

**STATE OF FLORIDA AUDITOR GENERAL**

**Operational Audit**

Report No. 2018-081  
January 2018

**ST. PETERSBURG COLLEGE**



Sherrill F. Norman, CPA  
Auditor General

## **Board of Trustees and President**

During the period January 2016 through December 2016, Dr. William D. Law Jr. served as President of St. Petersburg College and the following individuals served as Members of the Board of Trustees:

Lauralee Westine, Chair from 10-11-16,  
Vice Chair through 10-10-16

Bill Foster, Vice Chair from 10-11-16

Jeffrey Dale Oliver,<sup>a</sup> Chair through 10-10-16

Deveron M. Gibbons

Nathan M. Stonecipher

<sup>a</sup> Trustee resigned 10-10-16, and position was vacant through 12-31-16.

The team leader was Kristina N. Schoen, CPA, and the supervisor was Rachel P. Sellers, CPA.

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

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# ST. PETERSBURG COLLEGE

## **SUMMARY**

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This operational report of St. Petersburg College (College) focused on selected College processes and administrative activities and included a follow-up on findings noted in our report No. 2016-115. Our operational audit disclosed the following:

**Finding 1:** Some unnecessary information technology user access privileges existed that increased the risk that unauthorized disclosure of student social security numbers (SSNs) may occur. In addition, the College did not document that periodic reviews of access privileges to student SSNs were conducted to determine whether such privileges were necessary or that any inappropriate or unnecessary access privileges detected were timely removed.

**Finding 2:** Policies and records supporting College property, facilities, and personal services use by the College direct support organization could be improved.

## **BACKGROUND**

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St. Petersburg 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 five 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 Clearwater, Seminole, St. Petersburg, and Tarpon Springs, Florida. Additionally, credit and noncredit classes are offered in public schools and other locations throughout Pinellas County.

This operational audit focused on selected College processes and administrative activities and included a follow-up on findings noted in our report No. 2016-115. The results of our financial audit of the College for the fiscal year ended June 30, 2017, 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, 2017, will be presented in a separate report.

## ***FINDINGS AND RECOMMENDATIONS***

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### **Finding 1: Information Technology User Access Privileges**

The Legislature has recognized in State law<sup>1</sup> that social security numbers (SSNs) can be used to acquire sensitive personal information, the release of which could result in fraud against individuals, or cause other financial or personal harm. Therefore, public entities are required to provide extra care in maintaining the confidential status of such information. Effective controls restrict employees from accessing information unnecessary for their assigned job responsibilities and provide for documented, periodic reviews of employee access privileges to help prevent personnel from accessing sensitive personal information inconsistent with their responsibilities.

According to College personnel and records, the College established a unique identifier, other than the student's SSN, for each student. However, student SSNs are maintained within the College information technology (IT) system to, for example, register newly enrolled students and comply with Federal and State requirements related to financial and academic assistance. Student SSNs are also maintained so the College can provide student transcripts to other colleges, universities, and potential employers based on student-authorized requests. According to College personnel, access to student SSNs allows employees to perform administrative, supervisory, or instructional responsibilities that serve a legitimate educational purpose in accordance with applicable Florida laws, State Board of Education rules, and Federal laws and College employees are required to certify that they will comply with these requirements.

To help protect student information from unauthorized disclosure, modification, or destruction, applicable supervisors and security administrators are responsible for approving employee access to sensitive data. The College IT security use policy requires employee access privileges to be reviewed annually by a designated employee with in-depth knowledge of the IT system to ensure the access privileges are commensurate with each employee's job duties and responsibilities; however, this review did not extend to access privileges to student SSNs.

