STATE OF FLORIDA AUDITOR GENERAL

Operational Audit

Report No. 2022-014
September 2021

OKALOOSA COUNTY
DISTRICT SCHOOL BOARD

Sherrill F. Norman, CPA
Auditor General

Board Members and Superintendent

During the 2020-21 fiscal year, Marcus D. Chambers served as Superintendent of the Okaloosa County Schools and the following individuals served as School Board Members:

	District No.
Dr. Lamar White	1
Marti Gardner from 11-17-20	2
Dewey Destin through 11-16-20	2
Linda Evanchyk	3
Tim Bryant, Chair	4
Dr. Diane Kelley, Vice Chair	5

The team leader was Barbara J. Sturdivant, CPA, and the audit was supervised by Kenneth C. Danley, 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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OKALOOSA COUNTY DISTRICT SCHOOL BOARD

SUMMARY

This operational audit of the Okaloosa County School District (District) focused on selected District processes and administrative activities and included a follow-up on findings noted in our report No. 2019-057. Our operational audit disclosed the following:

Finding 1: District school safety policies and procedures need improvement to ensure and demonstrate compliance with State law.

Finding 2: District records did not evidence that all students were provided the minimum 5 hours of annual mental health awareness and assistance instruction required by State Board of Education rules.

Finding 3: Some unnecessary information technology user access privileges continued to exist increasing the risk that unauthorized disclosure of sensitive personal information may occur.

BACKGROUND

The Okaloosa 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 Okaloosa County. The governing body of the District is the Okaloosa County District School Board (Board), which is composed of five elected members. The elected Superintendent of Schools is the Executive Officer of the Board. During the 2020-21 fiscal year, the District operated 38 elementary, middle, high, and specialized schools; sponsored 3 charter schools; and reported 28,943 unweighted full-time equivalent students.

FINDINGS AND RECOMMENDATIONS

Finding 1: School Safety

State law[1] requires the Board to formulate and prescribe policies and procedures for emergency drills associated with active shooter and hostage situations, and the drills must be conducted at least as often as other emergency drills. Pursuant to the Florida Fire Prevention Code (Fire Code)[2] and Board policies,[3] fire emergency egress drills must be conducted every month a facility is in session. For the 2020-21 school year, the State Chief Financial Officer (CFO) provided guidance[4] that educational occupancies were to conduct at least four physical drills before replacing drills with fire safety education. In a memorandum dated August 7, 2020, the Florida Department of Education directed school district

[1] Section 1006.07(4), Florida Statutes.
[2] Section 20.2.4.2.3 of the Florida Fire Prevention Code, 7th Edition (2020).
[3] Board Policy 11-25, *Emergency Drills*.
[4] Chief Financial Officer Directive 2020-13, which was prompted by the effects of the COVID-19 pandemic.

superintendents to use the guidance from the CFO as a reference in planning required school safety drills, including drills for active shooter and hostage situations.

Our review of District procedures disclosed that each District school principal is required to complete and submit an emergency evacuation/safety drill form to the Office of Safe Schools to document each emergency drill performed. According to District personnel, physical drills were planned monthly during the 2020-21 school year at each District school and school safety education did not replace any drills. District personnel also indicated that while the District required charter schools to provide, and the schools provided, assurances that emergency drills would be conducted, the District did not require a record that the emergency drills were conducted.

To determine whether, during the 6-month period September 2020 through February 2021, each District and District-sponsored charter school conducted the required emergency drills (6 active shooter and hostage situation emergency drills and 6 fire emergency drills), we requested for examination support for the 72 required emergency drills at 3 of the 38 District schools and the 3 charter schools. We found that:

- For the 3 District schools, District records did not demonstrate the conduct of 5 (28 percent) of the 18 required active shooter and hostage situation emergency drills and 4 (22 percent) of the 18 required fire emergency drills. In response to our inquiries, District personnel indicated that some of the District emergency drills may have been conducted but not documented, while others were not conducted due to oversights or misunderstandings of the drill requirements.
- District records did not demonstrate that any emergency drills were conducted at the 3 charter schools. We contacted the 3 charter schools and 1 charter school provided records that all required emergency drills were conducted. Another charter school could only provide records that supported 2 (33 percent) of the required 6 active shooter and hostage situation emergency drills and 2 (33 percent) of the required 6 fire emergency drills. No records were provided to demonstrate the conduct of emergency drills at the third charter school.

