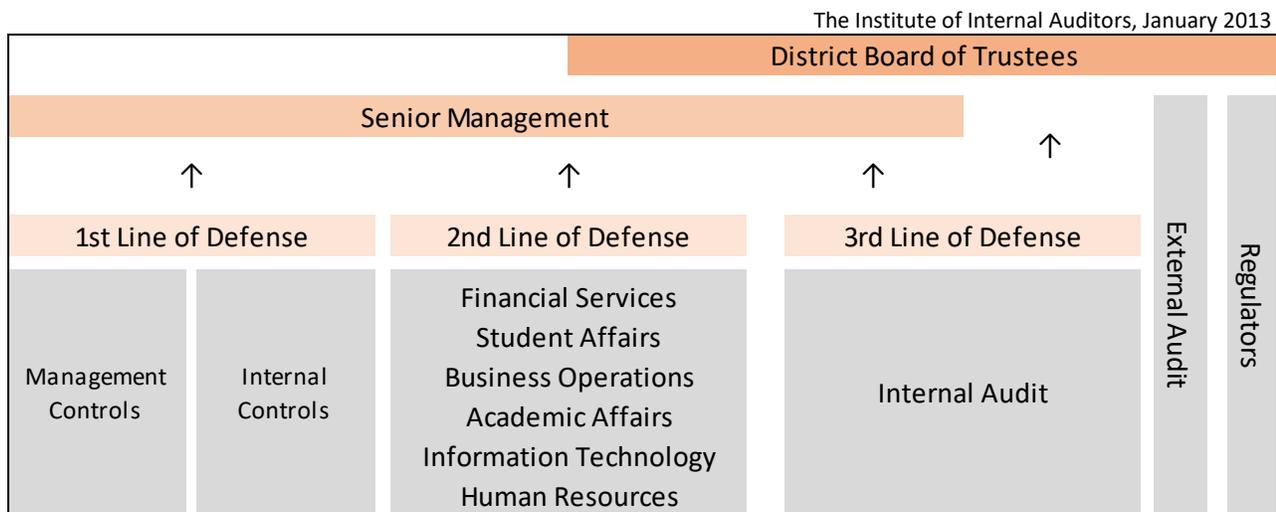


INTERNAL CONTROLS REVIEW

Valencia College has established a system of internal controls designed to protect the assets of the college, create a reliable financial reporting structure, and promote compliance with laws and regulations

The COSO Internal Control framework is applied within the scope and work of the Office of Compliance and Audit, including in the work performed during the annual risk assessment review. The model below addresses how the specific duties related to risk and control are assigned and coordinated within the College.

Three Lines of Defense Model



Everyone in the College has responsibility for internal control. The three lines of defense model provides clarity to the specific roles and responsibilities within the College to ensure there are no gaps in coverage, no duplication of effort, and risk and control is effectively managed.

Internal controls include, but are not limited to:

- Governance structure and responsibilities
- Separation of duties
- Dual control
- Systemic controls
- Reconciliations
- Training
- Review and approval
- Monitoring

AUDIT PLAN UPDATE

AUDIT PLAN 2021 - 2022	Planning Stage	Opening Meeting	Fieldwork	Draft Audit Report	Meeting Exit	Final Audit Report
Bookstore Inventory & Operations	✓	✓	✓	✓	✓	✓
HEERF III (Process & Disbursement Review)	✓	✓	✓	Two part fieldwork engagement. Awaiting Spring 2022 HEERF disbursement to continue audit.		
Compensation and Benefits	✓	✓	✓			
Procurement Operations	✓	✓	✓			
Foundation: Business Operations	✓	✓	✓	✓	✓	✓
Information Technology Operational Audit - Ellucian Banner Enterprise Resource Planning System	✓	✓	✓	✓	✓	
Financial Audit (FY 6/30/2021)	✓	✓	✓	✓	✓	✓
State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards Audit (FY 6/30/2021)	✓	✓	✓	✓		
Education Stabilization Fund (ESF) Program (CFDA 84.425) - (CARES Act HEERF)	✓	✓	✓	✓		
Bright Futures / FSAG (FY 6/30/2020 and 6/30/2021)	✓	✓	✓	✓		
Operational Audit (Jan 2021 - Dec 2021)	✓					

Valencia College Financial Audit (2022 – 101)
Completed January 21, 2022

The Florida Auditor General's office completed their financial audit of the College's financial statements and provided an audit opinion that the financial statements for year end June 30, 2021 were presented fairly and in accordance with accounting principles generally accepted. There were no audit considerations identified in the audit report.

Valencia College Foundation: Business Operations Audit
Completed January 25, 2022

An assessment of internal controls was conducted to determine if current internal controls were designed appropriately to mitigate identified risks and to determine the adequacy of the design of the internal controls as it relates to effective and efficient achievement of the specific purpose.

Control considerations were identified for improvement in the areas of:

- Accounting and Finance
- Expenses and Accounts Payable
- Revenues and Accounts Receivable
- Purchasing and Credit Cards
- Month-End Close

Audit will work with management to monitor and validate the remediation of the corrective action plans to address the control considerations identified during the engagement. Management continues to strengthen controls in the areas noted by updating policies and procedures to ensure internal controls are in place and functioning as intended.