

STATE OF FLORIDA AUDITOR GENERAL

Operational Audit

Report No. 2017-021
September 2016

DAYTONA STATE COLLEGE



Sherrill F. Norman, CPA
Auditor General

Board of Trustees and President

During the period March 2015 through February 2016, Dr. Thomas Lobasso served as President of Daytona State College and the following individuals served as Members of the Board of Trustees:

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Anne Coggeshall Patterson	Volusia

The audit was supervised by Keith A Wolfe, CPA.

For the information technology portion of this audit, the team leader was Vikki Matthews, CISA, and the supervisor was Heidi G. Burns, CPA, CISA.

Please address inquiries regarding this report to Jaime N. Hoelscher, CPA, Audit Supervisor, by e-mail at jaimehoelscher@aud.state.fl.us or by telephone at (850) 412-2868.

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DAYTONA STATE COLLEGE

SUMMARY

This operational report of Daytona State College (College) focused on selected College processes and administrative activities and included a follow-up on findings noted in our report No. 2014-026. Our operational audit disclosed the following:

Finding 1: The College did not always obtain background screenings for individuals in positions of special trust and responsibility.

Finding 2: The College paid \$55,156 for financial audits of its direct-support organization without specific legal authority.

Finding 3: College textbook affordability procedures could be enhanced.

Finding 4: College security controls related to logging and monitoring of application activity need improvement to ensure the continued confidentiality, integrity, and availability of College data and information technology resources.

BACKGROUND

Daytona State College (College) is under the general direction and control of the Florida Department of Education, Division of Florida Colleges, and is governed by State law and State Board of Education rules. A board of trustees (Board) governs and operates the College. The Board constitutes a corporation and is composed of nine members appointed by the Governor and confirmed by the Senate. The College President serves as the executive officer and the corporate secretary of the Board, and is responsible for the operation and administration of the College.

The College has campuses in Daytona Beach, DeLand, Deltona, New Smyrna Beach, and Palm Coast, Florida. Additionally, credit and noncredit classes are offered in public schools and other locations throughout Flagler and Volusia Counties. The College reported enrollment of 11,754 full-time equivalent students for the 2015-16 fiscal year.

This operational audit focused on selected College processes and administrative activities and included a follow-up on findings noted in our report No. 2014-026. The results of our financial audit of the College for the fiscal year ended June 30, 2016, will be presented in a separate report. In addition, the Federal awards administered by the College are included within the scope of our Statewide audit of Federal awards administered by the State of Florida and the results of that audit, for the fiscal year ended June 30, 2016, will be presented in a separate report.

FINDINGS AND RECOMMENDATIONS

Finding 1: Background Screenings

Although not specific to colleges, State law¹ provides for background screenings for employees in positions of special trust and responsibility. For example, a level 2 background screening² is required for owners, operators, employees, and volunteers working in summer camps providing care for individuals under age 18; personnel hired to fill positions requiring direct contact with students in any district school system or university lab school; and certain State employment positions. College policy³ authorizes the President to develop procedures related to fingerprinting of all College administrative, professional, faculty, and career service personnel. According to Human Resource (HR) Department personnel, the Department required summer camp volunteers who provide services for individuals under age 18 to obtain a level 1 background screening;⁴ however, the College had not developed written procedures to identify positions of special trust and responsibility that would be subject to required level 2 background screenings.

As of March 29, 2016, the College employed 87 employees in positions of special trust and responsibility, such as Information Technology (IT) and Finance Department employees. During the 2015 summer camps, 62 volunteers provided services for individuals under age 18. As part of our audit, we requested documentation of background screenings for 20 selected IT and Finance Department employees and 7 individuals (6 volunteers and 1 temporary employee) who provided services to individuals under age 18 in summer camps. Documentation of a level 2 background screening was provided for each IT and Finance Department employee; however, the documentation provided for 3 of the volunteers evidenced the conduct of level 1 background screenings, instead of level 2 background screenings, and evidence of background screenings could not be provided for 2 other volunteers and the temporary employee. In response to our inquiry, College personnel indicated that level 1 background screenings are required for volunteers and that the department sponsoring the summer camp inadvertently neglected to obtain background screenings for the 2 volunteers. Additionally, College personnel indicated that they relied on employment agencies to conduct background screenings for College temporary employees and do not obtain evidence of such screenings.