In addition to emergency drills, for the protection and safety of school personnel, property, students, and visitors, State law[5] requires the Board and Superintendent to partner with local law enforcement agencies to establish or assign one or more safe-school officers, such as school resource officers (SROs) or school safety officers, at each school facility. SROs are to 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.

The Board contracted with the Okaloosa County Sheriff's Office (OCSO) for SRO services;[6] however, the contract did not explicitly provide assurance that the SROs had completed mental health crisis intervention training using a curriculum developed by a national organization with expertise in mental health crisis intervention. In addition, although we requested, District records were not initially provided to evidence verification that the OCSO-assigned SROs received the required mental health crisis intervention training. According to District personnel, the District relied on the OCSO to ensure that the SROs completed the training. Notwithstanding, such reliance provides limited assurance that the required training was properly completed. Subsequent to our inquiries, District personnel contacted the

[5] Section 1006.12, Florida Statutes.

[6] The OCSO was to provide 51 SROs at 38 District and 2 charter schools. The charter school located on the Northwest Florida State College campus received safe-school officer services by the College police department.

OCSO and obtained records evidencing the required training for 31 of the SROs but did not obtain support for the training of the other 20 SROs.

Absent effective procedures to require and ensure monthly active shooter and hostage situation and fire emergency drills and documented verification of SRO mental health crisis intervention training, the District cannot demonstrate compliance with State law and the Fire Code; the District has limited assurance that the SROs are appropriately trained to avert, or appropriately intervene, during school crises; and the District cannot demonstrate that all appropriate measures have been taken to promote student and staff safety.

Recommendation: The District should enhance procedures to ensure and demonstrate compliance with the State school safety laws. Such enhancements should include procedures to verify and document that, for each month school is in session, each District and charter school conduct the required number of active shooter and hostage situation and fire emergency drills. In addition, the District should maintain documented verifications that SROs completed the required mental health crisis intervention training.

Finding 2: Mental Health Awareness and Assistance Instruction

State Board of Education (SBE) rules[7] require the District to annually provide to students in grades 6 through 12 a minimum of 5 hours of instruction related to mental health awareness and assistance, including suicide prevention and the impacts of substance abuse. Failure to comply with SBE rule requirements may result in the imposition of sanctions specified in State law.[8]

During the 2020-21 school year, District personnel tracked student completion of the required instruction using a digital media instructional software program. To determine whether the District provided the required instruction during the 2020-21 fiscal year, we requested District records for 5 (3 high schools and 2 middle schools) of 18 District schools with students in grades 6 through 12 to determine whether the students completed the required instruction. We found that, while most middle school students received the required instruction, District records only indicated that 29, 45, and 52 percent of the high school students in the 3 high schools completed the required instruction. In response to our inquiry, District personnel indicated that the high schools reported problems with electronic devices, the delivery platform, and absences, and that some teachers did not always record completion of the instruction in the software program.

Youth mental health awareness and assistance instruction helps individuals identify and understand the signs of emotional disturbance, mental illness, and substance use disorders. Without the required instruction, a mental health services need may not be timely identified and appropriately met, and absent documentation evidencing youth mental health awareness and assistance instruction, the District cannot demonstrate compliance with SBE rules. In addition, documented instruction enhances public awareness of District efforts to provide essential educational services.

[7] SBE Rule 6A-1.094124(4), Florida Administrative Code.
[8] Section 1008.32, Florida Statutes.

Recommendation: The District should enhance procedures to ensure, and maintain records to demonstrate, that students in grades 6 through 12 are annually provided the minimum 5 hours of mental health awareness and assistance instruction required by SBE rules.

Finding 3: Information Technology User Access Privileges – Sensitive Personal Information

The Legislature has recognized in State law[9] 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 employees from accessing information unnecessary for their assigned job responsibilities and provide for documented, periodic evaluations of information technology (IT) user access privileges. The District collects and uses student and employee SSNs for various purposes, such as to enroll new students in school and process employee benefits. Board policies[10] allow designated District employees access to student and employee records in the exercise of their respective job responsibilities.

As of July 2021, District information systems contained the sensitive personal information, including SSNs, of 190,042 former and 22,571 current students, and 20,632 former and 4,224 current employees. District records indicated that 95 IT users had access privileges to sensitive student information and 327 IT users had access privileges to sensitive employee information. According to District personnel, District information systems included a mechanism to differentiate the access privileges to sensitive personal information of former and current students and former and current employees, but that mechanism had not been utilized.

