STATE OF FLORIDA
AUDITOR GENERAL
DAVID W. MARTIN, CPA

Summary

Report Number: 2013-071

Report Title: Polk County District School Board – Operational Audit

Report Period: FYE 06/30/2012

Release Date: 12/20/2012

Our operational audit disclosed the following:

PERSONNEL AND PAYROLL

Finding No. 1: The Board had not adopted formal policies and procedures establishing a documented process to identify instructional personnel entitled to differentiated pay using the factors prescribed in Section 1012.22(1)(c)4.b., Florida Statutes.

PROCUREMENT

Finding No. 2: Enhancements were needed in controls over the District's purchasing card program.

Finding No. 3: The District had not established procedures to document the basis for classifying individuals as independent contractors rather than District employees, and our review disclosed three individuals the District classified as independent contractors that appear to be employees based on Internal Revenue Service guidelines.

Finding No. 4: Controls over payments for legal services could be enhanced.

INSURANCE

Finding No. 5: The Board had taken no official action to establish the health self-insurance plan's target net asset balance or funding level and the plan reported a loss of approximately $7 million for the 2011-12 fiscal year.

CHARTER SCHOOLS

Finding No. 6: Procedures could be enhanced to ensure that property and unencumbered funds of terminated charter schools are appropriately returned to the District.

ADULT GENERAL EDUCATION

Finding No. 7: The District needed to strengthen its controls to ensure the accurate reporting of instructional contact hours for adult general education classes to the Florida Department of Education.

CAPITAL OUTLAY FUNDING

Finding No. 8: District records did not always evidence that ad valorem tax levy proceeds were used for authorized purposes.

FACILITIES ADMINISTRATION AND MONITORING

Finding No. 9: Controls over facilities construction and maintenance activities could be enhanced.

COMMUNICATION EXPENSES

Finding No. 10: Controls over wireless device allowances could be improved.

INFORMATION TECHNOLOGY

Finding No. 11: Some inappropriate or unnecessary information technology (IT) access privileges existed, indicating a need for an improved review of employee and contractor IT access privileges.

Finding No. 12: The District did not timely deactivate the network access privileges of some former employees.

Finding No. 13: Contrary to the requirements of the State of Florida *General Records Schedule,* the District did not retain some access control records.

Finding No. 14: The District's IT security awareness program needed improvement.

Finding No. 15: District IT security controls related to user authentication, protection of workstations, data loss prevention, and monitoring of critical data changes needed improvement.

Finding No. 16: District IT security incident response procedures did not include provisions for designated staff to be trained in incident response.

Finding No. 17: The District has not developed a written, comprehensive IT risk assessment.

Management's response is included in the audit report as Exhibit B.