When individuals who work in positions of special trust and responsibility, including those with direct contact with persons under age 18, are not required to have level 2 background screenings, there is an increased risk that the individuals may have backgrounds that are not suitable for those positions. Subsequent to our inquiry, the College revised, in June 2016, the HR Department procedures to require level 2 background screenings for all new employees and volunteers.

¹ Sections 110.1127, 409.175, and 1012.32(2)(a), Florida Statutes.

² A level 2 background screening includes fingerprinting for Statewide criminal history records checks through the Florida Department of Law Enforcement (FDLE), national criminal history records checks through the Federal Bureau of Investigation, and may include local criminal records checks through local law enforcement agencies.

³ Policy 6.44 Fingerprinting.

⁴ A level 1 background screening includes employment history checks and Statewide criminal correspondence checks through the FDLE, a check of the national sex offender public Web site, and may include local criminal records checks through local law enforcement agencies.

Recommendation: The College should continue efforts to ensure that level 2 background screenings, including fingerprinting, are obtained for all individuals in positions of special trust or responsibility, including those positions with direct contact with individuals under age 18, and maintain documentation of the conduct of the screenings.

Finding 2: Direct Support Organization

State law⁵ provides that a Florida College System institution direct-support organization (DSO) is an organization organized and operated exclusively to receive, hold, and invest, and administer property and make expenses to, and for the benefit of, the institution. State law⁶ authorizes the Board to permit a DSO to use College property, facilities, and personal services. The Board approved the Daytona State College Foundation, Inc. (Foundation) as a DSO, and the Foundation routinely receives and uses charitable contributions for the benefit of College students.

College records indicated that, during the period March 2015 through February 2016, the College made payments totaling \$18,370 for the Foundation's 2014-15 fiscal year financial audit. Although State law authorizes the College to permit a DSO to use College property, facilities, and personal services, we are unaware of any specific authority permitting the College to make payments on behalf of the Foundation. We extended our audit procedures and identified additional payments totaling \$18,765 and \$18,021, respectively, made by the College for the Foundation's 2012-13 and 2013-14 fiscal year financial audits. Subsequent to our inquiry, in May 2016, the Foundation reimbursed the College for audit costs totaling \$55,156.

Recommendation: In the absence of specific statutory authority, the College should discontinue the practice of making payments on behalf of the Foundation.

Finding 3: Textbook Affordability

State law⁷ required colleges to post on their Web sites, as early as is feasible, but not less than 30 days prior to the first day of classes, a list of each textbook required for each course offered at the institution during the upcoming term. Additionally, State Board of Education (SBE) rules⁸ require colleges to collect and maintain, before each textbook adoption is finalized, written or electronically transmitted certifications from course instructors attesting that all textbooks and other instructional materials ordered will be used, particularly each individual item sold as part of a bundled package. Further, the Textbook Affordability Workgroup (Workgroup)⁹ recommended that each college reduce textbook costs by developing and monitoring policies and guidelines for textbook adoption, such as a course-wide adoption of textbooks for the same course.

⁵ Section 1004.70(1)(a)2, Florida Statutes.

⁶ Section 1004.70(3), Florida Statutes.

⁷ Section 1004.085(3), Florida Statutes (2015).

⁸ SBE Rule 6A-14.092(3), Florida Administrative Code.

⁹ The Workgroup, consisting of membership from the Florida College System, in cooperation with the Florida Department of Education, Division of Florida Colleges, issued a report dated December 1, 2009, that contained certain recommendations.

