



## Summary

**Report Number:** [2016-079](#)  
**Report Title:** **Alachua County District School Board – Financial, Operational, and Federal Single Audit**  
**Report Period:** **07/01/2014 - 06/30/2015**  
**Release Date:** **01/28/2016**

### SUMMARY OF REPORT ON FINANCIAL STATEMENTS

Our audit disclosed that the District's basic financial statements were presented fairly, in all material respects, in accordance with prescribed financial reporting standards.

### SUMMARY OF REPORT ON INTERNAL CONTROL AND COMPLIANCE

Our audit did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* issued by the Comptroller General of the United States; however, we noted certain additional matters as summarized below.

### Additional Matters

**Finding 1:** The District provided \$62,500 to its direct-support organization (DSO) without specific legal authority.

**Finding 2:** Contrary to State law, the School Board did not approve the DSO's Board of Directors.

**Finding 3:** Contrary to Rules of the Auditor General, the annual audit of the DSO was not conducted in accordance with *Government Auditing Standards*. A similar finding was noted in our report No. 2013-126.

**Finding 4:** The District's Extended Day Enrichment Program fee collection procedures need enhancement.

**Finding 5:** The District needs to strengthen controls to ensure accurate reporting of instructional contact hours for adult general education classes to the Florida Department of Education.

**Finding 6:** Statements of financial interests were not always timely filed and District procurement procedures could be enhanced by providing for the Purchasing Department's routine review and consideration of required statements of financial interests.

**Finding 7:** District payments for contractual services were not always supported by documentation demonstrating the satisfactory receipt of the services.

**Finding 8:** The District contracted for third-party administrative health insurance services without utilizing a competitive selection process.

**Finding 9:** District procedures did not require the review and approval of the time worked by noninstructional contracted personnel.

**Finding 10:** District records did not always evidence public notice of prospective meetings subject to the Sunshine Law.

**Finding 11:** As similarly noted in our report No. 2013-094, the District could enhance procedures to better ensure that timely, written notifications are provided to parents about all virtual instruction program options offered.

**Finding 12:** The District had not developed written policies and procedures for certain information technology (IT) functions. A similar finding was noted in our report No. 2013-126.

**Finding 13:** Improvements are needed in District access controls to ensure that IT access privileges were appropriately assigned.

**Finding 14:** The District did not require employees to participate in the District's IT security awareness training program. A similar finding was noted in our report No. 2013-126.

**Finding 15:** District security controls related to user authentication, data loss prevention, and logging and monitoring of security changes continue to need improvement.

#### SUMMARY OF REPORT ON FEDERAL AWARDS

We audited the District's compliance with applicable Federal awards requirements. The Child Nutrition Cluster was audited as a major Federal program. The results of our audit indicated that the District materially complied with the requirements that could have a direct and material effect on the Child Nutrition Cluster.

#### AUDIT OBJECTIVES AND SCOPE

Our audit objectives were to determine whether the Alachua County District School Board and its officers with administrative and stewardship responsibilities for District operations had:

- Presented the District's basic financial statements in accordance with generally accepted accounting principles;
- Established and implemented internal control over financial reporting and compliance with requirements that could have a direct and material effect on the financial statements or on a major Federal program;
- Established internal controls that promote and encourage: (1) compliance with applicable laws, rules, regulations, contracts, and grant agreements; (2) the economic and efficient operation of the District; (3) the reliability of records and reports; and (4) the safeguarding of District assets;
- Complied with the various provisions of laws, rules, regulations, contracts, and grant agreements that are material to the financial statements, and those applicable to the District's major Federal program; and
- Taken corrective actions for findings included in previous audit reports.

The scope of this audit included an examination of the District's basic financial statements and the Schedule of Expenditures of Federal Awards as of and for the fiscal year ended June 30, 2015. We obtained an understanding of the District's environment, including its internal control, and assessed the risk of material misstatement necessary to plan the audit of the basic financial statements and Federal awards. We also examined various transactions to determine whether they were executed, in both manner and substance, in accordance with governing provisions of laws, rules, regulations, contracts, and grant agreements.

#### AUDIT METHODOLOGY

The methodology used to develop the findings in this report included the examination of pertinent District records in connection with the application of procedures required by auditing standards generally accepted in the United States of America; applicable standards contained in *Government Auditing*

*Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget Circular A-133.