

STATE OF FLORIDA AUDITOR GENERAL

Operational Audit

Report No. 2022-041
November 2021

**DIXIE COUNTY
DISTRICT SCHOOL BOARD**



Sherrill F. Norman, CPA
Auditor General

Board Members and Superintendent

During the 2020-21 fiscal year, Michael A. Thomas served as Superintendent of the Dixie County Schools and the following individuals served as School Board Members:

	<u>District No.</u>
Cheryl Pridgeon from 11-17-20	1
Crystal M. Bush through 11-16-20	1
Charles Farmer	2
Paul Gainey, Vice Chair	3
Timothy Alexander, Chair	4
Lacey Corbin	5

The team leader was John-Paul Ledford, CPA, and the audit was supervised by Glenda K. Hart, 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.

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

FLAuditor.gov

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

State of Florida Auditor General

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

DIXIE COUNTY DISTRICT SCHOOL BOARD

SUMMARY

This operational audit of the Dixie County School District (District) focused on selected District processes and administrative activities and included a follow-up on findings noted in our report No. 2019-060. 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: As similarly noted in our Report No. 2019-060, some unnecessary information technology (IT) user access privileges existed that increased the risk for unauthorized disclosure of sensitive personal information of students to occur.

Finding 3: The Board approved an IT disaster recovery plan and entered an alternate site agreement with another school district for recovery activities to be followed when events interrupt District operations; however, the plan and agreement were not tested to access and run critical applications and processes from the alternate site. A similar finding was noted in our report No. 2019-060.

BACKGROUND

The Dixie 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 Dixie County. The governing body of the District is the Dixie 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 four elementary, middle, and high, schools; sponsored one charter school; and reported 2,097 unweighted full-time equivalent students.

FINDINGS AND RECOMMENDATIONS

Finding 1: School Safety

To provide for proper attention to the health, safety, and welfare of students and District staff, State law¹ requires the Board to formulate and prescribe policies and procedures for emergency drills associated with active shooter and hostage situations and the drills must be conducted at least as often as other emergency drills. Pursuant to the Florida Fire Prevention Code (Fire Code),² fire emergency egress drills must be conducted every month that a facility is in session. For the 2020-21 school year, the State Chief Financial Officer (CFO) provided guidance³ 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,

¹ Section 1006.07(4), Florida Statutes.

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

³ Chief Financial Officer Directive 2020-13, which was prompted by the effects of the COVID-19 pandemic.

the Florida Department of Education (FDOE) directed school district 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.

To further provide for the protection and safety of students and staff, the Board and Superintendent are required, pursuant to State law,⁴ to partner with local law enforcement agencies to establish or assign one or more safe-school officers, such as school resource officers (SROs) at each school facility. SROs must be certified law enforcement officers and, among other things, complete mental health crisis intervention training using a curriculum developed by a national organization with expertise in mental health crisis intervention.

Board policies⁵ require the District to develop a School Safety Plan (Plan) that provides procedures for emergency evacuation drills, including active shooter and hostage situations and fire emergency drills, and is formulated in consultation with the appropriate public safety agencies. Board policies⁶ also require principals to conduct drills in accordance with State Board of Education rules and submit a report of each drill to the District Office.

To determine whether, during the 8-month period August 2020 through March 2021, each District and District-sponsored charter school conducted the 16 required emergency drills (8 active shooter and hostage situation emergency drills and 8 fire emergency drills), we requested for examination support for all 80 required emergency drills for all five (4 District and 1 charter) schools. For the 4 District schools, we found that the conduct of 1 active shooter and hostage situation drills and 3 fire drills was not supported. Also, while District records evidenced the conduct of safety education instead of physical egress drills for 3 active shooter and hostage situation drills and 2 fire drills, the safety education was conducted prior to active physical drills, contrary to CFO guidance permitting safety education only after the conduct of 4 active physical egress drills. Consequently, for the 4 District schools, District records did not demonstrate the conduct of 4 (13 percent) of the 32 active shooter and hostage situation drills and 5 (16 percent) of the 32 fire emergency drills. Notwithstanding the value of safety education, the physical conduct of emergency drills was required before safety education could replace drills. In response to our inquiries, District personnel indicated that, due to oversight, some drill reports were not completed and submitted to the District Office and District personnel misinterpreted the CFO guidance relating to replacing safety education with physical drills.