College policy¹⁰ requires that the College adopt textbooks, textbooks be posted on the College's Web site, and instructor certifications be obtained attesting to the use of all textbooks and other instructional materials ordered. According to College procedures, the Workgroup's recommendation is to be followed for course-wide textbook adoption.

During the 2015-16 fiscal year, the College adopted 2,009 textbooks for the Fall 2015, Spring 2016, and Summer 2016 terms. However, although we requested, College records could not be provided to demonstrate that the 1,666 textbooks adopted for the Fall 2015 and Spring 2016 terms were timely posted to the College's Web site. Without evidence of the timely posting of textbook information on the College's Web site, the College cannot demonstrate compliance with State law. Due to the timing of our audit procedures, we were able to access the College's Web site and verify that 30 selected textbooks from the 343 textbooks adopted for the Summer 2016 term were timely posted to the Web site. However, our audit procedures do not substitute for management's responsibility to document compliance with State law. Effective July 1, 2016, State law¹¹ was revised to require each college to post prominently in the course registration system and on its Web site, as early as is feasible, but at least 45 days before the first day of class for each term, a hyperlink to lists of required and recommended textbooks and instructional materials for at least 95 percent of all courses and course sections offered at the college during the upcoming term.

Additionally, we examined College records related to 30 selected textbooks for the Summer 2016 term to determine whether instructors, before textbook adoption was finalized, certified that the textbooks would be used. We found that instructors did not complete, before the textbooks were adopted, certifications for 8 of the 30 textbooks. The instructors certified use of the 8 textbooks subsequent to our inquiry, or 27 to 59 days after the textbooks were adopted. College personnel indicated that, before the Summer 2016 term, department selection committees helped ensure the certifications were timely; however, for the Summer 2016 term, instructors were solely responsible for these certifications. Without timely instructor certifications, the risk increases that instructors may use textbooks not adopted by their departments and students may unnecessarily purchase books that are not needed for their courses.

A similar finding was noted in our report No. 2014-026.

Recommendation: The College should enhance procedures to ensure that records are maintained to document that lists of required and recommended textbooks and instructional materials are timely posted on its Web site in accordance with State law and that certifications related to textbook use are obtained from instructors before textbooks are adopted.

Finding 4: Information Technology – Security Controls – Logging and Monitoring of Application Activity

Security controls are intended to protect the confidentiality, integrity, and availability of College data and information technology (IT) resources. Our audit procedures disclosed that certain College security controls related to logging and monitoring of application activity need improvement. We are not disclosing

¹⁰ Policy 4.08, *Textbook Affordability and Instructional Material Adoption*.

¹¹ Section 1004.085(6), Florida Statutes (2016).

specific details of the issues in this report to avoid the possibility of compromising College data and IT resources. However, we have notified appropriate College management of the specific issues.

Without adequate security controls related to logging and monitoring of application activity, the risk is increased that the confidentiality, integrity, and availability of College data and IT resources may be compromised.

Recommendation: College management should improve security controls related to logging and monitoring of application activity to ensure the continued confidentiality, integrity, and availability of College data and IT resources.

PRIOR AUDIT FOLLOW-UP

Except for Finding 3 that was also noted in audit report No. 2014-026 as finding No. 2, the College had taken corrective actions for the findings included in our report No. 2014-026.

OBJECTIVES, SCOPE, AND METHODOLOGY

The Auditor General conducts operational audits of governmental entities to provide the Legislature, Florida's citizens, public entity management, and other stakeholders unbiased, timely, and relevant information for use in promoting government accountability and stewardship and improving government operations.

We conducted this operational audit from March 2016 to June 2016 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The objectives of this operational audit 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. 2014-026.
- Identify statutory and fiscal changes that may be recommended to the Legislature pursuant to Section 11.45(7)(h), Florida Statutes.