As of June 20, 2017, the College IT system contained SSNs for a total of 836,850 current, former, and prospective students and 429 College employees had access privileges to the student SSNs. As part of our audit, we examined College records supporting the access privileges to student SSNs for 30 selected employees. While our audit procedures disclosed that 16 employees required such access to perform their duties, we found that 14 of the 30 employees had unnecessary access to student SSNs, including:

- 11 employees who had undergone position changes and their new positions no longer required access. These employees included instruction support specialists, a grant development project manager, adjunct faculty, and an athletic head coach.
- A career and academic advisor who, due to duty changes, no longer required access.
- An academic and student affairs dean and a health Information management faculty member who did not require access to perform their duties.

In response to our inquiry, College personnel agreed that the access privileges for these 14 employees were not needed and, subsequent to our inquiries in June 2017, the College removed the unnecessary

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<sup>1</sup> Section 119.071(5)(a), Florida Statutes.

access privileges. Additionally, as of October 17, 2017, the College determined that 316 of the 399 employees who were not included in our audit procedures also did not need access to student SSNs and removed these employees' access privileges.

After removal of the unnecessary access privileges, 83 College employees retained access privileges to the SSNs of current, former, and prospective students. According to College personnel, these 83 employees needed such access, for example, to assist former students who may return to the College for additional classes or may request administrative action on their records. College records indicated that the 83 employees included employees in various positions such as career and academic advisors, administrative services assistants and specialists, and student support specialists and managers. Notwithstanding the examples of access needs provided by College personnel, College records were not readily available to demonstrate why the employees would need continuous access to all current, former, and prospective student SSNs. Further, the College IT system did not have a mechanism to differentiate employee access privileges to current student SSNs from access privileges to former or prospective student SSNs. In addition, although we requested, College records were not provided to demonstrate the public purpose served for indefinitely maintaining prospective student SSNs. The existence of unnecessary access privileges and the lack of a documented public purpose for indefinitely maintaining prospective student SSNs increase the risk of unauthorized disclosure of student SSNs and the possibility that sensitive personal information may be used to commit a fraud against College students.

**Recommendation: The College should continue efforts to ensure that only those employees who have a demonstrated need to access student SSNs have such access. Such efforts should include:**

- **Document the public purpose served for indefinitely maintaining prospective student SSNs. Absent such documentation, the College should discontinue the practice of maintaining this information.**
- **Documented, periodic reviews of access privileges to student SSNs to determine whether such privileges are necessary and the timely removal of any inappropriate or unnecessary access privileges detected.**
- **Development of a mechanism in the College IT system to differentiate employee access privileges to current student SSNs from access privileges to former or prospective student SSNs.**
- **Identification of the employees who need continuous access to current, former, or prospective student SSNs and the documented basis for such access. If an employee only requires occasional access, the access should be granted only for the time needed.**

## **Finding 2: Direct Support Organizations**

To promote accountability over College property, facility, and personal services use, it is important that public records prescribe the conditions for such use, document appropriate approval before the use occurs and the value of such use, and demonstrate appropriate use. Such records help disclose the authorization for the use, prove the reasonableness of the value associated with that use, and enhance government transparency.

State law<sup>2</sup> provides that a direct support organization (DSO) is organized and operated exclusively to receive, hold, invest, and administer property and to make expenditures to, or for the benefit of, a Florida College System institution. Additionally, State law<sup>3</sup> authorizes the College Board of Trustees (Board) to permit the use of College property, facilities, and personal services by a DSO, and to prescribe by rule any condition with which a DSO must comply for such use.

The Board approved the Leepa-Rattner Museum of Art Inc. (Museum), St. Petersburg College Foundation Inc. (Foundation), and the Institute for Strategic Policy Solutions Inc. (Institute) as DSOs and these organizations routinely receive and use charitable contributions for the benefit of the College. Among other things, College procedures<sup>4</sup> require, as a condition for using College property, facilities, and personal services, each DSO to submit:

- Audited financial statements annually.
- Federal Internal Revenue Service (IRS) Return of Organization Exempt from Income Tax Form 990, which requires DSOs to disclose the associated value and name of related organizations that shared facilities, equipment, or employees with the DSOs.
- A letter addressed to the College President certifying that the DSO was in full compliance with Section 1004.70, Florida Statutes.

