented physical inventory of TPP each year with a thorough investigation and resolution of TPP items not located. If the investigation determines that an item was stolen, the District should

¹⁷ Chapter 274, Florida Statutes.

¹⁸ FDFS Rules 69I-73, Florida Administration Code.

¹⁹ Board Policy 7.77, *Inventories and Property Records*.

file a report with the appropriate law enforcement agency describing the missing item and the circumstances surrounding its disappearance.

Finding 9: Information Technology User Access Privileges – Sensitive Personal Information

The Legislature has recognized in State law²⁰ that social security numbers (SSNs) can be used to acquire sensitive personal information, the release of which could result in fraud against individuals or cause other financial or personal harm. Therefore, public entities are required to provide extra care in maintaining the confidential status of such information. Effective controls restrict individuals from accessing information unnecessary for their assigned job responsibilities and provide for documented, periodic evaluations of 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 included in the SIS to, for example, register newly enrolled students and transmit that information to the FDOE through a secure-file procedure and to facilitate proper processing of student scholarship applications. Board policies²¹ allow designated District school personnel access to student records to perform administrative, supervisory, or instructional responsibilities that serve a legitimate educational purpose.

As of June 2025, the District SIS contained the SSNs for 35,493 former and 1,018 current District students. As part of our audit, we examined District records supporting the access privileges for the 57 persons who had access to that information. We found that 10 of the 57 persons (a former data clerk, a former school-based administrator, a former school counselor, and others) had unnecessary access to the student SSNs.

In response to our inquiry, District personnel indicated that an evaluation of IT user access privileges was not regularly done, and that records of the last evaluation were not available. The existence of unnecessary access privileges and the lack of thorough, periodic reviews of IT user access privileges increase the risk of unauthorized disclosure of student SSNs and the possibility that sensitive information may be used to commit fraud against District students or others. In May 2025, subsequent to our audit inquiry, the District removed the unnecessary access for the 10 persons.

Recommendation: The District should continue efforts to ensure that only those who have a demonstrated need to access student SSNs be granted such access. Such controls 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.

²⁰ Section 119.071(5)(a), Florida Statutes.

²¹ Board Policy 5.70, *Student Records*.

PRIOR AUDIT FOLLOW-UP

The District had taken corrective actions for findings included in our report No. 2023-056, except as noted in Findings 1, 3, 5, and 6 and shown in Table 1.

Table 1
Findings Also Noted in Previous Audit Reports

Finding	2021-22 Fiscal Year Operational Audit Report No. 2023-056, Finding	2018-19 Fiscal Year Operational Audit Report No. 2020-042, Finding
1	1	Not Applicable
3	6	6
5	5	Not Applicable
6	4	Not Applicable

OBJECTIVES, SCOPE, AND METHODOLOGY

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

We conducted this operational audit from April 2025 through January 2026 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. 2023-056.
- 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.
- Reviewed Board information technology (IT) policies and District procedures to determine whether the policies and procedures addressed certain important IT control functions, such as security, system backups, and disaster recovery.
- Evaluated District procedures to prohibit former employee access to electronic data files. Specifically, we examined District records supporting selected user access privileges for the 210 employees who separated from District employment during the period July 2024 through April 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 the adequacy of District procedures related to security incident response and reporting.
- Evaluated District procedures for protecting the sensitive personal information of students, including social security numbers. Specifically, we examined the access privileges of the 57 employees who had access to sensitive personal student information to evaluate the appropriateness and necessity of the access privileges based on each employee's assigned job duties.

- Inquired of District personnel 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.
- Examined supporting documentation for \$647,907 total expenditures from workforce education program funds for the period July 1, 2024, through April 7, 2025, to determine whether the District used the funds for authorized purposes (i.e., not used to support K-12 programs or District K-12 administrative costs).
- Examined District records supporting 1,441 reported contact hours for 9 selected students from the population of 2,109 contact hours for 13 adult general education instructional students during the Fall 2024 semester to determine whether the District reported the instructional contact hours in accordance with SBE Rule 6A-10.0381, Florida Administrative Code. We also scanned adult general education attendance records and compared the records with reported contact hours to evaluate the accuracy of reported contact hours.
- Examined District records to determine whether the District assessed student tuition and fees for the adult general education program in compliance with Section 1009.22, 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).
- Examined District records for the audit period to determine whether the District provided timely and relevant monthly and annual financial reports to the Board.
- Examined documentation supporting the District's annual tangible personal property 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.
- From the compensation payments totaling \$31.1 million during the period July 2024 through March 2025, examined District records supporting compensation payments totaling \$74,600 to 30 selected employees to determine whether the rate of pay complied with the Board-approved salary schedule and whether supervisory personnel reviewed and approved employee reports of time worked.
- From the population of 396 instructional personnel and 76 school administrators compensated a total of \$18.6 million during the audit period, examined documentation for 25 selected employees who were paid a total of \$1.1 million to determine whether the District had developed adequate performance assessment procedures for instructional personnel and school administrators based on student performance and other criteria in accordance with Section 1012.34(3), Florida Statutes, and determined whether a portion of each selected instructional employee's compensation was based on performance in accordance with Section 1012.22(1)(c)4. and 5., Florida Statutes.
- Examined District records for the period July 1, 2024, through April 7, 2025, for 30 of the 916 employees and the 17 contractor workers to assess whether individuals who had direct contact with students were subjected to the required fingerprinting and background screening.
- Examined Board policies, District procedures, and related records supporting school volunteers for the audit period to determine whether the District searched prospective volunteers' names against the Dru Sjodin National Sexual Offender Public Web site maintained by the United States Department of Justice, as required by Section 943.04351, Florida Statutes.

