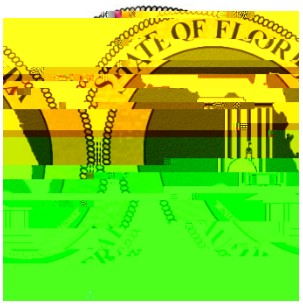
Report No. 2023-084
January 2023

DUVAL COUNTY
DISTRICT SCHOOL BOARD



Sherrill F. Norman, CPA
Auditor General

Board Members and Superintendent

During the 2021-22 fiscal year, Dr. Diana Greene served as Superintendent of the Duval County Schools and the following individuals served as School Board Members:

	District No.
Dr. Kelly Coker, Vice Chair from 11-16-21	1
Elizabeth Andersen, Chair through 11-15-21	2
Cindy Pearson	3
Darryl Willie, Chair from 11-16-21, Vice Chair through 11-15-21	4
Warren A. Jones	5
Charlotte D. Joyce	6
Lori Hershey	7

The team leader was Donald D. Hemmingway, CPA, 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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As part of our audit, we extended our procedures to perform a search of the names of 30 selected volunteers against the NSOPW database and none of those volunteers were listed as a sexual predator or sexual offender. However, our limited procedures cannot substitute for management's responsibility to ensure that the District schools perform the appropriate NSOPW searches of all volunteer names and information in accordance with State law. Absent effective controls to ensure that searches of the names of prospective volunteers are performed in accordance with State law, there is an increased risk that volunteers with unsuitable backgrounds may have direct contact with students.

Recommendation: For those school volunteers not subjected to level 2 background screenings, the District should take immediate action to search the volunteers' names or other identifying information against the NSOPW registration information and make appropriate decisions based on the search results. In addition, Board policies should be revised to require that, before making a decision to appoint a person who has not obtained a level 2 background screening to work as a volunteer where children regularly congregate, a search of that person's name or other identifying information be conducted against the NSOPW information and records be maintained to evidence the results of the search.

Finding 3: Minutes of Board Meetings

State law[6] requires the District to promptly record the minutes of all Board meetings and make such records open to public inspection. In addition, State law[7] requires the District to keep such minutes as necessary to set forth clearly all actions and proceedings of the Board and that the minutes be reviewed, corrected if necessary, and approved at the next regular meeting.

As part of our audit, we examined District records for the period July 2021 through April 2022 supporting minutes of Board meetings and Board approval of those minutes. We found that the Board did not approve the minutes for:

- 6 of the 10 regular Board meetings until 22 to 91 days (average of 53 days) after the next regular meeting.
- 52 of the 78 workshop and special meetings until 22 to 119 days (average of 51 days) after the next regular meeting.

In response to our inquiry, District personnel indicated that, because of employee turnover and lack of training, the District did not always promptly record and submit the minutes to the Board for approval. Without minutes promptly recorded and Board approved at the next regular meeting, District records did not demonstrate compliance with State law and public access to records supporting Board actions is limited.

Recommendation: The District should enhance procedures, including appropriate training, to ensure that minutes of Board meetings are promptly recorded and submitted to the Board for approval, and approved by the Board at the next regular meeting.

[6] Section 286.011(2), Florida Statutes.
[7] Section 1001.42(1), Florida Statutes.

Finding 4: Information Technology – User Access Privileges to Sensitive Personal Student Information

The Legislature has recognized in State law[8] 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 policies[9] allow designated school officials and personnel access to student records for which they have legitimate educational interests.

The District student information system (SIS) provides for student records data processing and the District maintains current and former student information, including SSNs, in the District SIS. Student SSNs are maintained within the District SIS to, for example, register newly enrolled students and transmit that information to the Florida Department of Education through a secure-file procedure and to facilitate proper processing of student scholarship applications. IT user access privileges in the District SIS are controlled by security profiles based on the employee's job code and are approved by Human Resources personnel before access is granted. District personnel indicated that they perform an annual evaluation of access privileges; however, although we requested, District records were not provided to evidence an evaluation since 2019.

As of May 2022, the District SIS contained SSNs for 160,659 current and 88,508 former District students and 132 employees and 16 SIS vendor employees had access to the SSNs. As part of our audit, we requested District records supporting the propriety of the access privileges and found that 17 employees and 13 vendor employees required the access to perform State enrollment reporting duties. However, 115 employees and 3 SIS vendor employees had unnecessary access privileges for duties primarily related to the Medicaid billing process. According to District personnel, when the process changed in 2021, 112 assistant principals retained access privileges that were no longer needed for their duties. Subsequent to our inquiry, District personnel removed the unnecessary access of the 118 individuals in May 2022.