In addition, District records did not initially demonstrate any emergency drills were conducted at the charter school. Subsequent to our inquiries, District personnel contacted the charter school to obtain emergency drill records and we were provided two versions of a drill log prepared by the charter school,⁷ including an initial log and another log that was modified subsequent to our initial inquiry to change dates and add additional drills not noted on the initial drill log. However, absent the required drill reports to support the conduct and results of drills, the logs provide limited assurance that required safety drills were conducted as required.

⁴ Section 1006.12(1) and (3), Florida Statutes.

⁵ Board Policy 3.06 – *Safe and Secure Schools*.

⁶ Board Policy 8.04 – *Emergency Evacuation Drills*.

⁷ The charter school drill log contained a date, type of drill, time of drill, and principal's initials.

The Board contracted with a local law enforcement agency to provide an SRO at each of the four District schools and the charter school contracted with another local law enforcement agency. We noted that the contracts did not explicitly require documented assurance that 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 that SROs completed the required crisis intervention training. According to District personnel, the District relied on the law enforcement agencies to ensure that SROs met State requirements. However, absent District records demonstrating timely verification of the required crisis intervention training for SROs, the District has limited assurance that SROs are trained to properly avert, or intervene during, school crises. District personnel indicated that, subsequent to our inquiry, the District provided the four SROs assigned to District schools the required crisis intervention training in June 2021. Also, District personnel subsequently obtained and provided to us confirmation that the SRO assigned to the charter school had completed the required crisis intervention training.

Absent effective procedures to require and ensure monthly active shooter and hostage situation and fire emergency drills are conducted, and documented verification of SRO mental health crisis intervention training, the District cannot demonstrate compliance with State law and the Fire Code or that 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 efforts should ensure contracts contain provisions that require law enforcement agencies to provide documented assurance that SROs have completed required mental health crisis intervention training. In addition, the efforts should include ensuring and documenting that, for each month school is in session, District schools and the District-sponsored charter school conduct the required active shooter and hostage situation and fire emergency drills. In addition, the District should establish procedures to require and maintain documented verifications that SROs receive the required crisis intervention training.

Finding 2: Information Technology User Access Privileges – Sensitive Personal Information

The Legislature has recognized in State law⁸ 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 information technology (IT) user access privileges to help prevent individuals from accessing sensitive personal information inconsistent with their responsibilities. Board policies⁹ and District procedures allow designated District school personnel access to student records to perform administrative, supervisory, or instructional responsibilities that serve a legitimate educational purpose in accordance with applicable requirements in State law, State Board of Education rules, and Federal laws and District employees are required to certify that they will comply with these requirements.

⁸ Section 119.071(5)(a), Florida Statutes.

⁹ Board Policy 5.19 – Student Records.

The District management information system (MIS), which receives IT, software hosting, and application support by the North East Florida Educational Consortium (NEFEC),¹⁰ provides for student records data processing and the District maintains current and former student information, including SSNs, in the District MIS. Student SSNs are included in the student records maintained within the District MIS to, for example, register newly enrolled students and transmit that information to the FDOE through a secure-file procedure and to provide student transcripts to colleges, universities, and potential employers based on authorized requests.

While MIS controls, including documented periodic evaluations of employee access to the SSN field, were in place to generally limit access to the student SSN field to those employees who require it to perform their job duties, our examination of information contained in the MIS disclosed that student SSNs were stored in three additional student identification fields for 11,805 former and 1,607 current District students. We evaluated the access privileges of 51 individuals who had access to the three fields and noted 31 employees, such as teachers, school principals, and 8 contract workers, who did not require access to student SSNs to perform their job duties.

In response to our inquiry, District personnel indicated that the periodic evaluation of employee and contract worker access to student SSNs did not identify the unnecessary access because District personnel were unaware that the three fields contained SSN information. 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. A finding related to unnecessary access to student SSNs was also noted in our report No. 2019-060.

Recommendation: District personnel should consult with NEFEC regarding actions to prevent unnecessary access to the SSNs stored in the three additional student identification District MIS fields then ensure appropriate actions are promptly taken to prevent such access.