- 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.
- 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 credit card expenditures totaling \$135,994 for the period July 2024 through February 2025, examined documentation supporting 30 selected expenditures totaling \$10,452 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 2 cardholders who separated from District employment during the audit period.
- Evaluated the sufficiency of District procedures to determine whether the District's charter school was required to be subjected to an expedited review pursuant to Section 1002.345, Florida Statutes.
- From the population of general expenditures totaling \$27.5 million during the period July 1, 2024, through April 11, 2025, examined District records supporting 30 selected expenditures totaling \$47,224 to determine whether the expenditures were reasonable, correctly recorded, and adequately documented; for a valid District purpose; properly authorized and approved; and in compliance with applicable laws, contract terms, and Board policies.
- From the population of 608 payment amounts totaling \$2.7 million that appeared to be potential duplicate payments to the same vendors during the audit period, examined invoices and related documentation to determine whether any duplicate payments were made for the same goods or services.
- Reviewed District procedures and examined documentation related to the application for and the use of Special Facilities Construction Account funding for the construction of a new school.
- 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 the District's charter school, pursuant to Section 1013.62(3), 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.
- Communicated on an interim basis with applicable officials to ensure the timely resolution of issues involving controls and noncompliance.
- Performed various other auditing procedures, including analytical procedures, as necessary, to accomplish the objectives of the audit.
- Prepared and submitted for management response the findings and recommendations that are included in this report and which describe the matters requiring corrective actions. Management's response is included in this report under the heading **MANAGEMENT'S RESPONSE**.

AUTHORITY

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

A handwritten signature in blue ink that reads "Sherrill F. Norman". The signature is written in a cursive style with a large initial 'S'.

Sherrill F. Norman, CPA
Auditor General

MANAGEMENT'S RESPONSE



THE SCHOOL BOARD OF GADSDEN COUNTY

Educating Every Student Today, Making Gadsden Stronger Tomorrow

Elijah Key, Superintendent of Schools
35 Martin Luther King, Jr. Blvd Quincy, Florida 32351
Main: (850) 627-9651 or Fax: (850) 627-2760
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February 26, 2026

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

RE: Auditor General's Operational Audit Findings

Dear Ms. Norman,

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

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

Please let me know if you need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Elijah Key, Jr.", is written over a light blue horizontal line.

Elijah Key, Jr.
Superintendent of Schools
keye@gcpsmail.com
850-627-9651

Cathy Johnson
DISTRICT NO. 1, Vice-Chair
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MIDWAY, FL 32343

Steve Scott
DISTRICT NO. 2
QUINCY, FL 32351
HAVANA, FL 32333

Leroy McMillan
DISTRICT NO. 3, Chair
CHATTahoochee, FL 32334
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Charlie Frost
DISTRICT NO. 4
GRETNA, FL 32332
QUINCY, FL 32352

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DISTRICT NO. 5
QUINCY, FL 32351
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GADSDEN COUNTY SCHOOL DISTRICT
GCSD Response to Auditor General's Operational Audit Findings

- **Finding 1:** District records did not always demonstrate compliance with statutory safe-school officer requirements. A similar finding was noted in our report No. 2023-056.

Recommendation: The District should enhance procedures to ensure and document compliance with State school safety laws. Such enhancements should include:

- Provisions in applicable contracts requiring documentation that each SSO is a certified law enforcement officer and that each SSO and SRO has completed the required mental health crisis intervention training, and the maintenance of such documentation.
- Maintenance of records to verify school guardian attendance and documented verification of their presence during school hours.

District Response: The District concurs with the finding. On their renewal, the District will update contracts and agreements with local law enforcement agencies to include the requirement to provide documentation that each SSO and SRO has completed the required mental health crisis intervention training, and the maintenance of such documentation. The District began requiring handwritten, wet signed, daily attendance logs be submitted with payroll timesheets in FY 2025-2026. The School Safety Specialist verifies the submissions before payment is processed.

- **Finding 2:** The District did not comply with State Board of Education rules requiring resiliency education for all students in grades 6 through 12.

Recommendation: The District should implement effective controls to ensure that all students in grades 6 through 12 complete the required resiliency education. Such controls should include District Office staff documented monitoring and verification that the required education is completed.

District Response: The District agrees with this finding. The Department of Academic Services, Director of Exceptional Student Education, is responsible for monitoring compliance with this State Board of Education rule moving forward.

- **Finding 3:** The District Web site continued to lack certain graphical transparency representations prescribed by State law.