The existence of unnecessary IT user access privileges and lack of documentation supporting a periodic evaluation 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.

Recommendation: The District should continue efforts to ensure that only those employees who have a demonstrated need to access sensitive personal information, including student SSNs, have such access. Such efforts should include documented periodic evaluations of user access privileges to ensure that the privileges are granted only to those users whose job duties require such access.

[8] Section 119.071(5)(a), Florida Statutes.
[9] Board Policy 5.70, *Student Records*.

PRIOR AUDIT FOLLOW-UP

The District had taken corrective actions for findings included in our report No. 2020-134.

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 acc

controls significant to our audit objectives; exercising professional judgment in considering significance and audit risk in the design and execution of the research, interviews, tests, analyses, and other procedures included in the audit methodology; obtaining reasonable assurance of the overall sufficiency and appropriateness of the evidence gathered in support of our audit findings and conclusions; and reporting on the results of the audit as required by governing laws and auditing standards.

Our audit included the selection and examination of transactions and records, as well as events and conditions, occurring during the 2021-22 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 and the related requirements.
- Reviewed Board information technology (IT) policies and District procedures to determine whether the policies and procedures addressed certain important IT control functions, such as security, 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 the 26 user access privileges to District enterprise resource planning system finance and human resources applications to determine the appropriateness and necessity of the access privileges based on employee job duties and user account functions and whether the access privileges prevented the performance of incompatible duties.
- Evaluated District procedures for protecting the sensitive personal information of students, including social security numbers. Specifically, we examined the access privileges of all 148 individuals who had access to sensitive personal student information to evaluate the appropriateness and necessity of the access privileges based on assigned job duties.
- Evaluated District procedures to prohibit former employee access to electronic data files. We also reviewed selected user access privileges for 30 of the 1,617 employees who separated from District employment during the period July 2021 through April 2022 to determine whether access privileges were timely deactivated.
- 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.
- 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.
- Evaluated the adequacy of District procedures related to security incident response and reporting.

- Inquired whether the District made expenditures or entered into any contracts under the authority granted by a state of emergency declared or renewed during the audit period.
- Examined Board meeting minutes for the period July 2021 through April 2022 to determine whether District records evidenced compliance with Sunshine Law requirements (i.e., properly maintained minutes of meetings readily accessible to the public and Board approved at the next regular meeting).
- Examined the District Web site to determine whether the 2021-22 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).
- For the two charter school charters that were not renewed or were terminated in the 2021-22 and 2 preceding fiscal years, evaluated District procedures to determine whether applicable funds and property appropriately reverted to the District and whether the District did not assume debts of the school or center, except as previously agreed upon by the District.
- Evaluated the sufficiency of District procedures to determine whether District charter schools were required to be subjected to an expedited review pursuant to Section 1002.345, Florida Statutes.
- Reviewed organizational charts, audit plans, and audit agendas to determine whether the District employed an internal auditor during the audit period and whether the internal auditor reported directly to the Board or its designee as required by Section 1001.42(12)(l), Florida Statutes, and performed the duties specified in that section. We also determined whether the internal auditor developed audit work plans based on periodic risk assessments considering input from other finance and administrative management.
- Examined District records to determine whether the District established an audit selection committee and followed established procedures for selecting a firm to provide audit services pursuant to Section 218.391, Florida Statutes.
- Examined District records to determine whether required internal funds audits for the 2021-22 and 2 preceding fiscal years were timely performed pursuant to SBE Rule 6A-1.087, Florida Administrative Code, and Chapter 8 – School Internal Funds, *Financial and Program Cost Accounting and Reporting for Florida Schools* (Red Book), and whether the audit reports were presented to the Board.
- Examined District records to determine whether the District levied a discretionary sales surtax at a rate not to exceed 0.5 percent pursuant to a resolution passed by a majority vote of the electors in Duval County effective January 1, 2021. We also determined whether:
  - The resolution described the capital outlay projects to be funded.
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- Examined District records to determine whether District procedures were effective for the accurate and timely reconciliation of monthly bank account records to the District's general ledger.
- Evaluated District interest allocation procedures during the audit period for pooled investment accounts to determine whether interest earnings were properly credited to the specific fund that produced the earnings pursuant to Section 1011.09(1), Florida Statutes.
- From the population of expenditures totaling $61 million and transfers totaling $12.9 million during the period July 2021 through April 2022 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 $10.1 million and $5.9 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 98 significant construction projects in progress during the audit period with expenditures totaling $39.6 million, selected 2 construction management contract projects with a combined