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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Education of Calvert County  
and Management of  
Calvert County Public Schools  
Prince Frederick, Maryland

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Calvert County Public Schools (CCPS), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise CCPS' basic financial statements, and have issued our report thereon dated September 27, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered CCPS' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CCPS' internal control. Accordingly, we do not express an opinion on the effectiveness of CCPS' internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Board of Education of Calvert County  
And Management  
Calvert County Public Schools

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether CCPS' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that areas required to be reported under *Government Auditing Standard*.

### **Purpose of this Report**

The purpose of this communication is solely to describe the scope of our testing of internal control over financial reporting and the results of that testing. This communication is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CCPS' internal control over financial reporting. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Baltimore, Maryland  
September 27, 2019



To the Board of Education of Calvert County  
and Management of  
Calvert County Public Schools  
Prince Frederick, Maryland

In planning and performing our audit of the financial statements of Calvert County Public Schools (CCPS) as of and for the year ended June 30, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered CCPS' internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CCPS' internal control. Accordingly, we do not express an opinion on the effectiveness of CCPS' internal control.

However, during our audit we became aware of deficiencies in internal control other than significant deficiencies and material weaknesses and other matters that are opportunities to strengthen your internal control and improve the efficiency of your operations. Our comments and suggestions regarding those matters are summarized below. A separate communication dated September 27, 2019, contains our written communication of a significant deficiency in CCPS' internal control. This letter does not affect our report on the financial statements dated September 27, 2019, or our internal control communication dated September 27, 2019.

### **PASSWORDS CHANGE**

CCPS' passwords are required to be changed once a year. Industry standards require passwords to be changed every 90 days in order to promote a higher level of data security. Due to a high number of incidents where employees locked themselves out of the system, CCPS requires system passwords to be changed once a year. We recommend that CCPS identify the systems related to financial reporting and require the 90-day password change for those systems.

### **Management's Response**

From a technical standpoint, the passwords for our financial system are tied to Active Directory. We do not have the ability to force changes for a specific subset of our users, so making a change to a 90-day password time period cannot be forced. An alternative solution could be for the IT department (upon request) to run a report showing the last occurrence of password changes made by the group of users in question (financial staff). This will not force the change, but it would provide the department of Finance the ability to monitor and give direction to staff on when they are required to change their passwords.

### **INFORMATION TECHNOLOGY PLAN**

CCPS has not updated their technology plan since 2012. CCPS implements the State of Maryland information technology plan; however, the State has not published an updated plan. Industry standards require that the technology plan reflect the current technological environment. We recommend that CCPS review and update their plan to address current IT systems and related risks. Once the State's

plan is published, CCPS may compare their current plan to the State's and adjust their plan as required.

### **Management's Response**

CCPS, like the Maryland State Department of Education (MSDE), has not updated/created a plan in at least 6 years. The philosophy of a school system "Technology Plan" has changed significantly since the time a last plan was updated by MSDE. There are several large influential groups, plans, and documents that have guided the CCPS IT department's work. Those areas have been the CCPS strategic plan (adopted last fall), the CCPS Future-ready committee/plan (also adopted last fall) and other CCPS initiatives created by the Superintendent's administrative staff.

In CCPS, the Information Technology Department and a Digital Learning division of the Department of Instruction are responsible for carrying out technology-related initiatives and running the day to day support of technology. Currently, there are 6 staff members that work in that division. Their focus is Instructional Technology. They help set direction, make decisions and manage several technology-related systems/applications. So, in order for the school system to have a "Technology Plan" both of these groups need to be involved. We work very closely with them in designing and making decisions for the school system and believe that the groups have created some extensive documents that cover the main framework in Technology.

### **Employee Access to eFinance**

CCPS did not remove the user access profile for an employee no longer employed at CCPS. The employee resigned from CCPS on 3/29/19 and their user access profile for eFinance was not deleted from the system as of June 30, 2019. CCPS maintained the user profile in order to identify and provide similar access to the new employee assuming the same responsibilities. CLA noted that user access was not active, and that CCPS has procedures for approving access and user rights; however, management should periodically review inactive profiles to ensure that the access and user rights have not changed.

### **Management's Response**

Management concurs with the recommendation that we should periodically review inactive profiles to ensure that the access and user rights have not changed and will work with I.T. personnel to conduct periodic reviews. The periodic reviews will add another layer of security in an effort to mitigate the risk of unauthorized access to the software.

User authentication for eFinance occurs through Active Directory (AD). As soon as an employee submits a resignation, or if his/her contract has a known end date, that date is entered into Active Directory by Human Resources (HR). eFinance checks that authentication and will not allow a user to login after that date, regardless of the security rights in eFinance. In addition to the security in eFinance being predicated on a user being active in AD and not having an end date in AD that is in the past, the user must also be included in the eFinancePLUS security group in AD. Only after this authentication of the user does eFinance's internal security evaluate the user and grant rights to specific portions of the software. These multiple layers help ensure employees are denied access to all CCPS applications after termination.

We know entering the termination date works in eFinance and eSchool, because we often have to get HR to extend the termination date for employees who remain past their original resignation dates or who return on an hourly basis to train their replacements.

The user name is not immediately deleted from eFinance because I.T. copies the rights that are tied to that individual to the employee's replacement once the replacement is hired. The terminated employee does not have access to the system beyond the date of termination. The existence of the terminated user's access profile in the system beyond the termination date is strictly for informational purposes only. The profile is subsequently removed from the system after the replacement employee is hired.

Management concurs with the recommendation that we should periodically review inactive profiles to ensure that the access and user rights have not changed and will work with I.T. personnel to conduct periodic reviews. The periodic reviews will add another layer of security in an effort to mitigate the risk of unauthorized access to the software.

This communication is intended solely for the information and use of management, Board, and others within CCPS, and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

**CliftonLarsonAllen LLP**

Baltimore, Maryland  
September 27, 2019