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

District Response: The District agrees with this finding. The Director of Business and Finance will be responsible for ensuring compliance moving forward.

➤ **Finding 4:** District financial reporting procedures to the Board were deficient.

Recommendation: The Board should establish a monthly financial report format that provides relevant information, such as current cash balances, outstanding commitments, and actual or projected fund balances, to assist the Board in making critical employee compensation and procurement decisions throughout the year and to effectively monitor the General Fund ending fund balance each month. Additionally, District procedures should be established to ensure that those reports are provided monthly to the Board.

District Response: The District agrees with this finding. The Director of Business and Finance will be responsible for ensuring compliance moving forward.

➤ **Finding 5:** The District inaccurately reported instructional contact hours to the Florida Department of Education for several students enrolled in adult general education classes. A similar finding was noted in our report No. 2023-056.

Recommendation: The District should strengthen controls to ensure that instructional contact hours for adult general education classes are accurately reported to the FDOE. Such controls should include effective training and other procedures to ensure that programming errors are detected and corrected before the hours are reported. The District should also determine to what extent adult general education hours were misreported for the Fall 2024 semester and contact the FDOE for proper resolution.

District Response: The District agrees with this finding. The Gadsden Technical College, Adult Education Coordinator, will be responsible for ensuring compliance moving forward. The District has new staff in the role of Adult Education Coordinator and they, along with the Data Entry Secretary, have received additional training on this matter.

➤ **Finding 6:** The District had not established effective controls over credit card use. A similar finding was noted in our report No. 2023-056.

Recommendation: The District should finalize and implement comprehensive guidelines governing credit card use. Such guidelines should, for example, require and ensure that:

- A District employee is designated to monitor and oversee the proper administration of the credit card program. The employee's duties should include ensuring documentation of the basis for credit card issuances and the review and

approval of cards issued and promptly canceling cards that are lost, stolen, and when employees separate from District employment.

- Cardholder agreements are used to define management's expectations and establish cardholder responsibilities, including the cardholder's signature acknowledging acceptance of those responsibilities.
- Single and monthly dollar charge limits are established based on cardholder responsibilities.
- District records demonstrating the purpose for, and independent review and approval of, charges are maintained.

District Response: The District agrees with this finding. While thorough written credit card procedures are still in development, the District developed and implemented the following forms during the spring of FY 2024-2025:

- GCSD Cardholder Request form – for employees to request a District Credit Card
- GCSD Cardholder Agreement form – for employees to acknowledge receipt of a District Credit Card and the rules of usage that apply.
- Procurement Card Receipt form – to identify the purpose of each charge, especially when made by someone other than the card holder. The District had used this form for several years, but inconsistently. It is now required for credit card purchases.
- Credit Card Transaction form – use to reconcile monthly statement and charges to ensure proper coding for entry into the District's financial management system.

➤ **Finding 7:** District controls over vendor information changes need improvement.

Recommendation: The District should establish and employ vendor information change request forms to document all vendor information change requests. In addition, before additions or changes to vendor information are made in the ERP System, District personnel should ensure that District records demonstrate that the change requests were independently reviewed, verified, and authorized by the vendor.

District Response: The District agrees with this finding. While thorough written vendor procedures are still in development, the District developed and implemented the following during the spring of FY 2024-2025:

- Vendor application – packet of materials that will provide the District with the appropriate information needed to add a vendor to the District's financial management system. Packet includes ACH/Wire payment information, if desired by the vendor.
- The Chief Account Clerk (Purchasing) reviews requests to add or update vendor information. The review checks Sam.gov and Sunbiz.org to verify information in application and W-9 match. Once all information is received, the Director of Business and Finance reviews and approves addition to system. Confirmation is received via e-mail or wet signature.

- **Finding 8:** The District did not maintain appropriate tangible personal property (TPP) records or conduct a physical inventory of TPP. At June 30, 2024, District records identified TPP with costs totaling \$15.8 million on the financial statements.

Recommendation: The District should enhance procedures to ensure compliance with TPP requirements, including the maintenance of appropriate TPP records and the conduct of a documented physical inventory of TPP each year with a thorough investigation and resolution of TPP items not located. If the investigation determines that an item was stolen, the District should file a report with the appropriate law enforcement agency describing the missing item and the circumstances surrounding its disappearance.

District Response: The District agrees with this finding. The District will develop thorough procedures for compliance with TPP records. The District hired an Inventory Control Specialist to address this issue. They began on April 21, 2025.

- **Finding 9:** Ten of the 57 persons with IT user access privileges to sensitive personal information of students had unnecessary access to that information, increasing the risk for unauthorized disclosure of that information to occur.

Recommendation: The District should continue efforts to ensure that only those who have a demonstrated need to access student SSNs be granted such access. Such controls 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.

District Response: The District agrees with this finding. The District has implemented procedures with the MIS/ITS Department to perform regular periodic checks for unnecessary access. The District has also included a line on the HR checklist for employment terminations/transfers to ensure timely communication with the MIS/ITS Department and that accessibility of information is based on the current position of employment.