This audit was designed to identify, for those programs, activities, or functions included within the scope of the audit, weaknesses in management's internal controls; instances of noncompliance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines; and instances of inefficient or ineffective operational policies, procedures, or practices. The focus of this audit was to identify

problems so that they may be corrected in such a way as to improve government accountability and efficiency and the stewardship of management. Professional judgment has been used in determining significance and audit risk and in selecting the particular transactions, legal compliance matters, records, and controls considered.

As described in more detail below, for those programs, activities, and functions included within the scope of our audit, our audit work included, but was not limited to, communicating to management and those charged with governance the scope, objectives, timing, overall methodology, and reporting of our audit; obtaining an understanding of the program, activity, or function; exercising professional judgment in considering significance and audit risk in the design and execution of the research, interviews, tests, analyses, and other procedures included in the audit methodology; obtaining reasonable assurance of the overall sufficiency and appropriateness of the evidence gathered in support of our audit findings and conclusions; and reporting on the results of the audit as required by governing laws and auditing standards.

Our audit included transactions, as well as events and conditions, occurring during the audit period of March 2015 through February 2016, and selected College actions taken prior and subsequent thereto. Unless otherwise indicated in this report, these records and transactions were not selected with the intent of statistically projecting the results, although we have presented for perspective, where practicable, information concerning relevant population value or size and quantifications relative to the items selected for examination.

An audit by its nature does not include a review of all records and actions of management, staff, and vendors, and as a consequence, cannot be relied upon to identify all instances of noncompliance, fraud, waste, abuse, or inefficiency.

In conducting our audit we:

- Reviewed and tested College procedures for maintaining and reviewing access to the Enterprise Resource Planning (ERP) system access based on employees' job duties and user account functions. We also examined the administrator account access privileges granted for the application to determine whether these accounts had been appropriately assigned and managed. Specifically, we:
 - During May 2016, reviewed the appropriateness of administrator access privileges granted for the ERP system applications (5 accounts).
 - During June 2016, reviewed the appropriateness of access privileges granted to selected critical ERP system HR application functions (15 accounts).
 - During June 2016, reviewed the appropriateness of access privileges granted to selected critical ERP system finance application functions (14 accounts).
- During June 2016, reviewed College supporting documentation to determine whether authentication controls were configured and enforced in accordance with IT best practices.
- Reviewed College procedures for the period April 2016 to June 2016 related to the capture and review of system activity that were designed to ensure the appropriateness of access to and modification of sensitive or critical resources.
- Evaluated Board, committee, and advisory board minutes to determine whether Board approval was obtained for the policies and procedures in effect during the audit period and for evidence of

compliance with Sunshine Law requirements (i.e., proper notice of meetings, meetings readily accessible to the public, and properly maintained meeting minutes).