Finding 3: Information Technology – Disaster Recovery Plan

An important element of an effective internal control system over information technology (IT) operations is a disaster recovery plan to help minimize data and asset loss in the event of a major hardware or software failure. A disaster recovery plan should identify key recovery personnel and critical applications, provide for backups of critical data sets, and provide a step-by-step plan for recovery. In addition, plan elements should be tested periodically to disclose any areas not addressed and to facilitate proper conduct in an actual disruption of IT operations.

The District obtains certain IT services, such as financial, payroll, and other critical applications from NEFEC. NEFEC developed an IT disaster recovery plan whereby member districts agreed to serve as alternate-processing sites for each other in the event of a disaster that interrupts critical IT operations. In addition, the Board-established comprehensive disaster recovery plan assigns responsibilities for recovery activities to key employees and backup personnel, prioritizes critical operations and data, and details the specific procedures to be followed when NEFEC is inoperable or other events interrupt District

¹⁰ NEFEC provides student records data processing services for the District and maintains student information, including student SSNs, in the District MIS.

operations and affect the recovery and restoration of financial, payroll, and other critical applications. The Board also entered an alternate site agreement with another NEFEC school district. However, due to changes in personnel and the impact of the COVID-19 pandemic on school operations, District personnel had not tested their ability to access and run critical applications and processes from the alternate site in the event of a disaster.

The lack of annual testing of the IT disaster recovery plan and alternate site agreement may hinder District efforts to minimize the impact of, and timely recover from, a disaster or a disruption of operations. Similar findings were noted in previous audit reports, most recently in our report No. 2019-060.

Recommendation: The District should test the IT disaster recovery plan and alternate site agreement annually and document the evaluation of the test results.

PRIOR AUDIT FOLLOW-UP

The District had taken corrective actions for findings included in our report No. 2019-060 except as noted in Findings 2 and 3 and shown in Table 1.

Table 1
Findings Also Noted in Previous Audit Reports

Finding	2017-18 Fiscal Year	2014-15 Fiscal Year
	Audit Report	Audit Report
	No. 2019-060, Finding	No. 2016-094, Finding
2	5	Not Applicable
3	6	5

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 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, school safety, fiscal transparency, compensation, other expenses, and other 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. 2019-060.
- 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, 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, systems development and maintenance, network configuration management, system backups, and disaster recovery.

- Evaluated District procedures for maintaining and reviewing employee access to IT data and resources. We examined selected access privileges to District enterprise resource planning (ERP) system finance and human resources (HR) applications to determine the appropriateness and necessity of the access based on employees' job duties and user account functions and whether the access prevented the performance of incompatible duties. We also examined the administrator account access privileges granted and procedures for oversight of administrative accounts for the network and applications to determine whether these accounts had been appropriately assigned and managed. Specifically, we:
 - Tested update access privileges to selected critical ERP systems for finance and HR application functions resulting in the review of the appropriateness of access privileges granted for 30 of the 38 accounts.
 - Evaluated the super user system group that allows complete access to network resources resulting in the review of the appropriateness of administrator access privileges granted to the 5 accounts for the network.
- Evaluated District procedures to prohibit former employee access to electronic data files. We also reviewed user access privileges for the 35 employees who separated from District employment during the period July 2020 through March 2021 to determine whether access privileges had been timely deactivated.
- Evaluated District procedures for protecting the sensitive personal information of students, including social security numbers. We examined the access privileges of all 51 individuals who had access to sensitive personal student information to evaluate the appropriateness and necessity of the access privileges based on the employee's assigned job responsibilities.
- Determined whether a comprehensive IT disaster recovery plan was in place, designed properly, operating effectively, and had been recently tested.
- Evaluated the adequacy of District procedures related to security incident response and reporting.
- Evaluated the physical access and environmental controls at the District data center to determine whether vulnerabilities existed.
- Examined supporting documentation for the 77 workforce education program fund expenditures totaling \$28,867 during the period July 2020 through March 2021 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 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 the Web site contained the required graphical representations, for each public school within the District and for the District, of summary financial efficiency data and fiscal trend information for the previous 3 years, and a link to the Web-based fiscal transparency tool developed by the Florida Department of Education (FDOE).
- From the compensation payments totaling \$12.4 million to 449 employees during the period July 1, 2020, through April 16, 2021, examined District records supporting compensation payments totaling \$46,384 to 30 selected employees to determine the accuracy of the rate of pay and whether supervisory personnel reviewed and approved employee reports of time worked.
- Examined District records supporting teacher salary increase allocation payments totaling \$346,287 to the 132 teachers and other instructional personnel 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.

