

Report No. 2018-212
June 2018

STATE OF FLORIDA AUDITOR GENERAL

Operational Audit

**ADMINISTRATION OF THE
FLORIDA BRIGHT FUTURES
SCHOLARSHIP PROGRAM
BY FLORIDA'S
PUBLIC UNIVERSITIES AND COLLEGES**



Sherrill F. Norman, CPA
Auditor General

This audit was coordinated by Kathy Stich, CPA.

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

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State of Florida Auditor General

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ADMINISTRATION OF THE FLORIDA BRIGHT FUTURES SCHOLARSHIP PROGRAM BY FLORIDA'S PUBLIC UNIVERSITIES AND COLLEGES

SUMMARY

This operational audit focused on the administration of the Florida Bright Futures Scholarship Program (Program) by Florida's public universities and colleges (institutions) for the fiscal years ended June 30, 2016, and June 30, 2017, and included a follow-up on findings noted in our report No. 2017-002. Our operational audit disclosed the following:

Finding 1: As similarly noted in our report No. 2017-002, 12 of the 40 institutions did not always timely remit undisbursed Program funds to the Florida Department of Education.

BACKGROUND

The Florida Legislature established the Florida Bright Futures Scholarship Program (Program)¹ to provide lottery-funded scholarships to any Florida high school graduate who merits recognition of high academic achievement and enrolls in a degree, certificate, or applied technology program at an eligible Florida public or private postsecondary educational institution within 3 years of high school graduation. The Program consists of three award types: the Florida Academic Scholarship, the Florida Medallion Scholarship, and the Florida Gold Seal Vocational Scholarship.

For the 2015-16 fiscal year, Florida's 12 public universities and 28 public colleges disbursed Program awards totaling \$201,225,775 to 101,486 students, with the amounts disbursed by the universities and colleges totaling \$188,152,809 and \$13,072,966, respectively. For the 2016-17 fiscal year, Florida's 12 public universities and 28 public colleges disbursed Program awards totaling \$182,194,821 to 88,603 students, with the amounts disbursed by the universities and colleges totaling \$171,832,553 and \$10,362,268, respectively. The \$19 million reduction in the amount of Program awards disbursed from the 2015-16 fiscal year to the 2016-17 fiscal year is attributed to the reduction in students who met the eligibility requirements.

Scholarship award amounts are established in the General Appropriations Act each year and recipients receive a fixed cost per credit hour based on award level, institution type, and credit type. The Florida Department of Education (FDOE) determines the eligibility of students based on general criteria for Program awards and specific criteria for the scholarship type. After students qualify for an award, they must continue to meet eligibility criteria for renewal awards. Renewal awards eligibility criteria include achieving and maintaining specified grade point averages and completing at least 24 semester credit hours in the last academic year in which the student earned a scholarship if enrolled full time, or a prorated number of credit hours as determined by the FDOE if the student was enrolled less than full time for any part of the academic year. **EXHIBIT A** to this report provides a summary of the advances and disbursements reported by each institution for the 2015-16 and 2016-17 fiscal years.

¹ Section 1009.53, Florida Statutes.

The FDOE is responsible for administering the Program disbursement and reconciliation process. Each term, the FDOE provides to the institutions a list of eligible students and advances scholarship moneys for disbursement to the students enrolled at the respective institutions. The institutions are to verify that the students have enrolled in the required number of hours to receive the scholarship, calculate the amount of the disbursement based on the type of scholarship for which the student was eligible, and disburse the money to the student. Any moneys not disbursed to eligible students must be returned to the FDOE within 60 days after the end of the regular registration period. Unless the FDOE grants a student an exception, institutions must return Program funds to the FDOE within 30 days after the end of a semester for courses dropped by a student or from which a student has withdrawn after the end of the drop and add period. The institutions are also required to report disbursements, enrolled hours, earned hours, and grade point averages to the FDOE.

FINDING AND RECOMMENDATION

Finding 1: Remittance of Undisbursed Advances

State law² requires an institution receiving Program funds to remit to the FDOE any undisbursed advances within 60 days after the end of the regular registration period. The institutions remitted to the FDOE undisbursed advances totaling \$5.1 million for the 2015-16 fiscal year and \$2.6 million for the 2016-17 fiscal year.

Our examination of institution records disclosed that, although most of the 40 institutions timely remitted undisbursed advances to the FDOE, 12 institutions did not always ensure that undisbursed advances were remitted within the 60-day time frame. Table 1 identifies the 12 institutions, the semesters for which the Program funds were received, the amounts untimely remitted, and, for each applicable semester, the number of days late.