- Examined College records, as of April 28, 2016, to determine whether the College informed students and employees at orientation and on its Web site of the existence of the Florida Department of Law Enforcement sexual predator and sexual offender registry Web site and the toll-free telephone number that gives access to sexual predator and sexual offender public information as required by Section 1006.695, Florida Statutes.
- Examined College records to determine whether the College had developed an anti-fraud policy and procedures to provide guidance to employees for communicating known or suspected fraud to appropriate individuals. Also, we examined College records to determine whether the College had implemented appropriate and sufficient procedures to comply with its anti-fraud policy.
- Examined financial reports and analyses presented to the Board during the audit period to determine whether the Board monitored financial results and related budget estimates.
- Analyzed the unencumbered balance in the unrestricted current fund of the College Board of Trustees' approved operating budget to determine whether the balance was below 5 percent of the total available fund balances at June 30, 2016. We also performed analytical procedures to determine whether financial transactions in other funds may require resources from other unrestricted funds that would cause a significant reduction in available unrestricted current or auxiliary funds.
- Determined whether the most recent audits of direct support organizations were filed timely with the Auditor General, were performed in accordance with generally accepted government auditing standards, and otherwise complied with Rules of the Auditor General Chapter 10.730.
- Examined College records supporting 8 payments (4 payments, totaling \$42,326, selected from the population of 206 payments totaling \$45,659 made during the audit period and 4 payments totaling \$36,786 that were made prior to the audit period) made by the College to, or on behalf of its direct-support organization, to determine whether the payments were authorized by Section 1004.70(1)(a)2. and (3), Florida Statutes.
- Examined College records to determine whether student receivables were properly authorized, adequately documented, properly recorded, and complied with Section 1010.03, Florida Statutes, and Board policies. Specifically, we examined:
 - From the population of 7,167 student receivables totaling \$3,865,658 and recorded as of February 29, 2016, documentation relating to 30 selected student receivables totaling \$23,577, including 21 delinquent student receivables totaling \$16,846. We also evaluated the adequacy of the College's collection efforts and whether restrictions on student records and holds on transcripts and diplomas were appropriate and enforced for students with delinquent accounts.
 - Evaluated the effectiveness of the College's controls during the audit period to determine whether students who had not paid fees in an approved manner were not considered in calculating full-time equivalent (FTE) enrollments for State funding purposes pursuant to Sections 1009.22(11) and 1009.23(9), Florida Statutes.
- Evaluated whether the student fees totaling \$2,096,707 during the audit period that were assessed for students with residency changes from nonresident to Florida resident and from Latin American countries and Caribbean Islands, were properly authorized, accurately calculated, and correctly recorded by examining:
 - College records for 30 selected students with fees totaling \$43,732 to determine whether the College correctly assessed tuition in compliance with Sections 1009.21, 1009.22, and 1009.23, Florida Statutes, and State Board of Education Rules 6A-10.044 and 6A-14.054, Florida Administrative Code.

- College records to determine whether the College had established procedures to cancel the registration of students who did not timely pay fees; make student status and residency determinations in compliance with Section 1009.21, Florida Statutes; and record deferred fees as a receivable.
- Examined the 3 contracts for auxiliary operations, which generated revenue totaling \$666,071 for the audit period, to determine whether the College properly monitored compliance with the contract terms for fees, insurance, and other provisions. Also, we performed analytical procedures to determine whether the College's auxiliary services were self-supporting.
- From the population of 343 textbooks added for the Summer 2016 term, examined supporting documentation for 30 selected textbooks to determine whether the College's policies and procedures regarding textbook affordability were in accordance with Section 1004.085, Florida Statutes.
- From the population of 2,116 employees compensated a total of \$56,546,045 during the audit period, examined records supporting compensation payments totaling \$56,988 to 30 selected employees to determine the accuracy of the rate of pay, whether supervisory personnel reviewed and approved employee reports of time worked, the validity of employment contracts, whether the employees met the required qualifications and performance evaluations were completed, and the accuracy of leave records.
- Evaluated the College's policies and procedures for payments of accumulated annual and sick leave (terminal leave pay) to determine whether the policies and procedures promoted compliance with State law and Board policies. From the population of 129 employees who separated from College employment during the audit period and were paid \$1.1 million for terminal leave, we selected and examined the supporting records for 15 employees with terminal payments totaling \$552,000 to evaluate the payments for compliance with Sections 110.122 and 1012.865, Florida Statutes, and Board policies.
- Examined severance pay provisions in 3 employee contracts to determine whether the provisions complied with Section 215.425(4), Florida Statutes.
- Reviewed the President's compensation totaling \$252,700 during the audit period to determine whether the amounts paid did not exceed limits established in Section 1012.885, Florida Statutes.
- Evaluated the College's policies and procedures for obtaining background screenings to determine whether individuals in positions of special trust and responsibility, such as positions with direct contact with persons under age 18, had undergone the appropriate background screenings.
- Examined College expenditure documentation to determine whether the expenditures were reasonable, correctly recorded, adequately documented, for a valid College purpose, properly authorized and approved, and in compliance with applicable laws, contract terms, and Board policies; and applicable vendors were properly selected and carried adequate insurance. Specifically, from the population of nonpayroll expenditures totaling \$22,786,818 for the audit period, we examined:
 - Documentation relating to 30 selected payments for general expenditures totaling \$160,928.
 - Documentation relating to 30 selected payments totaling \$915,401 for contractual service agreements.
- From the population of 14,057 purchasing card (P-card) transactions totaling 331,435 during the audit period, examined College records supporting 30 selected P-card transactions totaling \$28,450 to determine whether the P-card program was administered in accordance with College policies and procedures and transactions were not of a personal nature.

