

**STATE OF FLORIDA AUDITOR GENERAL**

**Operational Audit**

Report No. 2019-059  
November 2018

**EASTERN FLORIDA STATE COLLEGE**



Sherrill F. Norman, CPA  
Auditor General

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During the period January 1, 2017, through December 31, 2017, Dr. James H. Richey served as President of Eastern Florida State College and the following individuals served as Members of the Board of Trustees:

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Dewey L. Harris

The team leader was Jamie L. Wilson, and the audit was supervised by Keith A. Wolfe, 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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# EASTERN FLORIDA STATE COLLEGE

## **SUMMARY**

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This operational report of Eastern Florida State College (College) focused on selected College processes and administrative activities and included a follow-up on findings noted in our report No. 2016-084. Our operational audit disclosed the following:

**Finding 1:** Some unnecessary information technology user access privileges existed that increased the risk that unauthorized disclosure of sensitive student information may occur.

**Finding 2:** College direct-support organization policies and records supporting direct-support organization use of College property, facilities, and personal services could be improved.

**Finding 3:** College records did not always evidence that capital improvement fees were used for authorized purposes, resulting in questioned costs of \$31,557. A similar finding was noted in our report No. 2016-084.

## **BACKGROUND**

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Eastern Florida 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 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 Cocoa, Melbourne, Palm Bay, and Titusville. Additionally, credit and noncredit classes are offered in public schools and other locations throughout Brevard County.

## **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 evaluations of access privileges to help prevent individuals from accessing sensitive personal information inconsistent with their responsibilities.

According to College personnel and records, the College established a unique identifier, other than the SSN, to identify each student and maintained student SSNs in the College information technology (IT)

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

system. The College collects and uses student SSNs pursuant to State law for various purposes, such as to 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 should serve a legitimate educational purpose in accordance with applicable Florida laws, State Board of Education rules, and Federal laws.

College personnel indicated that, 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 and applicable supervisors evaluate this access annually. However, according to College personnel, the evaluations did not specifically consider user access to the sensitive personal information of students. In addition, College personnel indicated that the IT system does not differentiate between the information of current students from the information of former students who had not completed courses in more than 3 terms.

As of May 2018, the College IT system contained information for a total of 377,679 current and former students and 226 College employees had access privileges to the student information. As part of our audit, we examined College records supporting the access privileges to student information for 32 selected employees. While our audit procedures disclosed that 13 employees required such access to perform their duties, we found that 19 employees had unnecessary access to sensitive personal information of students, including SSNs. Specifically:

- 10 employees, including the Director of Institutional Research, Dean of Public Safety Institute, 5 Student Services Welcome Specialists, and 3 student workers had read-only access to sensitive personal information of students. Although we requested, College records were not provided to justify these access privileges and College personnel removed these privileges on June 19, 2018.
- 9 other employees, including 4 Campus Advising Coordinators, 3 Student Development Specialists, 1 Program Specialist, and 1 American Heart Association Coordinator had continuous access to student information, including SSNs. In response to our inquiry, the College personnel indicated that the continuous access to the SSNs was allowed because these employees needed access to other student data, such as student physical or e-mail addresses, telephone numbers, and other information, that is displayed on the same IT system screen. Notwithstanding, College personnel acknowledged that these employees did not specifically need access to the student SSNs and that, as of May 2018, the IT system did not have the ability to mask SSNs.

The existence of unnecessary access privileges increases the risk of unauthorized disclosure and the possibility that such information may be used to commit a fraud against College students or others.

**Recommendation: The College should continue efforts to ensure that only those employees who have a demonstrated need to access sensitive personal information of students have such access. Such efforts should include:**

- **Documented periodic evaluations of access privileges to sensitive personal information of students to determine whether such privileges are necessary and the timely removal of any inappropriate or unnecessary access privileges detected.**
- **Identification of employees who need continuous access to current or former student information and the documented basis for such access. If an employee only requires occasional access, access should be granted only for the time needed.**

- **Consultations with the IT system vendor regarding College upgrades to include mechanisms to:**
  - **Differentiate IT user access privileges to current student information from access privileges to former student information.**
  - **Mask sensitive personal information of students from users who did not require such access for their assigned jobs.**

## **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 demonstrate appropriate use. Such records help document authorization for the use, demonstrate 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 conditions with which a DSO must comply for such use.

