

AUDIT PLAN STATUS (As of February 22, 2023)

AUDIT PLAN 2022 - 2023	Planning Stage	Opening Meeting	Fieldwork	Draft Audit Report	Exit Meeting	Final Audit Report
Internal Control and Data Security (Department of Florida Highway Safety and Motor Vehicles)(Report #2022-101)	✓	✓	✓	✓	✓	✓
Perkins Grant Operations (Report #2022-102)	✓	✓	✓	✓	✓	✓
Valencia Foundation - Internal Controls	✓	✓	✓	✓	✓	
Financial Aid - Eligibility & Disbursements	✓	✓				
Continuing Education - Financial Controls	✓	Scheduled to commence in April				
HEERF - Institutional Funds (Financial Review)	✓	Scheduled to commence in May				
Administration of the Florida Bright Futures Scholarship Program and Student Assistance Grant Programs (FY 19-20 & FY 20-21) (Report #2023-026)	✓	✓	✓	✓	✓	✓
Operational Audit (FY 21-22) (Report #2023-035)	✓	✓	✓	✓	✓	✓
Financial Audit (FYE 6/30/2022)(Report #2023-071)	✓	✓	✓	✓	✓	✓
Review of Foreign Influence (House Bill 7017)		✓		✓	✓	
State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards Audit (FY 22-23)	College-wide system engagement: Scheduled to commence in June					
Education Stabilization Fund (ESF) Program (CFDA 84.425) - (HEERF - FY 22-23)	College-wide system engagement: Scheduled to commence in June					
Administration of the Florida Bright Futures Scholarship Program and Student Assistance Grant Programs (FY 21-22 & FY 22-23)	College-wide system engagement: Scheduled to commence in April					

Internal Control and Data Security (Internal Audit Report #2022-101)

On December 6, 2021, Valencia College (“College”) entered into a new Memorandum of Understanding (“MOU”) with the Florida Department of Highway Safety and Motor Vehicles (“Department”), HSMV-0391-22, which provides information relating to driver records and motor vehicle information and history. This agreement was renewed from the previous contract HSMV-0359-19. The data obtained from the Department is used for validation of documentary evidence of residency for tuition purposes as described in State Board of Education Rule 6A-10.044 and Rule 6A-20.003.

The audit was conducted pursuant to the requirements of the MOU, and in accordance to applicable State laws, and College policies and procedures. To align with the requirements of the MOU, our audit included an evaluation of internal controls in place during the MOU service year up to time of fieldwork, October 2022.

The Audit objectives were to: (1) evaluate the internal controls, including policies and procedures, governing the use and dissemination of personal data pursuant to the MOU and applicable laws, and to express an opinion on the adequacy of those controls to protect personal data from unauthorized access, distribution, use, modification, or disclosure; (2) verify that a Risk Management IT Security Professional has approved the College’s data security policies and procedures; and (3) verify that any deficiencies found during the audit have been corrected and measures enacted to prevent recurrence.

In our opinion, based on our audit, the internal controls and data security governing the College’s use and dissemination of personal data pursuant to the MOU and applicable laws, which is operating effectively, were those necessary to provide reasonable assurance that personal data is protected from unauthorized access, distribution, use, modification, or disclosure. The College has policies and procedures in place for personnel to follow and data security policy and procedures, approved by a Risk Management IT Security Professional, in place to protect personal data. There were no deficiencies noted during this engagement.

Perkins Grant (Internal Audit Report #2022-102)

The Perkins program is the primary federal investment in career and technical education (CTE) at both the secondary and postsecondary levels. The latest iteration of Perkins, known as Perkins V, was signed into law in 2018 as the Strengthening Career and Technical Education for the 21st Century Act (SCATE). The Act, which took effect July 1, 2019, amends the Carl D. Perkins Career and Technical Education (Perkins IV) Act of 2006 and reauthorizes Perkins for six years. The Act defines its purpose as “to develop more fully the academic knowledge and technical and employability skills of secondary education students and postsecondary education students who elect to enroll in Career and Technical Education programs and programs of study.

The Florida Department of Education (FDOE) receives federal funding from the U.S. Department of Education (USDOE) for Career and Technical Education under the Perkins V program, and provides sub-grants to eligible providers, including Valencia College, to administer local programs.

The objectives of the audit engagement were to: (1) Assess financial controls were in place and adequate when expending funds, including financial management, procurement, inventory management and allowable costs; (2) Determine whether the College had effective and efficient grant management practices in place; and (3) Assess the College’s compliance with College policies and procedures, and regulatory compliance.

Overall, the processes and controls in place with regards to the Perkins grant are adequate and operating in a satisfactory manner. There were no deficiencies noted during this engagement.