As part of our audit, we examined College records related to the DSOs. Our examination disclosed that, in August 2016, the DSO management (i.e., Museum Director and Executive Directors for the Foundation and Institute) signed and submitted letters to the College President confirming that each DSO was certified as a College DSO and was in full compliance with State law for the fiscal year ended March 31, 2016. Additionally, according to College records related to the October 2016 Board meeting, the Board approved each of the three DSO financial statement audit reports for the fiscal year ended March 31, 2016. The Board also approved the IRS Form 990 for the fiscal year ended March 31, 2016, for each DSO.

While the College identified certain conditions, such as the President certification of compliance, for using College property, facilities, and personal services, DSOs are already obligated by State law to comply with the audited financial statement and the Tax Form 990 requirements. As such, the College did not prescribe additional conditions that the DSOs must meet for such use. For example, additional conditions could be prescribed to restrict DSO use of College property, facilities, and personal services to Board-approved public purposes consistent with the mission, vision, and values of the College and require DSO management certifications that College resources will only be used for such purposes and certifications after the resource use to affirm that the resources were only used for those purposes.

As shown in Table 1, 30 College employees provided DSO services and College records disclosed that College expenses for those services, after DSO reimbursements of \$321,091, totaled \$1,137,390. The DSO financial statement audit reports disclosed that the value of the DSOs' College-owned facility use was \$100,892 for the fiscal year ended March 31, 2016. Similarly, according to College records, personal

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<sup>2</sup> Section 1004.70(1)(a), Florida Statutes.

<sup>3</sup> Section 1004.70(3), Florida Statutes.

<sup>4</sup> Procedure P6Hx23-1.33 *Direct Support Organizations*.

services expenses during the 2016 calendar year totaled \$1,120,272 after DSO reimbursements totaling \$274,918.

**Table 1**  
**College Expenses Related to**  
**Personal Services Provided to and College-Owned Facilities Used by DSOs**  
**For the Fiscal Year Ended March 31, 2016, and the 2016 Calendar Year**

	Museum	Foundation	Institute	Totals
<b>DSO Fiscal Year Ended March 31, 2016:</b>				
Number of College Employees Providing DSO Services	17	9	4	30
Personal Services Expenses	\$592,000	\$630,390	\$ 236,091	\$1,458,481
Personal Services Expenses Reimbursed by DSO <sup>a</sup>	(85,000)	-	(236,091)	(321,091)
Net Personal Services Expenses	<u>\$507,000</u>	<u>\$630,390</u>	<u>\$ -</u>	<u>\$1,137,390</u>
Value of College-Owned Facility Use	\$50,225	\$42,839	\$7,828	\$100,892
<b>2016 Calendar Year:</b>				
Personal Services Expenses	\$447,493	\$708,870	\$ 238,827	\$1,395,190
Personal Services Expenses Reimbursed by DSO <sup>a</sup>	(36,091)	-	(238,827)	(274,918)
Net Personal Services Expenses	<u>\$411,402</u>	<u>\$708,870</u>	<u>\$ -</u>	<u>\$1,120,272</u>

<sup>a</sup> The Museum reimbursed the College for certain personal service costs associated with the Museum Store Manager, Staff Accountant, and Curatorial Manager.

Source: College records for the 2016 calendar year and DSO financial statement audit reports and IRS Form 990 for the fiscal year ended March 31, 2016.

However, although we requested, Board-approved agreements or other College records were not provided to evidence the basis for the DSO reimbursements. Without such, there is an increased risk for misunderstandings between the Board and DSOs and for over or under reimbursements to occur.

In response to our inquiry regarding Board approval of DSO use of College personal services before the use occurred, College personnel provided records that demonstrated, for the fiscal year ended March 31, 2016, that the Board approved a listing of College employees who would provide DSO services. The President-approved job descriptions for these College employees were for managerial, clerical, and operational DSO services on a full-time basis.