The Board approved the Maxwell C. King Center for the Performing Arts, Inc. (Center) and Eastern Florida State College Foundation, Inc. (Foundation) as DSOs and these organizations routinely receive and use charitable contributions for the benefit of the College. Board policies<sup>4</sup> and procedures<sup>5</sup> authorize DSO use of College property, facilities, and personal services of the College staff, subject to College policies and procedures. College policies require each DSO to provide for a financial statement audit and to annually recertify that it is in compliance with the State-required audit. In addition, based on Board-approved memoranda of understanding between the College and the DSOs, the College is responsible for providing support services for human resources, accounts payable, payroll, and related financial services, as well as IT-related services. The College is also required to develop annual operating budgets for its DSOs, which are subject to approval by both the DSO Boards and the College Board. While the Board authorized DSO use of College property, facilities, and personal services, the Board had not prescribed by rule or policy any conditions with which the DSOs must comply in order to use College resources other than those obligated by State law. Among other things, such conditions could:

- Restrict DSO use of College resources to those Board-approved public purposes consistent with the mission, vision, and values of the College.
- Require DSO management to certify, before use, that College resources will only be used for Board-approved purposes and to affirm, after use, that the resources were only used for such purposes.

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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> Board Policy 700.1, *Direct-Support Organizations*.

<sup>5</sup> College Procedure 604, *Direct-Support Organizations*.

During the 2017 calendar year, the College provided resources to both DSOs including personal services and use of College-owned facilities and properties. Our review of College and DSO records disclosed that:

- According to College records, during the 2017 calendar year, the College paid \$193,548 for personal services provided to the Foundation and \$19,968 for personal services provided to the Center. These costs were based on the services of seven College employees who devoted 25 to 100 percent of their work effort to the DSOs. For those employees who provided less than 100 percent of their work effort, the College maintained records to document the actual time and effort provided to the DSOs.
- According to the audited financial statements of the DSOs for the fiscal year ended June 30, 2017, the College provided personal services totaling \$201,600 and \$16,573 for the Foundation and Center, respectively.
- During the 2017 calendar year, the Foundation utilized office space on the College Melbourne Campus, and the Center used College performing arts center and equipment located on the Melbourne Campus. The Foundation's financial statements did not refer to or disclose the value of the College-provided facilities. While the Center's audited financial statements referred to the College-provided facilities, the financial statements noted that "the estimated rental value of these [the College] facilities has not been reflected in the accompanying financial statements, since there is no objective basis available by which to measure the value of the facility. However, this value is substantial."
- College records did not evidence that the Board approved the value of the DSOs use of the College-owned facilities before the use occurred or received certification from the DSOs of the facilities' use.

College records could be enhanced by obtaining Board approval of anticipated DSO use of College resources and the value of such use before the use occurs and documenting when the DSOs used College resources and the purpose for and value of such use. Such records would document authorization, demonstrate the reasonableness of the value, and enhance transparency for the College resources provided for DSO use.

**Recommendation: We recommend that:**

- **The Board prescribe by rule or policy any conditions with which the DSOs must comply in order to use College property, facilities, and personal services and the College monitor and document DSO compliance with such conditions.**
- **The College document Board consideration and approval of the DSOs' anticipated use of College resources, at least annually, 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 require and ensure that DSO personnel affirm, after use of College resources, that the College resources were used properly.**

### Finding 3: Capital Improvement Fees

State law<sup>6</sup> authorizes colleges to collect capital improvement fees and use the fees only to acquire improved real property or construct and equip, maintain, improve, or enhance College educational facilities. Educational facilities are defined by State law<sup>7</sup> and the *State Requirements for Educational Facilities (SREF)*<sup>8</sup> as buildings and equipment, structures, and special educational use areas that are built, installed, or established to serve primarily educational purposes and secondarily community social and recreational purposes.

