

STATE OF FLORIDA AUDITOR GENERAL

Operational Audit

Report No. 2022-081
January 2022

**CLAY COUNTY
DISTRICT SCHOOL BOARD**



Sherrill F. Norman, CPA
Auditor General

Board Members and Superintendent

During the 2020-21 fiscal year, David S. Broskie, served as Superintendent of the Clay County Schools and the following individuals served as School Board Members:

	<u>District No.</u>
Janice A. Kerekes	1
Beth Clark from 11-17-20	2
Carol Y. Studdard, Chair through 11-16-20	2
Tina Bullock	3
Mary S. Bolla, Chair from 11-17-20, Vice Chair through 11-16-20	4
Ashley Gilhousen, Vice Chair from 11-17-20	5

The team leader was Sue Granger, and the audit was supervised by Dennis W. Gay, 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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CLAY COUNTY DISTRICT SCHOOL BOARD

SUMMARY

This operational audit of the Clay County School District (District) focused on selected District processes and administrative activities and included a follow-up on findings noted in our report No. 2019-115. 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: Contrary to State law, the District did not always provide required youth mental health awareness and assistance training to school personnel.

Finding 3: The District did not timely comply with State law requiring the District to post on its Web site graphical representations of summary financial efficiency data and fiscal trend information.

Finding 4: District controls over contracted services and related payments could be enhanced.

Finding 5: As similarly noted in our report No. 2019-115, District controls over timely canceling purchasing cards after cardholders separate from District employment could be improved.

Finding 6: The District did not timely remove the information technology access privileges of some former employees. A similar finding was noted in our report No. 2019-115.

Finding 7: District security controls related to data loss prevention continue to need enhancement.

BACKGROUND

The Clay 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 Clay County. The governing body of the District is the Clay 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 42 elementary, middle, high, alternative, and virtual schools; sponsored 3 charter schools; and reported 37,787 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

¹ Section 1006.07(4), Florida Statutes.

emergency drills. Pursuant to the Florida Fire Protection Code (Fire Code),² fire emergency drills must generally be conducted every month 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, the Florida Department of Education 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.

Our review of District procedures disclosed that emergency drills or fire safety education sessions were required to be performed and documented on a 2020-21 Emergency Drills Report Form (emergency report) and completed forms were to be electronically submitted to the School Safety Specialist. The District required each school to conduct an active shooter and hostage situation drill for each month schools were in session during the 2020-21 school year. However, fire emergency drills or fire safety education sessions were only required for 7 of those months.

As part of our audit, we requested for examination the 774 emergency reports for all District and charter schools during the 9-month period August 2020 through April 2021 (reports for the 9 active shooter and hostage situation emergency drills and 9 fire emergency drills or safety education sessions at each of the 41 District schools and 2 charter schools).⁴ However, District records did not include emergency reports for 95 (25 percent) of the 387 active shooter emergency drills and 136 (35 percent) of the 387 fire emergency drills and safety education sessions. In response to our inquiries, District personnel indicated that the District did not monitor emergency drill reports on a regular basis to ensure compliance with the required number of drills or safety education sessions. In addition, the Emergency Drills Report Form was updated to ensure the required number of drills are conducted for the 2021-22 school year.

Absent effective policies and procedures to ensure that required active shooter and hostage situation and fire emergency drills are timely conducted, or allowable alternative fire safety education sessions provided, 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 demonstrate compliance with State school safety laws. Such enhancements should include documented verification that, for each month school is in session, District and charter schools conduct both active shooter and hostage situation and fire emergency drills.

Finding 2: Mental Health Care Services

State law⁵ requires the District to designate a school safety specialist to ensure that all District school personnel receive youth mental health awareness and assistance training. Pursuant to State law,⁶ the District received a mental health assistance allocation totaling \$1,370,428 for the 2020-21 fiscal year to establish or expand school-based mental health care services and related training.

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 COVID-19 pandemic.

⁴ One District school and 2 charter schools conducted classes virtually and required no emergency drills.

⁵ Section 1012.584, Florida Statutes.

⁶ Section 1011.62(16), Florida Statutes.

Our discussions with District personnel and examination of District records disclosed that the District had designated a school safety specialist; however, established procedures were not always effective to ensure that the District complied with statutory mental health training requirements. Specifically, we examined District records for District school employees and found that, as of April 30, 2021, only 1,674 (59 percent) of the 2,835 District school employees had completed the youth mental health awareness and assistance training.

