

AUDIT PLAN STATUS (As of February 1, 2024)

| AUDIT PLAN FY 2023-2024 | Planning Stage | Opening Meeting | Fieldwork | Draft Audit Report | Exit Meeting | Final Audit Report |
|--|----------------|-----------------|-----------|--------------------|--------------|--------------------|
| Compliance Assessment | ✓ | ✓ | ✓ | | | |
| Business Office Operations | ✓ | ✓ | ✓ | ✓ | ✓ | |
| Payment Systems | ✓ | ✓ | ✓ | | | |
| Financial Aid | ✓ | | | | | |
| Valencia Foundation | ✓ | | | | | |
| Risk Review & Corrective Action Monitoring | ✓ | | | | | |
| Risk Management Platform Implementation | ✓ | | | | | |
| Financial Audit (FYE 6/30/2023)(Report #2024-074) | | ✓ | | ✓ | | ✓ |
| State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards Audit (FY 22-23): Education Stabilization Fund (HEERF) | | ✓ | | | | |
| Administration of the Florida Bright Futures Scholarship Program and Student Assistance Grant Programs - Operational Audit (FY 21-22 & FY 22-23) | | ✓ | | | | |

Compliance Assessment (Engagement In Process)

The primary objectives of the compliance assessment are to evaluate and document the College's policies and processes to ensure alignment and compliance with regulatory requirements. The scope of the engagement will include a review of all College policies and relevant regulatory requirements. The report for this assessment will be a compliance matrix to identify the College policy/process for every relevant regulatory requirement along with the status of the control/process.

Business Office Audit (Draft Audit Report Issued)

The primary objective of the engagement was to assess the effectiveness of operational and financial controls related to the Business Office to ensure compliance with relevant regulatory requirements and College policy and procedures.

The scope of work included review and testing of records for the period of July 2022 – November 2023, with a focus on the following areas:

- Accounting policy and procedures
- Internal controls: approvals, reconciliations, user access
- Cash receipts
- Compliance with Federal, State and College policy

Payment Systems Audit (Engagement in Process)

The primary objective of the Payment Systems audit is to perform a College payments systems-specific discovery that will document and assess the payment systems of the College to ensure compliance with relevant regulatory requirements and College policy and procedures.

The scope of work will include review for the period of July 2022 – January 2024, with a focus on the following areas:

- Payment Systems inventory and documentation
- Internal controls: processing, retention, reporting, financials
- Compliance with Federal, State and College policy

Financial Audit (Florida Auditor General's Office Report #2024-074 issued December 1, 2023)

The Auditor General's office conducted an audit of the College's financial statements for the fiscal year ended June 30, 2023.

The audit objectives were to obtain reasonable assurance about whether the financial statements as a whole were free from material misstatements, whether due to fraud or error, and to issue an auditor's report that included an opinion. The scope of the audit included:

- Obtained an understanding of the internal control relevant to the audit in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control;
- Evaluated the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluated the overall presentation of the financial statements; and
- Examination of 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.

The audit report provided the opinion that the financial statements were presented fairly, in all material respects, in accordance with prescribed financial reporting standards. The audit did not identify any deficiencies in internal control over financial reporting considered to be material weaknesses.

Risk Management Platform Implementation

The College's risk management strategy is a proactive approach to identifying, assessing, and mitigating risks. The Office of Compliance and Audit and the Office of Information Technology will be supplementing their risk management work with a connected risk platform that will provide a centralized and collaborative system to document and track the risk and control environment for a complete view of risk across the College.

The key benefits of the risk management platform include:

- Improved risk identification and assessment
- Increased efficiency
- Enhanced compliance
- Data-driven decision making
- College-wide collaboration

The risk management platform consists of five modules to focus on the following areas:

- Internal audit process and engagements
- Risk assessment process and monitoring
- Compliance with risk frameworks
- Information technology risk management
- Third Party/Vendor risk management

Implementation of the platform began in November 2023 with design sessions and data load and configuration. The modules are expected to go live in February 2024 after user acceptance testing has been completed.

Additional information, including executive dashboards, will be shared with the Board after the system has been configured and work has been uploaded and in utilization.