As part of our audit, we inquired of District personnel and examined District records supporting the access privileges of 15 selected District employees with access to sensitive student information and 14 selected District employees with access to sensitive employee information. We found, and District personnel confirmed, that District records did not demonstrate the need for 2 employees, an interpreter and a school bookkeeper, to have access privileges to the sensitive information of former and current students, and 12 employees, including school administrators, teachers, and school secretaries, to have access privileges to the sensitive information of former and current employees. In response to our inquiries, District personnel indicated that, although periodic evaluations of access privileges were performed and documented, the unnecessary access was not identified and removed during the evaluations.

District personnel further evaluated employee access privileges and identified 257 additional employees who were granted access, based on site administrator recommendations, to the sensitive personal information of students or employees but did not need such access to perform their duties. Subsequent to our inquiries, District personnel removed the unnecessary access privileges of the 14 employees we identified and the 257 additional employees they identified.

The existence of unnecessary IT user access privileges increases the risk of unauthorized disclosure of sensitive personal information of students and employees and the possibility that such information may

[9] Section 119.071(5)(a), Florida Statutes.
[10] Board Policies 05-09: Disclosure of Information, 06-13: Personnel Files and Data Information, and 01-22 Social Security Numbers.

be used to commit a fraud against current or former District students, employees, and others. A similar finding was noted in our report No. 2019-057.

Recommendation: To ensure that sensitive personal information maintained by the District is properly safeguarded, the District should:

- **Enhance periodic evaluations of IT user access privileges to appropriately identify and timely remove any inappropriate or unnecessary access privileges.**
- **Utilize the mechanism in the District's information systems to differentiate the IT user access privileges to former and current student and employee information.**

PRIOR AUDIT FOLLOW-UP

The District had taken corrective actions for findings included in our report No. 2019-057, except that Finding 3 was also noted in that report as Finding 10.

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 March 2021 through July 2021 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

This operational audit focused on selected District processes and administrative activities, including, but not limited to, District information technology resources and related controls; fiscal transparency; school safety; and selected revenues, compensation, and other expenses. For those areas, our audit objectives were to:

- Evaluate management's performance in establishing and maintaining internal controls, including controls designed to prevent and detect fraud, waste, and abuse, and in administering assigned responsibilities in accordance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines.
- Examine internal controls designed and placed in operation to promote and encourage the achievement of management's control objectives in the categories of compliance, economic and efficient operations, reliability of records and reports, and safeguarding of assets, and identify weaknesses in those controls.
- Determine whether management had taken corrective actions for findings included in our report No. 2019-057.
- Identify statutory and fiscal changes that may be recommended to the Legislature pursuant to Section 11.45(7)(h), Florida Statutes.

This audit was designed to identify, for those areas included within the scope of the audit, weaknesses in management's internal controls significant to our audit objectives; instances of noncompliance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines; and instances of inefficient or ineffective operational policies, procedures, or practices. The focus of this audit was to identify problems so that they may be corrected in such a way as to improve government accountability and efficiency and the stewardship of management. Professional judgment has been used in determining significance and audit risk and in selecting the particular transactions, legal compliance matters, records, and controls considered.

As described in more detail below, for those programs, activities, and functions included within the scope of our audit, our audit work included, but was not limited to, communicating to management and those charged with governance the scope, objectives, timing, overall methodology, and reporting of our audit; obtaining an understanding of the program, activity, or function; identifying and evaluating internal controls significant to our audit objectives; exercising professional judgment in considering significance and audit risk in the design and execution of the research, interviews, tests, analyses, and other procedures included in the audit methodology; obtaining reasonable assurance of the overall sufficiency and appropriateness of the evidence gathered in support of our audit findings and conclusions; and reporting on the results of the audit as required by governing laws and auditing standards.

Our audit included transactions, as well as events and conditions, occurring during the 2020-21 fiscal year audit period, and selected District actions taken prior and subsequent thereto. Unless otherwise indicated in this report, these records and transactions were not selected with the intent of statistically projecting the results, although we have presented for perspective, where practicable, information concerning relevant population value or size and quantifications relative to the items selected for examination.

An audit by its nature does not include a review of all records and actions of management, staff, and vendors, and as a consequence, cannot be relied upon to identify all instances of noncompliance, fraud, waste, abuse, or inefficiency.