During the 2017 calendar year, the College incurred expenses totaling \$2.9 million from capital improvement fees. To determine the propriety of capital improvement fee use, we examined College records supporting 62 selected expenses totaling \$753,156 and identified 47 payments totaling \$31,557 for maintenance employee uniforms, which did not meet the statutory requirements for capital improvement fee use.

In response to our inquiry, College personnel indicated that a necessary cost of maintaining educational facilities is appropriate uniforms for maintenance workers. College personnel further stated that maintenance uniforms are essential for worker safety and productivity, the security of the campus environment, and provide a professional look for interaction with students, faculty, staff, and the public. Notwithstanding this response, maintenance employee uniforms are not necessary to maintain educational facilities and do not meet the requirements set forth in State law. Subsequent to our inquiry, in October 2018 the College refunded the \$31,557 to the capital improvement fee account. A similar finding was noted in our report No. 2016-084.

**Recommendation:** The College should continue efforts to ensure that capital improvement fee use complies with the requirements set forth in State law.

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

Except as noted in Finding 3, the College had taken corrective actions for findings included in our report No. 2016-084.

### ***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 2018 through August 2018 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

<sup>6</sup> Section 1009.23(11), Florida Statutes.

<sup>7</sup> Section 1013.01(6), Florida Statutes.

<sup>8</sup> Section 1.2(36)(d), *SREF*.

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. 2016-084.
- 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 2017 through December 2017. 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 employee access to IT resources. We examined access privileges over the database and finance and human resources applications during the audit period for 35 of the 599 employees with such access to determine the appropriateness and necessity based on employees' job duties and user account functions and adequacy with regard to preventing 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 the sensitive personal information of students, including student social security numbers (SSNs). From the population of 226 employees who had access to sensitive personal student information during the audit period, we examined College records supporting the access privileges of 32 employees to determine the appropriateness and necessity of the access privileges based on the employee's assigned job responsibilities. We also examined College records to determine whether the College had provided individuals with written statements of the purpose for collecting their SSNs.
- Evaluated Board security policies and College procedures governing the classification, management, and protection of sensitive and confidential information during the audit period.
- Evaluated the appropriateness of the College's comprehensive IT disaster recovery plan effective during the audit period to determine whether it was in place and had been recently tested.
- 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 for the audit period to document the College 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 for the audit period.
- Examined College records for the audit period 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 for the audit period 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.
- Analyzed the unencumbered balance in the unrestricted current fund of the Board of Trustees approved operating budget to determine whether the balance was below 5 percent of the total available fund balances at June 30, 2017. We also performed analytical procedures to determine whether financial transactions in other funds may require resources from unrestricted funds that would cause a significant reduction in available unrestricted current or auxiliary funds.
- Examined College records supporting 2 transfers totaling \$8,476 selected from the 10 transfers totaling \$15,326 made during the audit period from the College to one of its

direct-support organizations (DSOs), to determine whether the transfers were authorized by Section 1004.70(1)(a)2. and (3), Florida Statutes.