- Examined District records for the period July 2020 through April 16, 2021, for 30 employees and 18 contractor workers selected from the population of 485 employees and 18 contractor workers to assess whether individuals who had direct contact with students were subjected to the required fingerprinting and background screening.
- Evaluated the effectiveness of Board policies and District procedures for ethical conduct for instructional personnel and school administrators, including reporting responsibilities related to employee misconduct which affects the health, safety, or welfare of a student, to determine the sufficiency of those policies and procedures to ensure compliance with Section 1001.42(6), Florida Statutes.
- 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, 1006.13, 1011.62(15) and (16), and 1012.584, Florida Statutes.
- Examined District records to determine whether the Board had 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 (SBE) Rule 6A-1.094124, Florida Administrative Code.
- 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 \$6 million for the period July 1, 2020, through April 16, 2021, we evaluated documentation supporting 30 selected payments for general expenditures totaling \$166,318.
- From the population of payments totaling \$1.7 million for 68 contracted services for the period July 1, 2020, through April 16, 2021, examined supporting documentation, including the contract documents, for 30 selected payments totaling \$107,200 related to 30 contracts to determine whether:
 - The District complied with applicable competitive selection requirements (e.g., SBE Rule 6A-1.012, Florida Administrative Code).
 - The contracts clearly specified deliverables, time frames, documentation requirements, and compensation.
 - District records evidenced that services were satisfactorily received and conformed to contract terms before payment.
 - The payments complied with contract provisions.
- 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

DIXIE DISTRICT SCHOOLS

16077 NE 19 Highway
Cross City, Florida 32628-0890
Phone (352) 498-6131
FAX (352) 498-1308
Mike Thomas, Superintendent
www.dixie.k12.fl.us

Our schools will provide a quality learning environment by providing opportunities through educational planning and community partnerships that ensures student success.

Chairman of Board
Timothy Alexander
Vice Chairman of Board
Paul Gainey



Board Members
Lacey Corbin
Chuck Farmer
Cheryl Pridgeon

October 26, 2021

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

Dear Ms. Norman:

Pursuant to Section 11.45(4)(d), Florida Statutes, we are required to submit to you a written statement of explanation concerning all the findings, including our actual and proposed corrective actions. Below is our response to the preliminary and tentative audit findings and recommendations in your operational audit for fiscal year ended June 30, 2021.

Finding Number 1: School Safety Policies and Procedures. District Response: The district has taken immediate action to update the Memorandum of Understanding with the Dixie County Sheriff's Office to include the mental health requirements as well as all statutory SRO criteria and ensuring that all SROs are certified police officers. Dixie District Schools and its charter school will conduct active shooter/hostage situation drills and emergency fire drills with the required monthly documentation. The contact for this is Jerry W. Evans, Director of Safety, Facilities, and Special Projects.

Finding Number 2: Information Technology-User Access Privileges. District Response: Dixie District Schools reviewed and updated all security groups in Skyward to ensure that only designated personnel have access to key fields (Other ID, Student Number Alias, Student Number ID). The contact for this is Karen Ganus, Director of Elementary and Secondary Education.

Finding Number 3: Information Technology-Disaster Recovery Plan. District Response: Dixie District Schools will test the IT disaster recovery plan and alternate site agreement annually and document the evaluation of the test results. The contact for this is Karen Ganus, Director of Elementary and Secondary Education.

Respectfully,

Mike Thomas, Superintendent
Dixie District Schools

No person shall on the basis of race, color, religion, gender, age, marital status, sexual orientation, disability, political or religious beliefs, national or ethnic origin, or genetic information, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity, or in any employment conditions or practices conducted by the School District, except as provided by law.