In conducting our audit, we:

- Reviewed applicable laws, rules, Board policies and District procedures, and other guidelines, and interviewed District personnel to obtain an understanding of applicable processes and administrative activities.
- Reviewed Board information technology (IT) policies and District procedures to determine whether the policies and procedures addressed certain important IT control functions, such as security and disaster recovery.
- Evaluated District procedures for maintaining and reviewing employee access to IT data and resources. We examined access privileges of the 10 employees with access to two selected functions within the District enterprise resource planning (ERP) system finance and human resources (HR) applications to determine the appropriateness and necessity of the access based on employee job duties and user account functions and whether the access prevented the performance of incompatible duties.
- Evaluated District procedures for protecting the sensitive personal information, including social security numbers, of 190,042 former and 22,571 current students, and 20,632 former and 4,224 current employees. Specifically, from the 95 IT users with access privileges to the sensitive

student information and the 327 IT users with access privileges to the sensitive employee information as of July 2021, we examined District records supporting the access privileges of 15 selected employees with access to the student information and 14 selected employees with access to the employee information to evaluate the appropriateness and necessity of the access privileges based on the employee's assigned job responsibilities.

- Evaluated District procedures to prohibit former employee access to electronic data files. We also reviewed selected user access privileges for 32 of the 312 employees who separated from District employment during the audit period to determine whether the access privileges had been timely deactivated.
- Evaluated Board security policies and District procedures governing the classification, management, and protection of sensitive and confidential information.
- Determined whether a comprehensive IT disaster recovery plan was in place, designed properly, operating effectively, and had been recently tested.
- Examined selected application security settings to determine whether authentication controls were configured and enforced in accordance with IT best practices.
- Determined whether a comprehensive IT risk assessment had been established to document District risk management and assessment processes and security controls intended to protect the confidentiality, integrity, and availability of data and IT resources.
- Evaluated Board policies and District procedures and examined supporting documentation to determine whether audit logging and monitoring controls were configured in accordance with IT best practices.
- Examined District records to determine whether the District technical college informed students and employees at orientation and on its Web site of the existence of the Florida Department of Law Enforcement sexual predator and sexual offender registry Web site and the toll-free telephone number that gives access to sexual predator and sexual offender public information as required by Section 1006.695, Florida Statutes.
- Examined the District Web site to determine whether the 2020-21 fiscal year proposed, tentative, and official budgets were prominently posted pursuant to Section 1011.035(2), Florida Statutes. In addition, we determined whether, as of March 2021, the Web site contained the required graphical representations, for each public school within the District and for the District, of summary financial efficiency data and fiscal trend information for the previous 3 years, and a link to the Web-based fiscal transparency tool developed by the Florida Department of Education (FDOE).
- Examined District records to determine whether the Board adopted appropriate school safety policies and the District implemented procedures to ensure the health, safety, and welfare of students and compliance with Sections 1006.07, 1006.12, 1006.13, 1011.62(15) and (16), and 1012.584, Florida Statutes.
- Examined District records to determine whether the Board adopted appropriate mental health awareness policies and the District implemented procedures to promote the health, safety, and welfare of students and ensure compliance with Sections 1011.62(16) and 1012.584, Florida Statutes, and State Board of Education Rule 6A-1.094124, Florida Administrative Code.
- From the population of $1.5 million total workforce education program funds expenditures for the period July 2020 through February 2021, examined District records supporting 7 selected expenditures totaling $335,189 to determine whether the District used the funds for authorized purposes (i.e., not used to support K-12 programs or District K-12 administrative costs).
- From the population of 116 industry certifications eligible for 2020-21 fiscal year performance funding, examined 25 selected certifications to determine whether the District maintained documentation for student attainment of the industry certifications.

- From the population of childcare fees totaling $528,470 collected at six District schools during the period July 2020 through February 2021, examined District records for selected childcare fees at two District schools totaling $215,101 to evaluate District controls over these fees.
- Reviewed the Board-adopted salary schedules to determine whether a portion of each instructional employee's compensation was based upon performance as required by Section 1012.22(1)(c)4., Florida Statutes.
- From a population of $5.6 million total expenditures for teacher salary increase allocation payments, examined District records supporting payments totaling $125,661 to 30 teachers and the required reports submitted to the FDOE (salary distribution plan and expenditure report) to determine whether the District submitted applicable reports to the FDOE and used the funds in compliance with Section 1011.62(18), Florida Statutes.
- Evaluated District procedures and examined District records to determine whether health insurance was provided only to eligible dependents.
- Examined District records to determine whether the District timely canceled purchasing cards for the 14 cardholders who separated from District employment during the period July 2020 through February 2021.
- From the population of $1.9 million total expenditures for school resource officer services for the period July 1, 2020, through March 10, 2021, examined supporting documentation for selected expenditures totaling $939,223 to determine whether the expenditures were properly supported and District records evidenced that services were satisfactorily received and conformed to contract terms before payment.
- Communicated on an interim basis with applicable officials to ensure the timely resolution of issues involving controls and noncompliance.
- Performed various other auditing procedures, including analytical procedures, as necessary, to accomplish the objectives of the audit.
- Prepared and submitted for management response the findings and recommendations that are included in this report and which describe the matters requiring corrective actions. Management's response is included in this report under the heading ***MANAGEMENT'S RESPONSE***.