- Examined College records to determine whether the Board had prescribed by rule, pursuant to Section 1004.70(3)(b), Florida Statutes, the conditions with which the DSOs must comply in order to use College property, facilities, and personal services and whether the Board documented consideration and approval of anticipated property, facilities, and personal services provided to the DSOs and the related costs.
- Examined College records to determine whether student accounts receivable were properly authorized, adequately documented, and properly recorded. Specifically, we examined documentation relating to 30 delinquent student receivables totaling \$31,133 selected from the population of 431 delinquent student accounts receivable totaling \$440,004 and recorded as of December 31, 2017, to determine whether College collection efforts were adequate and restrictions on student records and holds on transcripts and diplomas were appropriate and enforced for students with delinquent accounts in accordance with Board policies established pursuant to Section 1010.03, Florida Statutes.
- Examined College records to determine whether uncollectible accounts totaling \$640,000 written off during the audit period were properly approved.
- Examined 30 tangible personal property (TPP) items selected from the population of 6,763 TPP items listed in the College's property records to determine whether the TPP items existed and were properly identified as College property.
- Evaluated College procedures for performing the annual TPP inventory counts and examined supporting documentation of the counts.
- Evaluated whether the student fees assessed totaling \$37,248,643 during the audit period were properly authorized, accurately calculated, and correctly recorded. Specifically, we examined:
  - College records relating to 30 selected student fees totaling \$60,757 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 Rule 6A-10.044 and 6A-14.054, Florida Administrative Code.
  - College records to determine whether the College established procedures to cancel the registration of student 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.
  - From the distance learning fee revenues totaling \$1,460,860 during the audit period, examined College records for 26 selected distance learning courses with fee revenue totaling \$1,200 to determine whether the distance learning fees were assessed and collected as provided by Section 1009.23(16)(b), Florida Statutes.
  - Evaluated capital improvement fee assessments to determine whether the fees did not exceed 20 percent of the total tuition fees.
- From ten decentralized locations with collections totaling \$229,558, selected two locations with collections totaling \$158,738 during the audit period to determine the effectiveness of College collection procedures.
- For the three contracts for auxiliary operations, which generated revenue totaling \$710,438 for the audit period, examined College records supporting 4 months of activity, which generated revenue totaling \$583,992, 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 College auxiliary services were self-supporting.

- From the population of 5,275 course sections offered during the audit period, examined College records to determine whether Board policies and College procedures regarding textbook affordability were in accordance with Section 1004.085, Florida Statutes.
- From the population of compensation payments totaling \$51,829,578 made to 2,040 employees during the audit period, selected 30 payroll transactions totaling \$69,471 and examined the related payroll and personnel records to determine the accuracy of the rate of pay, the validity of employment contracts, whether performance evaluations were completed, the accuracy of leave records, and whether supervisory personnel reviewed and approved employee reports of time worked.
- Evaluated Board policies and College 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 72 employees who separated from College employment during the audit period and were paid \$645,159 for terminal leave, we selected 22 employees with terminal payments totaling \$581,265 and examined the supporting records to determine compliance with Sections 110.122 and 1012.865, Florida Statutes, and Board policies.
- Examined severance pay provisions in six employee contracts to determine whether the provisions complied with Section 215.425(4), Florida Statutes.
- Examined College records supporting 4 administrative employees (including the President) who received compensation totaling \$1,313,620 during the audit period to determine whether the amounts paid did not exceed limits established in Sections 1012.885 and 1012.886, Florida Statutes.
- Evaluated the Board policies and College procedures for obtaining personnel background screenings to determine whether individuals in positions at the College child care centers had undergone the appropriate background screenings, pursuant to Section 402.305(2)(a), Florida Statutes.
- Evaluated Board policies and College procedures to ensure health and life insurance was provided only to eligible employees, retirees, and dependents and that such insurance was timely canceled upon employee termination. Also, we determined whether the College had procedures for reconciling health insurance costs to employee, retiree, and Board-approved contributions.
- Examined College records to determine whether selected expenses were reasonable, correctly recorded, and adequately documented; for a valid College purpose; properly authorized and approved; 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 expenses totaling \$21,794,684 for the audit period, we examined College records supporting:
  - 30 selected payments for general expenses totaling \$61,205.
  - 27 selected payments for contractual services totaling \$1,557,935.
  - 62 payments totaling \$753,156 from capital improvement fees.
- From the population of 10,716 purchasing card (P-card) transactions totaling \$2,075,154 during the audit period, examined College records supporting 30 selected P-card transactions totaling \$59,754 to determine whether the P-card program was administered in accordance with Board policies and College procedures and transactions were not of a personal nature.
- Examined P-card records for 30 of the 32 cardholders who separated from College employment during the audit period, to determine whether the College timely canceled cardholder P-cards.
- From the population of 3,660 payments totaling \$354,451 to employees for travel expenses during the audit period, examined 32 selected travel reimbursements totaling \$56,363 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 five major construction projects totaling \$4,221,969 and in progress during the audit period, selected seven payments totaling \$1,628,218 related to two major construction projects with contract amounts totaling \$34,026,455 and examined College records to determine whether the payments were made in accordance with contract terms and conditions, Board policies and College procedures, and provisions of applicable State laws and rules.
- Evaluated documentation related to two major construction projects with total construction costs of \$2,495,791 during the audit period to determine whether the College process for selecting design professionals and construction managers was in accordance with State law and the College adequately monitored the selection of 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 312 industry certifications reported for performance funding that were attained by students during the 2017 calendar year, examined 30 industry certifications to determine whether the College maintained documentation for student attainment of the industry certifications.
- Obtained copies of the most recent annual fire safety, casualty safety, and sanitation inspection reports to determine whether deficiencies noted were timely corrected.
- 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