Administration of the Florida Bright Futures Scholarship Program and Student Assistance Grant Programs – Operational Audit (Florida Auditor General’s Office Report #2023-026)

The Legislature established the Florida Bright Futures Scholarship Program to provide lottery-funded scholarships to any Florida high school graduate who merits recognition of high academic achievement and enrolls in a degree, certificate, or applied technology program at an eligible Florida public or private educational institution.

Bright Futures Scholarship Program

Valencia College	Awards to Students	Refunds to the FDOE	Total Disbursements
FY 2019 - 2020	\$2,139,577	\$48,993	\$2,188,570
FY 2020 - 2021	\$2,024,887	\$31,954	\$2,056,841

The Legislature established the Florida Public Student Assistance Grant Program (FSAG – Public Program) to provide financial assistance for degree-seeking, Florida resident, undergraduate students who attend a Florida public university or college.

Florida Student Assistance Grant Program (FSAG)

Valencia College	Awards to Students	Refunds to the FDOE	Total Disbursements
FY 2019 - 2020	\$10,138,284	\$0	\$10,138,284
FY 2020 - 2021	\$10,218,324	\$0	\$10,218,324

Pursuant to Sections 1009.53(5)(c), 1009.50(4)(e), and 1009.505(4)(e), Florida Statutes, the Florida Auditor General’s office conducted an operational audit of the administration of the Florida Bright Futures Scholarship Program, Florida Public Student Assistant Grant Program, and the Florida Public Postsecondary Career Education Student Assistant Grant Program by applicable Florida public educational institutions for the fiscal years ended June 30, 2020, and June 30, 2021.

The objectives of the operational audit were to:

- Determine the extent to which the institutions administered Bright Futures Scholarship Program, FSAG – Public Program and FSAG Career Ed Program funds in accordance with applicable laws, rules, and other guidelines relating to the programs; properly accounted for funds received and distributed through the programs; maintained and prepared reliable financial records and reports; and safeguarded program assets
- Determine whether management had taken corrective actions for Bright Futures Scholarship Program findings included in report No. 2021-044
- Identify statutory and fiscal changes that may be recommended to the Legislature pursuant to Section 11.45(7)(h), Florida Statutes

Valencia College did not receive any findings during this engagement.

Operational Audit (Florida Auditor General's Office Report #2023-035)

The Auditor General conducted an operational audit of the College's processes and administrative activities.

The audit objectives were to:

- Evaluate management's performance in establishing and maintaining internal controls, including controls designed to prevent and detect fraud, waste, and abuse, and in administering assigned responsibilities in accordance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines
- Examine internal controls designed and placed in operation to promote and encourage the achievement of management's control objectives in the categories of compliance, economic and efficient operations, reliability of records and reports, and safeguarding of assets, and identify weaknesses in those controls
- Determine whether management had taken corrective actions for findings included in our report No. 2020-036
- Identify statutory and fiscal changes that may be recommended to the Legislature pursuant to Section 11.45(7)(h), Florida Statutes

The scope of the audit included the selection and examination of transactions and records, as well as events and conditions, occurring during January 2021 through December 2021 and selected College actions taken prior and subsequent thereto. The audit included a review of the following areas/topics:

- Review of Board policies, College procedures and other guidelines
- Conflicts of interest
- Protection of sensitive personal information of students
- Required student notifications as required by Section 1006.695, Florida Statutes
- Contracts
- College spending plan
- Investment practices
- Real property acquisitions
- Auxiliary operations
- Full-time enrollment calculations
- Financial aid fees, activity and service fees, capital improvement fees and technology fees
- Student activity and service fee expenses
- Technology fee expenses
- Distance learning fees
- Student fee waivers
- Employee awards
- Severance pay
- Terminal leave pay
- Personnel background screenings
- Construction projects
- Contracted services
- Industry certifications

Recommendation was issued to the College to enhance procedures to ensure that investments are maintained in accordance with Board policies. Such enhancements should include periodic evaluations of underlying investment to ensure that all investments are consistent with board intent. In addition, if the Board decides to differentiate College investments based the source of the investment or authorized mutual fund investments, Board policies should be revised accordingly.

The college provided a corrective action plan to address the control consideration which included a quarterly meeting of the College's investment committee to evaluate the investment portfolio details, including evaluations of underlying investments to ensure they are consistent with Board policies and procedures.

Financial Audit (Florida Auditor General's Office Report #2023-071)

The Auditor General's office conducted an audit of the College's financial statements for the fiscal year ended June 3, 2022.

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
- 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, the respective financial position of Valencia College as of June 30, 2022.