² Section 1009.53(5)(b), Florida Statutes.

**Table 1
Untimely Remittances of Undisbursed Advances**

No.	Institution	Fall 2015		Spring 2016		Fall 2016		Spring 2017		Summer 2017 ^a	
		Amount	Days Late	Amount	Days Late	Amount	Days Late	Amount	Days Late	Amount	Days Late
1	Florida International University	\$ -	-	\$ -	-	\$499,853	21	\$ -	-	\$ -	-
2	University of Florida ^a	-	-	-	-	-	-	-	-	215,276	10
3	Broward College	3,738	35	-	-	-	-	-	-	-	-
4	College of Central College	-	-	-	-	21,875	22	5,892	36	-	-
5	Eastern Florida State College	77,366	10	-	-	-	-	-	-	-	-
6	Florida Keys Community College	5,241	223 and 315	-	-	4,850	100	-	-	-	-
7	Florida State College at Jacksonville	121,938	230	18,091	95	64,321	46	-	-	-	-
8	Hillsborough Community College	-	-	17,724	7	-	-	-	-	-	-
9	Polk State College	60,475	82	-	-	-	-	-	-	-	-
10	St. Johns River State College	30,600	136	-	-	-	-	9,164	17	-	-
11	Seminole State College of Florida	119,834	230	-	-	19,498	73	-	-	-	-
12	State College of Florida, Manatee-Sarasota	47,211	8	-	-	-	-	-	-	-	-

^a Section 1009.215, Florida Statutes, only authorizes University of Florida students in a student enrollment pilot program to receive Program awards for the summer term.

In response to our inquiries, institution personnel indicated that the delayed remittances occurred because, for example, institutions had not established procedures to timely remit undisbursed advances or personnel misunderstood the 60-day remittance requirement. Broward College, Hillsborough Community College, and Seminole State College of Florida were noted in a similar finding in our report No. 2017-002 and Seminole State College of Florida was also noted in a similar finding in our report No. 2014-159.

Recommendation: Management at the applicable institutions should establish or enhance procedures to ensure that undisbursed Program funds are timely remitted to the FDOE. Such enhancements could include appropriate training to ensure that institution personnel understand the statutory requirement to timely remit the funds within 60 days after the end of the regular registration period.

PRIOR AUDIT FOLLOW-UP

The public universities and colleges had taken corrective actions for findings included in previous audit reports of the institutions' administration of the Florida Bright Futures Scholarship Program, except as noted in Finding 1 and shown in Table 2.

**Table 2
Institutions Also Noted in Previous Audit Report Findings**

Institution	Finding	Audit Report No. 2017-002, Finding	Audit Report No. 2014-159, Finding
Broward College	1	2	Not Applicable
Hillsborough Community College	1	2	Not Applicable
Seminole State College of Florida	1	2	2

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. Pursuant to Section 1009.53(5)(c), Florida Statutes, in connection with our financial audits conducted pursuant to Section 11.45(2)(c), Florida Statutes, we conducted an operational audit of the administration of the Bright Futures Scholarship Program (Program) by the State’s 12 universities and 28 colleges for the fiscal years ended June 30, 2016, and June 30, 2017.

We conducted this operational audit from May 2017 through April 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 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:

- Determine the extent to which the institutions administered Program funds in accordance with applicable laws, rules, and other guidelines relating to the Program; properly accounted for funds received and distributed through the Program; maintained and prepared reliable financial records and reports; and safeguarded Program assets.
- Determine whether management had taken corrective actions for findings included in our report No. 2017-002.
- 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 the activities or functions of the Program included within the scope of our audit, weaknesses in management’s internal controls; instances of noncompliance with applicable laws, rules, regulations, 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 the activities and functions of the Program 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, 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 July 2015 through June 2017, and selected institution actions taken 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:

- From the population of students who received \$383,420,596 in Program funds during the 2015-16 and 2016-17 fiscal years, examined documentation supporting awards made for 500 students³ selected from all 40 institutions to:
 - Determine whether the students were properly classified as to residency, had earned high school diplomas, and were enrolled in a minimum of 6 credit hours and no more than 45 credit hours.
 - Determine whether the students were awarded the proper amount for the scholarship earned.
 - Verify the accuracy of credit hours earned and the cumulative grade point averages shown on the grade and hour reports submitted to the FDOE.
 - Determine whether each institution timely filed its grade and hour reports with the FDOE.
- Examined institution records for the 2015-16 and 2016-17 fiscal years to determine whether each institution filed Disbursement Eligibility Reports with the FDOE within 30 days of the last day of the drop and add period for each term.
- Examined institution records for the 2015-16 and 2016-17 fiscal years to determine whether the institutions refunded to the FDOE, within 30 days after the end of the semester, funds received for courses a student had dropped or withdrawn.
- Examined institution records for the 2015-16 and 2016-17 fiscal years to determine whether each institution returned unused Program funds to the FDOE within 60 days after the end of the regular registration period.
- 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.

³ We initially selected for testing awards made to 10 students at each of the 40 institutions. The number of awards selected for testing was subsequently expanded at 3 institutions.

- 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 1009.53(5)(c), Florida Statutes, requires the Auditor General to conduct an operational audit of the administration of the Florida Bright Futures Scholarship Program by Florida's public universities and colleges. 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

EXHIBIT A

SUMMARY OF FLORIDA BRIGHT FUTURES SCHOLARSHIP PROGRAM ADVANCES AND DISBURSEMENTS BY PUBLIC UNIVERSITY AND COLLEGE

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

No.	Institution	Advances ^a		Disbursements ^a		Disbursements Under Advances
		From FDOE	Awards to Students	Refunds to FDOE	Total Disbursements	
1	Florida Agricultural and Mechanical University	\$ 1,485,367	\$ 1,362,833	\$ 119,843	\$ 1,482,676	\$ 2,691 ^b
2	Florida Atlantic University	7,378,344	6,753,517	624,827	7,378,344	-
3	Florida Gulf Coast University	5,839,296	5,494,119	345,177	5,839,296	-
4	Florida International University	12,302,729	11,689,494	608,658	12,298,152	4,577 ^b
5	Florida Polytechnic University	876,809	862,297	14,512	876,809	-
6	Florida State University	36,158,776	35,743,221	415,555	36,158,776	-
7	New College of Florida	1,989,426	1,736,333	253,093	1,989,426	-
8	University of Central Florida	35,457,827	35,438,773	17,126	35,455,899	1,928 ^b
9	University of Florida	57,105,474	55,444,640	1,661,304	57,105,944	(470) ^c
10	University of North Florida	7,156,022	6,883,142	272,880	7,156,022	-
11	University of South Florida	23,645,550	23,440,735	204,815	23,645,550	-
12	University of West Florida	3,488,450	3,303,705	184,745	3,488,450	-
12	Total Public Universities	192,884,070	188,152,809	4,722,535	192,875,344	8,726
1	Broward College	827,135	633,992	193,143	827,135	-
2	Chipola College	297,374	257,343	40,031	297,374	-
3	College of Central Florida	520,783	409,582	111,201	520,783	-
4	Daytona State College	567,588	485,726	81,862	567,588	-
5	Eastern Florida State College	721,495	630,338	91,157	721,495	-
6	Florida Gateway College	185,840	169,970	15,870	185,840	-
7	Florida Keys Community College	28,959	23,718	5,241	28,959	-
8	Florida SouthWestern State College	487,638	388,137	99,501	487,638	-
9	Florida State College at Jacksonville	767,531	615,218	152,313	767,531	-
10	Gulf Coast State College	384,278	369,331	14,947	384,278	-
11	Hillsborough Community College	754,985	566,517	188,468	754,985	-
12	Indian River State College	683,220	570,066	113,154	683,220	-
13	Lake-Sumter State College	346,588	279,654	66,934	346,588	-
14	Miami Dade College	1,321,336	1,018,408	302,928	1,321,336	-
15	North Florida Community College	64,857	46,931	17,926	64,857	-
16	Northwest Florida State College	300,209	240,019	60,190	300,209	-
17	Palm Beach State College	716,101	552,714	163,387	716,101	-
18	Pasco-Hernando State College	489,319	408,740	80,579	489,319	-
19	Pensacola State College	354,346	260,624	93,722	354,346	-
20	Polk State College	427,300	331,500	95,800	427,300	-
21	St. Johns River State College	386,739	338,048	48,691	386,739	-
22	St. Petersburg College	936,614	777,614	159,000	936,614	-
23	Santa Fe College	1,249,807	1,072,503	177,304	1,249,807	-
24	Seminole State College of Florida	683,579	553,098	130,481	683,579	-
25	South Florida State College	125,992	92,461	33,531	125,992	-
26	State College of Florida, Manatee-Sarasota	483,791	430,259	53,532	483,791	-
27	Tallahassee Community College	799,255	581,652	217,603	799,255	-
28	Valencia College	1,348,286	968,803	379,483	1,348,286	-
28	Total Public Colleges	16,260,945	13,072,966	3,187,979	16,260,945	-
40	Total	\$209,145,015	\$201,225,775	\$7,910,514	\$209,136,289	\$ 8,726

^a Amounts reported by institutions as of December 31, 2016.