- From the population of 45 payments totaling \$29,257 made during the audit period to employees for other than travel and compensation, examined 21 selected payments totaling \$9,591 to determine whether such payments were reasonable, adequately supported, for valid College purposes, and related to employees doing business with the College, contrary to Section 112.313, Florida Statutes.
- Reviewed College policies and procedures related to identifying potential conflicts of interest. We also reviewed Department of State, Division of Corporation, records; statements of financial interests; and College records for the 17 College officials to identify any potential relationships that represented a conflict of interest with vendors used by the College.
- Reviewed documentation related to the one major construction project with total construction costs of \$22,600,000 during the audit period to determine whether the College adequately monitored the selection process of design professionals, construction managers, and subcontractors; the Board had adopted a policy establishing minimum insurance coverage requirements for design professionals; and design professionals provided evidence of required insurance.
- From the population of Public Education Capital Outlay (PECO) and other restricted source expenses totaling \$13,664,971 during the audit period, examined records supporting 30 selected expenses totaling \$2,202,388 to determine whether these funds were expended in compliance with the restrictions imposed on the use of these resources.
- Determined if PECO funds were properly encumbered by the required reversion date or returned as required by Section 216.301(2)(a) and (c), Florida Statutes.
- From the population of 560 electronic funds transfers and payments totaling \$83,400,735 during the audit period, examined 30 selected transfers and payments totaling \$4,496,776 to determine whether the transfers and payments were adequately supported and properly authorized.
- From the population of 1,651 adult general education instructional students reported for 290,851 contact hours during the Fall 2015 term, examined College records supporting 1,478 reported contact hours for 30 selected students to determine whether the College reported the instructional contact hours in accordance with the Florida Department of Education requirements.
- From the population of 550 industry certifications reported for performance funding that were attained by students during the 2015-16 fiscal year, examined 30 industry certifications to determine whether the College maintained documentation for student attainment of the industry certifications.
- From the population of payments totaling \$2,730,737 during the audit period for new software applications, examined documentation supporting 3 selected payments totaling \$575,688 to determine whether deliverables were consistent with the contract terms and conditions.
- Communicated on an interim basis with applicable officials to ensure the timely resolution of issues involving controls and noncompliance.
- Performed various other auditing procedures, including analytical procedures, as necessary, to accomplish the objectives of the audit.
- Prepared and submitted for management response the findings and recommendations that are included in this report and which describe the matters requiring corrective actions. Management's response is included in this report under the heading **MANAGEMENT'S RESPONSE**.

AUTHORITY

Section 11.45, Florida Statutes, requires that the Auditor General conduct an operational audit of each College on a periodic basis. Pursuant to the provisions of Section 11.45, Florida Statutes, I have directed that this report be prepared to present the results of our operational audit.



Sherrill F. Norman, CPA
Auditor General

MANAGEMENT'S RESPONSE¹



Office of the President

September 23, 2016

Ms. Sherrill F. Norman, CPA
State of Florida Auditor General
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1459

RE: Daytona State College Operational Audit
For the Period March 1, 2015 through February 29, 2016

Dear Ms. Norman,

Attached please find the response for Daytona State College to the preliminary and tentative findings and recommendations in the operational audit. The College concurs with the findings and has aggressively implemented control mechanisms as set forth in the response to comply with the recommendations rendered.