AUTHORITY

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



Sherrill F. Norman, CPA
Auditor General

SCHOOL DISTRICT OF OKALOOSA COUNTY

SUPERINTENDENT OF SCHOOLS
MARCUS CHAMBERS

ATTORNEY TO THE BOARD
C. JEFFREY McINNIS

BOARD MEMBERS
TIM BRYANT
LINDA EVANCHYK
MARTI GARDNER
DIANE KELLEY
LAMAR WHITE

September 7, 2021

Ms. Sherrill F. Norman, CPA
Auditor General
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Tallahassee, Florida 32399-1450

RE: Operational Audit Preliminary and Tentative Audit Findings and Recommendations for the Fiscal Year Ended June 30, 2021

Dear Ms. Norman,

On August 30, 2021, the District received the preliminary and tentative audit findings and recommendations for the operational audit performed by your office for the fiscal year ended June 30, 2021. Per your request, we are providing the following responses to the audit findings.

Finding #1 – District school safety policies and procedures need improvement to ensure and demonstrate compliance with State law.

- The District has an established process in place for schools to submit written documentation to the Office of Safe Schools after the completion of each safety drill.
  - In one of the schools sampled by the auditor, the school administrator mistakenly counted bomb drills conducted each semester as also satisfying lockdown drills and fire drills. That mistake has been corrected.
  - In two other schools, the required lockdown and fire drill was missed in one month of the year due in part to administrator absence as a result of COVID-19.
  - Corrective action has been taken to ensure monthly review of required drills and immediate notification to schools of a missing drill so that it can be scheduled.
- With respect to charter schools, the district obtained written notification of compliance with all statutory requirements for school safety from each charter school principal and board. As a result of the audit, the district will now require monthly documentation from each charter school that verifies required safety drills are conducted and will schedule site visits once per semester to address any concerns.
- The Deputy Superintendent will review documentation of drills with the Safe Schools Specialist monthly to verify accuracy and compliance.
- The School District will work closely with the Sheriff's Office to collect documentation that all School Resource Officers have received crisis training.

Finding #2 – District records did not evidence that all students were provided the minimum 5 hours of annual mental health awareness and assistance instruction required by State Board of Education rules.

- A monthly calendar has been created for both Middle and High School outlining the required 5 hours of instruction in mental health awareness.
- An administrator at each school has been designated to monitor the implementation of instruction in mental health awareness.
- A designee at the District level will coordinate with each school administrator to verify implementation.

School District of Okaloosa County
Auditor General – State of Florida
Operational Audit Preliminary and Tentative Audit Findings and Recommendations for FYE June 30, 2021
August 30, 2021

Finding #3 – Some unnecessary information technology user access privileges continued to exist increasing the risk that unauthorized disclosure of sensitive personal information may occur.

- Access to SSNs was addressed following the last audit and was removed from standard user profiles in our AS400 database. Since that time, SSN access has been requested by site administrators for new users at their school sites who, while needing SSNs in the course of their job, did not have a significant and ongoing need to access SSNs.
- The District has implemented a second layer of authority when SSN access is requested to ensure that only those who have a significant and recurring need within their job responsibilities be given SSN access. The site administrator will be required to provide rationale for each SSN request.
- IT has already addressed this audit finding by eliminating user access to SSN for 269 users.

Should you have any questions or require additional information, please do not hesitate to contact me.

Sincerely,

Marcus D. Chambers
Superintendent

MDC:jap

cc: Tim Bryant, School Board Chairperson
Linda Evanchyk, School Board Member
Marti Gardner, School Board Member
Dr. Diane Kelley, School Board Member
Dr. Lamar White, School Board Member
Julie Perry, Interim Chief Financial Officer