^b Amount subsequently refunded to the FDOE for student withdrawals and accounting record adjustments.

^c Amount represents accounting record adjustments.

**SUMMARY OF FLORIDA BRIGHT FUTURES SCHOLARSHIP PROGRAM
ADVANCES AND DISBURSEMENTS BY PUBLIC UNIVERSITY AND COLLEGE**

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

No.	Institution	Advances ^a		Disbursements ^a		Disbursements Under Advances
		From FDOE	Awards to Students	Refunds to FDOE	Total Disbursements	
1	Florida Agricultural and Mechanical University	\$ 1,193,033	\$ 1,071,008	\$ 122,025	\$ 1,193,033	\$ -
2	Florida Atlantic University	5,839,511	5,497,568	341,943	5,839,511	-
3	Florida Gulf Coast University	4,815,891	4,462,332	353,559	4,815,891	-
4	Florida International University	10,149,815	9,410,493	742,043	10,152,536	(2,721) ^b
5	Florida Polytechnic University	1,154,493	1,156,347	-	1,156,347	(1,854) ^b
6	Florida State University	33,460,869	33,060,206	377,555	33,437,761	23,108 ^c
7	New College of Florida	1,714,102	1,602,937	111,165	1,714,102	-
8	University of Central Florida	31,760,885	31,725,922	34,963	31,760,885	-
9	University of Florida	56,777,911	54,732,476	2,072,349	56,804,825	(26,914) ^d
10	University of North Florida	6,106,009	5,950,744	155,265	6,106,009	-
11	University of South Florida	20,756,476	20,370,941	385,535	20,756,476	-
12	University of West Florida	2,880,928	2,791,579	89,349	2,880,928	-
12	Total Public Universities	176,609,923	171,832,553	4,785,751	176,618,304	(8,831)
1	Broward College	583,233	501,458	81,775	583,233	-
2	Chipola College	235,601	220,319	15,282	235,601	-
3	College of Central Florida	366,748	335,552	31,196	366,748	-
4	Daytona State College	424,184	362,232	61,952	424,184	-
5	Eastern Florida State College	587,757	585,825	1,932	587,757	-
6	Florida Gateway College	187,119	184,480	2,639	187,119	-
7	Florida Keys Community College	15,617	10,767	4,850	15,617	-
8	Florida SouthWestern State College	343,718	288,206	55,512	343,718	-
9	Florida State College at Jacksonville	521,338	449,940	71,398	521,338	-
10	Gulf Coast State College	310,731	265,144	45,587	310,731	-
11	Hillsborough Community College	497,064	432,513	64,551	497,064	-
12	Indian River State College	465,889	377,146	88,743	465,889	-
13	Lake-Sumter State College	246,138	215,733	30,405	246,138	-
14	Miami Dade College	883,112	814,486	68,626	883,112	-
15	North Florida Community College	43,175	36,141	7,034	43,175	-
16	Northwest Florida State College	223,883	216,430	7,453	223,883	-
17	Palm Beach State College	490,347	459,143	31,204	490,347	-
18	Pasco-Hernando State College	366,439	326,782	39,657	366,439	-
19	Pensacola State College	239,366	230,771	8,595	239,366	-
20	Polk State College	304,010	247,253	56,757	304,010	-
21	St. Johns River State College	306,847	276,979	29,868	306,847	-
22	St. Petersburg College	635,759	535,463	100,296	635,759	-
23	Santa Fe College	1,050,223	992,861	57,362	1,050,223	-
24	Seminole State College of Florida	490,853	460,024	30,829	490,853	-
25	South Florida State College	92,424	71,846	20,578	92,424	-
26	State College of Florida, Manatee-Sarasota	332,946	261,173	71,773	332,946	-
27	Tallahassee Community College	545,202	435,943	109,259	545,202	-
28	Valencia College	856,336	767,658	88,678	856,336	-
28	Total Public Colleges	11,646,059	10,362,268	1,283,791	11,646,059	-
40	Total	\$188,255,982	\$182,194,821	\$6,069,542	\$188,264,363	\$ (8,381)

^a Amounts reported by institutions as of December 31, 2017.