Additionally, our examination disclosed that College records supported the College-owned facility use amounts based on square footage of the space used and estimated average operational and maintenance costs per square foot.<sup>5</sup> While the DSO audit reports evidencing the DSO use of College-owned facilities were approved by the Board, College records did not evidence that the Board preapproved DSO use of the College-owned facilities or the value of such use before the use occurred.

In response to our inquiries, College personnel indicated that the Board approved each DSO at the DSO's inception and, since the DSO employees are College employees, the DSO approval included approval of the space required for each employee to perform their duties. College personnel also indicated that DSO use of College-owned facilities, based on square footage, had remained consistent for many years

<sup>5</sup> Source: Florida College System Operating Expenses for New Facilities (Including Annualization).

and, therefore, the Board had not recently reapproved such use. Notwithstanding these responses, we found that College records associated with DSO use of College-owned facilities could be improved by obtaining Board approval of anticipated DSO use those facilities and the value of such use before the use occurs. Absent such approval, accountability for use of College-owned facilities is diminished, there is an increased risk that DSO use of College-owned facilities may not be consistent with Board intent, and personal services and facilities provided for DSO use by the College are less transparent.

**Recommendation: We recommend that:**

- **The Board prescribe by rule any condition with which a DSO must comply for such use in addition to the requirements already set forth by State law. For example, the conditions could:**
  - **Restrict the DSO use of College property, facilities, and personal services to Board-approved public purposes consistent with the mission, vision, and values of the College.**
  - **Require DSO management certifications that College resources will only be used for such purposes and certifications after the resource use to affirm that the resources were only used for those purposes.**
- **The Board enter into agreements with DSOs to establish the basis for any DSO reimbursements.**
- **The College document Board approval of DSO use of College-owned facilities, at least on an annual basis, before the use occurs. To enhance government transparency, Board approval documentation should identify the square footage of the office space and related buildings that will be used by the respective DSOs and the value of such use.**
- **The College obtain certifications from DSO personnel to validate that College resources were used in accordance with the conditions for such use.**

## ***PRIOR AUDIT FOLLOW-UP***

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The College had taken corrective actions for the findings included in our report No. 2016-115.

## ***OBJECTIVES, SCOPE, AND METHODOLOGY***

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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 2017 through October 2017 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. 2016-115.
- 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 January 2016 through December 2016, 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 College information technology (IT) policies and procedures to determine whether the policies and procedures addressed certain important IT control functions, such as security, systems development and maintenance, and disaster recovery.
- Reviewed College procedures for maintaining and reviewing access to IT resources. Specifically, we examined College records supporting the access privileges to the College's database and finance and human resources applications during the audit period in 16 critical areas of access for 38 selected employees to determine the appropriateness and necessity of the access privileges based on employees' job duties and user account functions and whether access prevented the performance of incompatible duties. We also examined administrator account access privileges granted and procedures for oversight of administrator accounts for the network, operating system, database, and application to determine whether these accounts had been appropriately assigned and managed.
- Evaluated College procedures for protecting student social security numbers (SSNs). Specifically, from the population of 429 individuals who had access to student SSNs, we examined the access privileges of 30 selected College employees to determine the appropriateness and necessity of the access privileges based on assigned job responsibilities.
- Evaluated College security policies and procedures during the audit period governing the classification, management, and protection of sensitive and confidential information.
- Reviewed operating system, database, network, and application security settings to determine whether authentication controls were configured and enforced in accordance with IT best practices.
- Determined whether a written, comprehensive IT risk assessment had been developed to document the College's risk management and assessment processes and security controls intended to protect the confidentiality, integrity, and availability of data and IT resources.
- Determined whether a comprehensive IT security awareness and training program was in place.
- Examined Board of Trustees, 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 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.
- From the population of 85 payments totaling \$238,729 made during the audit period from the College to its direct support organizations (DSOs), examined College records supporting 7 payments totaling \$151,253 to determine whether the payments were authorized by Sections 1004.70(1)(a)2. and (3), Florida Statutes.
- Examined College records to determine whether the Board had prescribed by rule the condition(s) with which the DSOs must comply in order to use College property, facilities, and personal services; the College maintained records to document the value of College property and facilities used by, and College employee actual time and effort provided to, the DSOs; and the Board documented consideration and approval of anticipated property, facilities, and personal services and related costs provided to the DSOs.