In response to our inquiry, District personnel indicated that training of all school personnel is an ongoing process and they are gradually working toward training all employees. In addition, the District will be collaborating with the Director of Safety and the Human Resources and Professional Development Departments to evaluate the training process. The District's intent is to include mental health training as part of the on-boarding process for new hires and to schedule this training throughout the year along with other required training.

Youth mental health awareness and assistance training helps school personnel identify and understand the signs of emotional disturbance, mental illness, and substance use disorders and provides such personnel with the skills to help a person who is developing or experiencing an emotional disturbance, mental health, or substance use problem. Without the required training, a mental health services need may not be timely identified and appropriately met and, absent documentation evidencing such training for all District personnel, the District cannot demonstrate compliance with State law. In addition, documented training enhances public awareness of District efforts to provide essential services.

Recommendation: The District should enhance procedures to ensure that, pursuant to State law, all District school personnel receive youth mental health awareness and assistance training.

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 certain 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 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.

At the time of our review in June 2021, the Web site lacked the graphical representations required by State law. In response to our inquiry, District personnel indicated that they were consulting with other school districts to determine how the District Information and Technology Services Department could provide the required information on the District Web site. Subsequent to our inquiry, in July 2021 the

⁷ Section 1011.035(2), Florida Statutes.

District updated its Web site to include the graphical representations of summary efficiency data and fiscal trend information for the previous 3 years.

Providing the required financial efficiency data and fiscal trend information in a timely manner enhances citizen involvement and the ability to analyze, monitor, and evaluate fiscal outcomes.

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

Finding 4: Contracted Services

Effective contract management requires and ensures that contract provisions establish required service dates and costs and that records are maintained to evidence satisfactory receipt of contracted services by personnel with direct knowledge of the services before payments are made. For the period July 2020 through February 2021, the District paid \$5.3 million for various contracted services related to 122 contracts. To determine the propriety of these payments, we examined District records supporting 30 selected payments totaling \$341,931 related to 27 contracts. We found that the District had designed and implemented internal controls that generally ensure payments are consistent with contract terms and conditions; however, District controls for monitoring staff development training services could be enhanced.

Specifically, we found that in September 2020 the Board contracted with a vendor to provide 30 sessions of professional development training, coaching, and modeling to personnel at various schools at a price of \$1,500 per session, or a total cost of \$45,000. However, the contract did not establish service dates and, in response to our request, District personnel could only provide documentation that the vendor scheduled 18 sessions instead of the 30 contracted sessions. The vendor invoiced the District in October 2020 for all 30 contracted sessions and the District paid the invoice in November 2020; however, although we requested, District records were not provided to support that any of the scheduled sessions actually occurred. In addition, 12 sessions were never scheduled, and District personnel and the vendor concurred that the 12 sessions never occurred. As a result, the vendor was overpaid \$18,000.

District personnel indicated that, because of unforeseen circumstances, all training sessions could not be completed, and the vendor established a credit for the 2021-22 fiscal year for the \$18,000 overpayment and planned to apply the credit to schools for other services. District personnel also indicated that, for the 2021-22 fiscal year, any professional development sessions would be invoiced separately to avoid payments before services are provided.

Without effective procedures requiring and ensuring that contract provisions establish service dates and costs and for documenting satisfactory receipt of goods and services prior to payment, there is an increased risk that services received may not be consistent with the Board's expectations and any overpayments that occur may not be timely detected or recovered.

Recommendation: The District should enhance procedures to require and ensure that contract provisions establish required service dates and costs, records evidence satisfactory receipt of contracted services by personnel with direct knowledge of the services before payments are made, and any vendor overpayments are promptly detected and recovered.

Finding 5: Purchasing Cards

The District uses purchasing cards (P-cards) to expedite the purchase of selected goods and services when purchase orders are not accepted by a vendor or when there are financial savings to the Board. Purchases made with P-cards are subject to requirements outlined by a signed cardholder agreement, as well as additional requirements set by the State Board of Education (SBE) rules⁸ and Board purchasing policies.⁹ The cardholder agreement specifies that cardholders who separate from District employment are to surrender their P-card upon termination and that no further use of the card is authorized. The District P-card Administrator is responsible for canceling P-cards for cardholders who separate from District employment.