^b Represents amount the FDOE owed the University due to a student appeal or due to additional disbursements.

^c Amount subsequently refunded to the FDOE for student withdrawals.

^d Amount represents accounting record adjustment.

MANAGEMENT'S RESPONSE



June 4, 2018

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

Dear Ms. Norman,

Please find our response to the preliminary and tentative findings related to the audit of Florida Bright Futures Scholarship for the 2016 and 2017 aid years.

Finding 1: Remittance of Undisbursed Advances

State law requires an institution receiving Program funds to remit to the FDOE any undisbursed advances within 60 days after the end of the regular registration period. Florida International University was found to have returned \$499,853 for the Fall 2016 semester 21 days late on November 18, 2016.

Response:

Florida International University concurs with the finding. The university has enhanced procedures to ensure that funds are returned within the 60-day deadline.

Sincerely,

A handwritten signature in dark ink, appearing to read "Francisco Valines", is written over a horizontal line.

Francisco Valines
Director of Financial Aid

ENROLLMENT MANAGEMENT & SERVICES
Financial Aid Office

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May 15, 2018

Sherrill F. Norman, CPA
Auditor General
Office of the Auditor General
111 West Madison Street
G74 Claude Pepper Building
Tallahassee, FL 32399-1450

Dear Ms. Norman,

This letter is in response to your correspondence dated May 4, 2018, concerning the audit of the Florida Bright Futures Scholarship Program for the fiscal years ended June 30, 2016 and June 30, 2017.

Finding 1. State law requires an institution receiving Program funds to remit to the FDOE any undisbursed advances within 60 days after the end of the regular registration period. The institutions remitted to the FDOE undisbursed advances totaling \$5.1 million for the 2015-16 fiscal year and \$2.6 million for the 2016-17 fiscal year.

Our examination of institution records disclosed that, although most of the 40 institutions timely remitted undisbursed advances to the FDOE, 12 institutions did not always ensure that undisbursed advances were remitted within the 60-day time frame. Table 1 identifies the 12 institutions, the semesters for which the Program funds were received, the amounts untimely remitted, and, for each applicable semester, the number of days late.

University's Response: The University of Florida (UF) had one remittance that was not submitted within the required 60-day time frame. UF's Innovation Academy is a program unique for the State of Florida and allows UF students to receive Bright Futures funding for the summer term. UF has a formal protocol for the return of all summer A/C and B term undisbursed funds within 60 days after the end of the summer B term regular registration period. The Auditor General's review found that UF should have been returning undisbursed funds separately for both summer A/C and B terms.

The Foundation for The Gator Nation

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UF agrees with the Auditor General's recommendation to enhance procedures to ensure that undisbursed program funds are timely remitted to the FDOE within 60 days from the end of both summer A/C and summer B regular registration periods and has already implemented those enhancements. The appropriate personnel have been trained on the current statutory requirement and automated reminders have been activated notifying management to initiate timely remittance of refunds well in advance of the required deadline.

Your staff's assistance is greatly appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan M. West". The signature is fluid and cursive, with the first name "Alan" being more prominent than the last name "West".

Alan M. West
Assistant Vice President and University Controller

cc: Dr. Kent Fuchs, President, University of Florida
University of Florida Board of Trustees
Dr. Joseph Glover, Provost and Sr. Vice President for Academic Affairs
Mr. Michael V. McKee, Vice President and Chief Financial Officer
Brian Mikell, Chief Audit Executive
Dr. Zina Evans, Vice President for Enrollment Management
Richard Wilder, Director, Student Financial Affairs



Chief Financial Officer
Cypress Creek Administrative Center
6400 N.W. 6th Way, Fort Lauderdale, FL 33309
Phone 954-201-7435 / Fax 954-201-7309

June 1, 2018

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

Dear Ms. Norman:

On May 4, 2018, Broward College received the preliminary and tentative audit findings and recommendations related to Broward College's administration of the Florida Bright Futures Scholarship Program for fiscal years ended June 30, 2016 and June 30, 2017 and below is our response.

Finding 1: Remittance of Undisbursed Advances

Recommendation: Management at the applicable institutions should establish or enhance procedures to ensure that undisbursed Program funds are timely remitted to the FDOE. Such enhancements could include appropriate training to ensure that institution personnel understand the statutory requirement to timely remit the funds within 60 days after the end of the regular registration period.