**Eastern Florida**  
STATE COLLEGE

OFFICE OF PRESIDENT

3865 North Wickham Road • Melbourne, Florida 32935 • 321/433-7000 • Fax: 321/433-7005

**President**

James H. Richey, J.D.

**Board of Trustees**

Alan H. Landman, Chair  
Ronald Howse, Vice Chair  
R. Bruce Deardof  
Dr. Edgar Figueroa  
Moses L. Harvin, Sr.

**Cocoa Campus**

1519 Clearlake Road  
Cocoa, Florida 32922  
321/632-1111  
Fax: 321/433-7064

**Melbourne Campus**

3865 N. Wickham Road  
Melbourne, Florida 32935  
321/632-1111  
Fax: 321/433-5618

**Palm Bay Campus**

250 Community College Pkwy.  
Palm Bay, Florida 32909  
321/632-1111  
Fax: 321/433-5305

**Titusville Campus**

1311 North U.S. 1  
Titusville, Florida 32796  
321/632-1111  
Fax: 321/433-5113

easternflorida.edu



November 19, 2018

Sherrill F. Norman  
Auditor General  
State of Florida  
G74 Claude Denson Pepper Building  
111 West Madison Street  
Tallahassee, FL 32399-1450

Re: 2018 Operational Audit Response

Dear Ms. Norman:

The following is the response to the preliminary and tentative finding of your operational audit of Eastern Florida State College.

Finding No. 1: Information Technology User Access Privileges.

The college will continue efforts to ensure that only employees with a demonstrated need to access sensitive personal information of students have such access. Those efforts will include:

- Regular review of information technology access privileges
- Granting of periodic access for employees not needing access to sensitive personal information only for the time needed
- Consultation with software vendors to determine the feasibility of differentiating access to current student information from noncurrent student information and masking sensitive personal information when appropriate

Finding No. 2: Direct Support Organizations

The College is revising the memorandums of understanding (MOU) with each DSO to prescribe the conditions with which the DSO must comply in order to use College property, facilities and personal services. Each MOU will be updated and approved annually by the respective DSO board and College Board of Trustees to document consideration and approval of the DSO's anticipated use of College resources before the use occurs. Each DSO will certify the actual use of College resources by the DSO as part of the annual financial audit report to the College Board of Trustees.

Sherrill F. Norman  
Auditor General  
November 19, 2018  
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Finding No. 3: Capital Improvement Fees.

As noted in the report, the College refunded the questioned costs to the capital improvement fee fund. The College concurs with this recommendation and will continue efforts to ensure that capital improvement fee use complies with the requirements set forth in State law.

Sincerely,

A handwritten signature in blue ink that reads "James H. Richey". The signature is written in a cursive style with a large initial "J".

James H. Richey, J.D.  
President

cc: Mark Cherry, Chief Financial Officer