- 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 4,657 student receivables totaling \$3.4 million and recorded as of December 2016, documentation relating to 30 selected student receivables totaling \$135,105.
  - From the population of 1,775 student receivables written off during the audit period totaling \$1.1 million, examined documentation relating to 30 student receivables written off totaling \$85,978 to determine whether College collection efforts were adequate and whether uncollectible accounts written off were properly approved.
- Reviewed College procedures to determine whether distance learning fees totaling \$3.7 million during the audit period were assessed and collected as provided by Section 1009.23(16)(b), Florida Statutes.
- From the population of 8,258 students enrolled in 289 courses with lab fees for Spring and Fall 2016 Semesters, examined College records for 30 selected students to determine whether lab fees were properly assessed and in accordance with College Procedure P6Hx23-5.17.
- From the population of 1,417 students enrolled as Florida residents who had changes in residency status during the Spring 2016, Summer 2016, and Fall 2016 Semesters, reviewed College records for 30 selected students to determine whether the College correctly assessed tuition in compliance with Section 1009.21, Florida Statutes.
- From the College's seven auxiliary operation contracts, which generated revenue totaling \$2.6 million for the audit period, examined College records supporting two selected contracts, which generated revenues totaling \$2.1 million, 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.
- Examined supporting documentation for the 21,326 textbooks added for the Fall 2016 and Spring 2017 Semesters to determine whether College policies and procedures regarding textbook affordability were in accordance with Section 1004.085, Florida Statutes.
- Examined College policies, procedures, and related records for the audit period to determine whether the records documented supervisory review and approval of time worked and leave used by exempt employees (i.e., full-time administrative and professional employees and faculty).
- From the population of 3,647 employees compensated a total of \$100 million during the audit period, selected 30 payroll transactions totaling \$69,402 and examined related payroll and personnel records to determine the accuracy of the rate of pay, validity of employment contracts, whether performance evaluations were completed, and the accuracy of leave records.
- Evaluated College 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. Specifically, from the population of 173 employees who separated from College employment during the audit period and were paid \$935,205 for accumulated leave, we selected 10 employees with terminal leave payments totaling \$403,156 and examined the supporting records to evaluate the payments for compliance with Sections 110.122 and 1012.865, Florida Statutes, and Board policies.
- Examined severance pay provisions in the one employee contract that contained such provisions during the audit period to determine whether the provisions complied with Section 215.425(4), Florida Statutes.

- Examined College compensation records for the College President who received compensation totaling \$502,749 during the audit period to determine whether the amounts paid did not exceed the limits established in Section 1012.885, Florida Statutes.
- Evaluated College policies and procedures for obtaining personnel background screenings to determine whether employees 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 expense documentation to determine whether the expenses were reasonable, correctly recorded, and 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. From the population of expenses totaling \$137 million for the audit period, we examined College records supporting:
  - 30 selected payments for general expenses totaling \$139,571.
  - 30 selected payments for contractual services totaling \$956,866.
  - The competitive selection of 13 selected vendors that were paid a total of \$352,757.
- From the population of 6,962 purchasing card (P-card) transactions totaling \$1.6 million during the audit period, examined College records supporting 30 selected P-card expense transactions totaling \$45,149 to determine whether the P-card program was administered in accordance with College policies and procedures and transactions were not of a personal nature. We also determined whether the College timely canceled the P-cards for all 13 cardholders who separated from College employment during the audit period.
- Examined reimbursements for the President and Board members' travel expenses during the audit period totaling \$18,073 to determine whether the travel expenses were reasonable, adequately supported, for valid College purposes, and limited to amounts allowed by Section 112.061, Florida Statutes.
- From the population of 22 payments totaling \$21,197 for the audit period made to employees for other than travel and compensation, examined College records supporting 15 selected payments totaling \$18,722 to determine whether the payments were reasonable, adequately supported, and for valid College purposes. We also evaluated whether the payments related to employees doing business with the College, contrary to Section 112.313, Florida Statutes.
- From College records supporting five major construction projects totaling \$33.4 million that were in progress during the audit period:
  - Selected 4 payments totaling \$1.1 million related to two construction projects with contract amounts totaling \$17 million and examined College records to determine whether the payments were made in accordance with contract terms and conditions, College policies and procedures, and provisions of applicable State laws and rules.
  - Evaluated College documentation related to one major construction project with total construction costs of \$1.3 million during the audit period to determine whether the College adequately monitored the process for selecting design professionals and construction managers for compliance with State law.
  - Examined documentation related to two construction projects with contract amounts totaling \$17 million to determine whether the College adequately monitored the process for selecting 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 711 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.

