

VALENCIA COLLEGE

Audit/Compliance Update

Office of Compliance and Audit
February 27, 2019
District Board of Trustees Meeting

Investigations Update

No current investigations to report for AY 2018-2019

Final Criminal Disposition regarding Misappropriation of Funds investigated in August 2016:

- Christensen sentenced on August 2, 2018:
 - Adjudicated Guilty:
 - Scheme to Defraud
 - Offense Against Intellectual Property
 - Community Service
 - Supervised Probation
 - Restitution

Audit Plan Update

	Planning Stage	Opening Meeting	Fieldwork	Meeting	Exit	Draft Audit Report	Final Audit Report
AUDIT PLAN 2018 - 2019							
Bookstore Inventory and Cash Controls	✓	✓	✓	✓	✓	✓	✓
Financial Aid and Scholarships	✓	✓	✓	✓	✓	✓	
Human Resources/Payroll	✓	✓	✓				
Valencia Foundation	✓	April					
Information Technology	✓	May					

	Planning Stage	Opening Meeting	Fieldwork	Meeting	Exit	Report/ Findings Letter	Final Audit Report
FLORIDA AUDITOR GENERAL							
Financial Audit (FY 2017 - 2018)	✓	✓	✓	March		TBD	TBD
Federal Awards Audit (FY 2017-2018)	✓	✓	✓	February		TBD	TBD
Operational Audit (FY 2017-2018)	✓	T B D					

Bookstore Inventory Audit

Objectives included:

- Controls over inventory count and process;
- Compliance with laws, regulations and College policies;
- Validation of financial inventory for financial statement purposes;
- Cash controls

Fieldwork conducted in July 2018

Audit report issued August 2018

Overall, the processes in place with regard to the annual year-end cycle count of inventory and cash are operating in a satisfactory manner.

Financial Aid Audit

Objectives included:

- Controls over data integrity, security, and confidentiality;
- Compliance with laws, regulations and College policies;
- Accuracy and timeliness of reporting;
- Operational efficiency and effectiveness

Fieldwork conducted in January/February

Draft report completed

Human Resources/Payroll Audit

- Opening Meeting Conducted
- Preliminary Audit Fieldwork began week of February 25th
- Objectives include:
 - Effectiveness and efficiency of the payroll processing functions;
 - Controls over the human resources functions related to payroll;
 - System access controls and processes

Audit Planning In Process

Valencia Foundation:

- Financial Statements Review
- Policy and Procedures Review

Information Technology:

- Risk Assessment Review
- IT General Controls Questionnaire
- OIT Monitoring Discussions
- Co-Sourcing on Technical Testing Scope

Follow-Up

Audit reports include auditor’s comments and planned actions developed and agreed to by the audit and management and the estimated time for their implementation.

Oversight by	Followed Up	Implemented	In Process	Not to be Implemented	Percent Implemented	Planned Action Completed
Operations	8	7	1	0	88%	88%
Accounting	1	1	0	0	100%	100%
Academic Affairs	1	1	0	0	100%	100%
Organizational Development	2	1	0	1	50%	100%
Student Affairs	1	1	0	0	100%	100%
Totals	13	11	1	1	88%	98%

Includes the following engagements:

Florida Auditor General Operational Audit Report 2018-199

Florida Auditor General Federal Awards Audit Report 2018-189

Office of Compliance and Audit
Audit Plan Update for February 2019 DBOT Meeting

Audit Engagements Update

AUDIT PLAN 2018 - 2019	Planning Stage	Opening Meeting	Fieldwork	Meeting Exit	Draft Audit Report	Final Audit Report
Bookstore Inventory and Cash Controls	✓	✓	✓	✓	✓	✓
Financial Aid and Scholarships	✓	✓	✓	✓	✓	
Human Resources/Payroll	✓	✓	✓			
Valencia Foundation	✓	April				
Information Technology	✓	May				

BOOKSTORE INVENTORY AND CASH CONTROLS

Audit Report: CA2018-101

Issued: August 17, 2018

The objectives of the engagement were to assess the internal controls over the College’s bookstore cycle count process and final inventory count, validate the financial inventory for financial statement purposes, and determine the adequacy of cash controls

Overall, the processes in place with regard to the annual year-end cycle count of inventory and cash are adequate. Audit validated the final inventory of the bookstores for the year-end financial statements, included in the Audit Report in Appendix A. There were no material observations noted during this engagement. Audit provided management with internal control considerations to improve and enhance operational efficiencies through the strengthening of procedures, and certain controls and processes.

State Audit Engagements Update

FLORIDA AUDITOR GENERAL	Planning Stage	Opening Meeting	Fieldwork	Meeting Exit	Report Letter	Findings	Final Audit Report
Financial Audit (FY 2017 - 2018)	✓	✓	✓	March	TBD	TBD	TBD
Federal Awards Audit (FY 2017-2018)	✓	✓	✓	February	TBD	TBD	TBD
Operational Audit (FY 2017-2018)	✓	T B D					

FINANCIAL AUDIT

Scope: Fiscal Year 2017 – 2018

Audit Commenced in January 2019

Current Status: Fieldwork in progress, with target completion by end of February. Exit meeting tentatively expected in March.

FEDERAL AWARDS AUDIT

Scope: Follow up on July 2017 – June 2018 Prior Audit

Audit Commenced in October 2018

Current Status: Fieldwork completed - validation of corrective action on prior year's audit findings. This is a Florida College System-wide audit engagement. Exit meeting tentatively expected by end of February.