For the period July 1, 2018, through June 3, 2021, the District incurred P-card expenditures totaling \$2 million using 133 P-cards. To determine whether the District promptly canceled applicable P-cards, we examined District records for the 25 cardholders who separated from District employment during the period July 2018 through June 2021. We found that the District did not cancel the P-cards for 21 of the 25 former employees until 9 to 366 days, or an average of 44 days, after the cardholders' employment separation dates. District personnel indicated that the untimely P-card cancellations occurred because no one, other than cardholders separating from District employment, was required to promptly notify the Program Administrator of the employment separations.

While our examination of P-card activity for employees who separated from District employment during the 2020-21 fiscal year did not disclose any charges that were not for District purposes and the financial institution that administers the P-card program allows the District 60 days to dispute charges, untimely cancellation of P-card privileges increases the risk that such privileges could be misused by former employees or others and may limit the District's ability to satisfactorily resolve disputed charges. A similar finding was noted in our report No. 2019-115.

Recommendation: The District should establish procedures to ensure that P-card privileges are timely canceled upon a cardholder's separation from District employment. Such procedures should require District employees, other than the applicable cardholders, to promptly notify the Program Administrator of cardholder employment separations.

Finding 6: Information Technology Timely Deactivation of User Access Privileges

Effective management of IT user access privileges includes the timely deactivation of IT access privileges when an employee is reassigned or separates from employment. Prompt action is necessary to ensure that the access privileges are not misused by former employees or others to compromise data or IT resources.

According to District personnel, an automated process is used to remove employee access to District IT resources. As soon as Human Resource (HR) Department personnel enter employee separation information into the District IT system, the individuals are restricted from accessing all District

⁸ SBE Rule 6A-1.012, Florida Administrative Code.

⁹ Board Policy 5.02, *General Policies of Purchasing*.

applications, including business applications, and may only access their pay stubs and related Federal tax information for 60 days.

During the period July 1, 2020, through April 14, 2021, 353 employees separated from District employment. As part of our audit, we compared the employment separation dates of 30 selected employees to District records supporting the dates their access to District applications was deactivated. We found that the District did not disable 8 employees' business application access until 2 to 60 days, or an average of 29 days, after the employees' separation dates. Unnecessary access privileges increase the risk that unauthorized disclosure, modification, or destruction of District data may occur and not be timely detected.

In response to our inquiries, District personnel indicated that the deactivation delays occurred primarily because District departments do not always promptly notify the HR Department when an employee separated from employment. Although our procedures did not identify any misuse of District IT resources as a result of the untimely deactivations, without timely removal of access privileges, the risk is increased that access privileges may be misused by former employees or others. A similar finding was noted in our report No. 2019-115.

Recommendation: The District should enhance procedures to ensure that employee separation dates are promptly deactivated upon a user's separation from District employment. Such enhancements should require and ensure that employee separation dates are promptly communicated to the HR Department.

Finding 7: Information Technology – Data Loss Prevention Security Controls

Effective data loss prevention helps ensure protection from unauthorized disclosure through the establishment of procedures to identify and classify confidential and sensitive data, locate the storage and pathways of confidential and sensitive data, and monitor the use and transmission of confidential and sensitive data. While the District drafted an Information Technologies Incident Response Plan and Procedures document outlining procedures to undertake in the event of data security breaches, unauthorized account activity, or denial of service attack, the District had not established a data loss prevention program or comprehensive policies and procedures for the monitoring of confidential or sensitive data transmission. Significant IT personnel turnover, including three different IT Directors since the 2016 calendar year, was a contributing factor for the lack of the data loss prevention program and comprehensive policies and procedures.

Without a comprehensive data loss prevention program, including the identification of data stores and policies and procedures for monitoring the storage and transmission of confidential and sensitive data, the risk is increased that confidential and sensitive data in the District's custody may be disclosed to unauthorized individuals. Similar findings were communicated to District management in connection with our report Nos. 2017-069 and 2019-115.

Recommendation: The District should establish a data loss prevention program that includes identification of data stores and comprehensive policies and procedures for monitoring the storage and transmission of confidential and sensitive data.

PRIOR AUDIT FOLLOW-UP

The District had taken corrective actions for findings included in our report No. 2019-115 except as noted in Findings 5, 6, and 7 shown in Table 1.