- 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***

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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 RESPONSE

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St. Petersburg College



Office of the President  
727-341-3241

**Board of Trustees**  
Chair Nathan Stonecipher, Vice Chair Katie Cole, Trustee Bridgette Bello,  
Trustee Bill Foster, Trustee Deveron M. Gibbons, President Tonjua Williams

December 13, 2017

Sherrill F. Norman, CPA  
Auditor General  
C74 Claude Pepper Building  
111 West Madison Street  
Tallahassee, FL 32399-1450

Dear Ms. Norman:

In response to the preliminary and tentative audit findings related to your operational audit of St. Petersburg College for the calendar year ending December 31, 2016, we submit the attached statement of corrective action.

We wish to express our appreciation to your staff for the professional and helpful manner in which they conducted the audit.

If I can be of further assistance, please do not hesitate to call me.

Sincerely,

A handwritten signature in blue ink that reads "Tonjua Williams".

Tonjua Williams, Ph.D.  
President

Mailing Address: Post Office Box 13489, St. Petersburg, FL 33733-3489

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14-5012-12-6-1

**Finding No. 1 Information Technology – Access Privileges:** Some unnecessary information technology user access privileges existed.

**Recommendation:** The College should continue efforts to ensure that only those employees who have a demonstrated need to access student Social Security Numbers (SSNs) have such access.

**Response:** St. Petersburg College takes the security of our students' personal information very seriously.

The College will periodically review access to the PeopleSoft Student Information System to ensure that unnecessary access is removed. The College has taken steps to obtain information about employees who are transferring or are reassigned, in order to ensure that these employees' access privileges are appropriate for their new job duties.

The Student Information System does not provide a mechanism to restrict access or distinguish employee access between current students and prospective or former students. The College will stay apprised of any updates to the System to ascertain if this ability becomes available.

**Finding No. 2 Direct Support Organizations (DSO) – Policies and supporting records:** Improve College policies and records supporting the DSO's use of College property, facilities, and personal services.

**Recommendation(s): The auditors recommend that:**

- The Board prescribe by rule any condition with which a DSO must comply for such use in addition to the requirements already set forth by State law.
- The College obtain certifications from DSO personnel to validate that College resources were used in accordance with conditions for such use.
- The Board enter into agreements with the DSOs to establish the basis for any DSO reimbursements.
- The College document Board approval of DSO use of College-owned facilities, at least annually, before the use occurs.

**Response:**

The College will enhance language to Board Procedure P1-33 (Direct Support Organizations) that supplements the conditions with which a DSO must comply. In addition to those required by statute, we detail the requirement that the DSO use the College property, facilities, and personal services for public purposes consistent with the mission, vision, and values of the College. Language will also be added to this procedure such that each DSO must validate annually that College resources were used in accordance with such conditions.

The College will prepare and execute a Memorandum of Understanding between the DSOs to confirm the basis of DSO reimbursements.

On an annual basis, the College will approve the DSOs' use of College facilities, prior to the beginning of the DSOs' fiscal year.