On behalf of Daytona State College, I want to thank Keith Wolfe and his staff for their assistance and the professional manner in which the onsite review was conducted.

Sincerely,



Thomas LoBasso
President
TL/itm

Enclosure

cc: District Board of Trustees

Daytona State College
1200 W. International Speedway Boulevard / Daytona Beach, Florida 32114
(386) 506-3000 • www.DaytonaState.edu

¹ Management's response to Finding 1 refers to an attachment that is not included in this report but may be obtained from the College.

September 23, 2016

Finding No.1: Background Screenings

Recommendation: The College should continue efforts to ensure that level 2 background screenings, including fingerprinting, are obtained for all individuals in positions of special trust or responsibility, including those positions with direct contact with individuals under age 18, and maintain documentation of the conduct of the screenings.

College's Response: The College acknowledges the finding and has updated the procedures for background screenings and fingerprinting in accordance with the recommendations made by the State Auditor. (See Attached)

Finding No.2: Direct Support Organization

Recommendation: In the absence of specific statutory authority, the College should discontinue the practice of making payments on behalf of the Foundation.

College's Response: The College acknowledges the finding and prior to the conclusion of the onsite review, steps were implemented to secure reimbursement of \$55,156 in question from the Foundation. The College will ensure that all future audit expenses for the Foundation will be paid by the Foundation.

Finding No.3: Textbook Affordability

Recommendation: The College should enhance procedures to ensure that records are maintained to document that lists of required and recommended textbooks and instructional materials are timely posted on its Web site in accordance with State law and that certifications related to the textbook use are obtained from instructors before textbooks are adopted.

College's Response: The College acknowledges the finding. During the onsite review the auditors found the College could not provide evidence clearly demonstrating the date that book adoptions were posted to the website for Fall 2015 and Spring 2016. Although the Bookstore could provide records of dates that book orders were received and placed, it could not show a "snapshot" from the Web that demonstrated proof of the date of posting. Going forward, Follett Bookstore is going to record snapshots (screen shots) of all textbook and instructional materials postings to document this process and show compliance. The auditors were able to review a sample of Summer 2016 book adoptions prior to the start of summer term and found all examples to be timely posted. The College does have a book adoption process in place to ensure timely adoptions, with deadlines for departments to submit book orders that allow ample time for the Bookstore to post the adoptions 45 days prior to the start of term (the new standard

beginning in Fall 2016). As noted, these postings will be captured on the date of posting to demonstrate compliance with 1004.085, Florida Statutes.

Pursuant to Section 1004.085, Florida Statutes, certifications signed by instructors are required at the time of book adoption, which during the period of this audit was 30 days prior to the start of term. The certifications indicate that individual instructors attest that they will use the adopted books and materials in their classes. A review of a sample of textbook certifications for the Summer 2016 term resulted in eight (8) certifications found to be signed seven (7) days beyond the due date for that semester. We agree that this information is correct.

However, we would like to note that all colleges must sometimes change instructors or add sections to the schedule close to the start of term. For example, if a class in a fulltime faculty member's load is canceled due to low enrollment, that faculty member must be reassigned to another class to meet their employment obligation. If the faculty member is assigned a different class than one for which they have already signed a certification, they will be signing the certification late. If enrollment dictates the college needs to open an additional section of a course an instructor will be assigned close to the start of term. This is what happened with some of our late certifications. In the future we will make a special note on any certification signed after the book adoption date that notes the date the section was created and the reason.

Finding No.4: Information Technology-Security Controls-Logging and Monitoring of Application Activity

Recommendation: College Management should improve security controls related to logging and monitoring of application activity to ensure the continued confidentiality, integrity, and availability of College data and IT resources.

College's Response: Daytona State College acknowledges the finding. The College will incorporate security controls related to logging and monitoring procedures with the new PeopleSoft ERP applications. We expect the new process to be completed and implemented by December of 2016.