Table 1
Findings Also Noted in Previous Audit Reports

Finding	2018-19 Fiscal Year	2015-16 Fiscal Year
	Operational Audit Report No. 2019-115, Finding	Operational Audit Report No. 2017-069, Finding
5	9	Not Applicable
6	11	Not Applicable
7	13	8

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 October 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, public meetings and communications, school safety, fiscal transparency, compensation, construction, 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. 2019-115.
- 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, system backups, and disaster recovery.
- Evaluated District procedures for maintaining and reviewing employee access to IT data and resources. From the population of 374 employees, we examined District records supporting 23 selected employees' access privileges to District enterprise resource planning system (ERP) finance application and 7 selected employees' access privileges to the ERP human resources application 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 of students, including social security numbers. Specifically, for the 89 individuals who had access to sensitive personal student information, we evaluated the appropriateness and necessity of the access privileges based on the individual's assigned job responsibilities.

- Evaluated District procedures to prohibit former employee access to electronic data files. Specifically, we reviewed selected user access privileges for 30 of the 353 employees who separated from District employment during the period July 1, 2020, through April 14, 2021, to determine whether the access privileges were timely deactivated.
- Evaluated Board security policies and District procedures governing the classification, management, and protection of sensitive and confidential information.
- Determined whether the District had a comprehensive IT disaster recovery plan in place that was designed properly, operating effectively, and had been recently tested.
- Examined selected operating system, database, network, and application security settings to determine whether authentication controls were configured and enforced in accordance with IT best practices.
- Determined whether the District had established a comprehensive IT risk assessment to document the District risk management and assessment processes and security controls intended to protect the confidentiality, integrity, and availability of data and IT resources.
- 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 population of expenditures totaling \$10.4 million and transfers totaling \$6.1 million during the period July 2020 through May 2021 from nonvoted capital outlay tax levy proceeds, Public Education Capital Outlay funds, and other restricted capital project funds, examined documentation supporting selected expenditures and transfers totaling \$2.9 million and \$3.5 million, respectively, to determine District compliance with the restrictions imposed on the use of these resources, such as compliance with Section 1011.71(2), Florida Statutes.
- From the population of \$461,515 total workforce education program funds expenditures for the audit period, examined District records supporting 12 selected expenditures totaling \$230,966 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 722 reported contact hours for 30 selected students from the population of 12,921 reported contact hours for 229 adult general education instructional students during the Fall 2020 Semester to determine whether the District reported the instructional contact hours in accordance with State Board of Education (SBE) Rule 6A-10.0381, Florida Administrative Code.
- From the compensation payments totaling \$210 million to 5,582 employees during the period of July 2020 through April 2021, examined District records supporting compensation payments totaling \$74,765 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.
- From the population of \$6.7 million total expenditures for salary increase allocation payments for the audit period to 2,593 instructional personnel, examined District records supporting payments totaling \$713,128 to 15 teachers and the reports submitted to the FDOE (salary distribution plan and expenditure report) to determine whether the District submitted required reports to the FDOE and used the funds in compliance with Section 1011.62(18), Florida Statutes.
- 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.

- Evaluated Board policies and District procedures to ensure that health insurance was provided only to eligible employees, retirees, and dependents and that, upon an employee's separation from District employment, insurance benefits were timely canceled as appropriate based on the Board policies. We also determined whether the District had procedures for reconciling health insurance costs to employee, retiree, and Board-approved contributions.
- Examined documentation for the significant construction project in progress during the audit period with construction contractor expenditures totaling \$1.7 million and architect expenditures totaling \$178,041 to determine compliance with Board policies, District procedures, and applicable provisions of State law and rules. Specifically, we examined District records to determine whether:
 - The construction contract was awarded by competitive bids pursuant to Section 1013.45 and 1013.46, Florida Statutes.
 - The architect was properly selected pursuant to Section 287.055, Florida Statutes, and whether the District determined the architect was adequately insured.
 - District procedures for monitoring the ten payments totaling \$1.7 million to the construction contractor and the nine payments totaling \$178,041 to the architect were adequate and payments were sufficiently supported.
 - All change orders were approved by the Board, pursuant to Section 1013.48, Florida Statutes, and Section 4.25(5), *State Requirements for Educational Facilities*.
 - The District had established procedures to provide for final payment only after the project had been inspected by the architect or other person designated by the Board and a certificate of occupancy had been issued indicating that the project had been constructed in accordance with the approved plans, specifications, change orders, and that the Board had accepted the project as satisfactory completed pursuant to Section 1013.50(1), Florida Statutes.
 - The District made use of its sales tax exemption to make direct purchases of materials, or documented its justification for not doing so.
- Examined District records to determine whether the Board had adopted appropriate school safety policies and the District implemented procedures to ensure the health, safety, and welfare of students and compliance with Sections 1006.07, 1006.12, 1006.13, 1011.62(15), 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 SBE Rule 6A-1.094124, Florida Administrative Code.
- Examined District records to determine whether the District timely canceled purchasing cards for the 25 cardholders who separated from District employment during the period July 1, 2018, through June 3, 2021.
- From the population of non-compensation expenditures over \$1,000, totaling \$56 million for the period July 2020 through May 2021, evaluated documentation supporting 30 selected payments for expenditures, totaling \$370,915, to determine whether the 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.
- From the population of expenditures totaling \$5.3 million related to 122 contracts for services during the period July 2020 through February 2021, examined supporting documentation,

including the contract documents, for 30 selected payments totaling \$341,931 related to 27 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.



Sherrill F. Norman, CPA
Auditor General

MANAGEMENT'S RESPONSE



CLAY COUNTY DISTRICT SCHOOLS

900 WALNUT STREET, GREEN COVE SPRINGS, FL 32043

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SUPERINTENDENT OF SCHOOLS

David S. Broskie

BOARD MEMBERS:

Janice Kerekes, District 1
Mary Bolla, District 2
Beth Clark, District 3
Tina Bullock, District 4
Ashley Gilhousen, District 5

January 3, 2022

Sherrill F. Norman, CPA
Office of the Auditor General
111 West Madison Street, Suite G74
Tallahassee, FL 32399-1450

Dear Ms. Norman:

Please accept the following written statements of explanation concerning the preliminary and tentative audit findings and recommendations dated December 2, 2021. Please note that corrective measures have been taken to incorporate processes to prevent a repeat of these comments.

I want to express our appreciation to the Auditor General's staff for the professional and courteous manner they conducted the Operational Program audit.

Should additional information be needed, please contact Dr. Susan M. Legutko, Assistant Superintendent for Business Affairs, at (904)336-6721 or via e-mail at Susan.Legutko@myoneclay.net.

We look forward to the release of the final audit report.

Respectfully,

David Broskie, Superintendent
Clay County District Schools

Cc: Dr. Susan M. Legutko, Assistant Superintendent Business Affairs

DISCOVERING ENDLESS POSSIBILITIES

Clay County District Schools is an Equal Opportunity Employer

Finding No. 1: District school safety policies and procedures need improvement to ensure and demonstrate compliance with State law.

District Response: The District concurs with this finding and has developed policies and procedures to demonstrate compliance with State law.

Finding No. 2: Contrary to State law, the District did not always provide required youth mental health awareness and assistance training to school personnel.

District Response: The District concurs and has developed a plan to complete the required training District-wide.

Finding No. 3: The District did not timely comply with State law requiring the District to post on its Web site graphical representations of summary financial efficiency data and fiscal trend information.

District Response: The District concurs and has updated the school district's website with the graphical representations of summary financial efficiency data and fiscal trend information prior to the release of the Preliminary and Tentative Findings.

Finding No. 4: District controls over contracted services and related payments could be enhanced.

District Response: The District concurs with this finding and has developed a plan to ensure the appropriate documents (i.e., purchase orders) are in place before processing any payments to our vendors.

Finding No. 5: As similarly noted in our report No. 2019-115, District controls over timely canceling purchasing cards after cardholders separate from District employment could be improved.

District Response: The District concurs with this finding and has developed a plan to ensure the timely canceling of purchasing cards after cardholders separate from District employment.

Finding No. 6: The District did not timely remove the information technology access privileges of some former employees. A similar finding was noted in our report No. 2019-115.

District Response: The District concurs with this finding and has developed a procedure to ensure timely deactivation of former employees' access privileges.

Finding No. 7: District security controls related to data loss prevention continue to need enhancement.

District Response: The District concurs with this finding and continues to enhance our security controls related to user authentication and data loss prevention.