Response: Acknowledged. Internal processes and procedures were enhanced at the beginning of 2016 to ensure that undisbursed Program funds are timely remitted to the FDOE. Those enhancements are evident by subsequent period testing where no deficiencies were noted.

Should have you any questions, please contact my office directly at 954-201-7423.

Sincerely,

Jayson Iroff

Jayson Iroff
Chief Financial Officer

AN EQUAL ACCESS/EQUAL OPPORTUNITY INSTITUTION



College of Central Florida

Office of the President

May 29, 2018

Ms. Sherrill F. Norman, CPA
State of Florida Auditor General
2441 NW 43rd Street, Suite 5-C
Gainesville, Florida 32606-7480

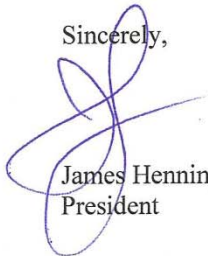
Dear Ms. Norman:

The College of Central Florida is in receipt of the audit finding regarding the Florida Bright Futures Scholarship Program of Florida's Public Universities and Colleges for the Fiscal Years Ended June 30, 2016 and June 30, 2017. In response to Finding No. 1: Remittance of Undisbursed Advances, please accept the following:

- The College has taken corrective action and improved its procedures to ensure that undisbursed program funds are returned to the Florida Department of Education, Office of Student Financial Assistance within the time frame provided by law.

Please let me know if you have any questions regarding this corrective action.

Sincerely,



James Henningsen
President

3001 SW College Road • Ocala, Florida 34474-4415
Phone: 352-873-5835 • Fax: 352-873-5847 • E-mail: jim.henningsen@cf.edu

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James H. Richey, J.D.

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Titusville Campus

1311 North U.S. 1
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Fax: 321/433-5113

Website

easternflorida.edu



May 8, 2018

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

RE: Response- 2017 Florida Bright Futures Scholarship Program
Fiscal Years Ended June 30, 2016 and June 30, 2017

Dear Ms. Norman:

The following is our statement of explanation and corrective action to the preliminary and tentative finding and recommendation from your operational audit of the Administration of the Florida Bright Futures Scholarship Program by Florida's Public Universities and Colleges for the Fiscal Years Ended June 30, 2016 and June 30, 2017.

Finding 1: Remittance of Undisbursed Advances

Eastern Florida State College concurs with the recommendation. The college has enhanced procedures to ensure that undisbursed Program funds are timely remitted to the FDOE.

Sincerely,

Dr. James H. Richey
President



Florida Keys Community College
Florida Bright Futures Scholarship Program, 1516 & 1617 Operational Audit
Statement of Explanation
May 22, 2018

Florida Keys Community College (FKCC) was included in the preliminary and tentative audit finding of **Untimely Remittance of Undisbursed Advances** for the Florida Bright Futures Scholarship Program operational audit for Fiscal Years Ended June 30, 2016 and June 30, 2017. Below please find the written statement of explanation and corrective action plan concerning the finding.

FYE June 30, 2016:

Amount: \$5,241
Days Late: 223 (\$4,049)
315 (\$1,192)

The FY16 Term 1 Refund of Undisbursed Funds for \$4,049 occurred on 6/9/2016. The former Director of Financial Aid completed the return and left no records or documentation pertaining to the late action.

The FY16 Term 1 Refund of Undisbursed Funds for \$1,192 occurred on 9/9/2016. As the new Director of Financial Aid my initial OSFA access/training took place 9/6/16. At that time OSFA discovered that the former Director failed to return \$1,192 in Term 1 unused* 2015-16 Bright Futures (BF) Scholarship funds. The OSFA trainer instructed me to complete a Refund Transmittal Form and process the return to correct the oversight. I completed both on the same day, 9/6/16.

*Please note that OSFA issued \$1,192 to FKCC on 6/14/16; 12 days *after* the Annual Reconciliation Report was submitted by FKCC reflecting a \$0 balance and closing out the cycle.

FYE June 30, 2017:

Amount: \$4,850
Days Late: 100

The FY2016-17 Term 1 Refund of Undisbursed Funds for \$4,850 occurred on 2/1/2017. My initial OSFA training took place 9/6/16, but changes in OSFA Training Staff and scheduling conflicts delayed completion until November 2016. At that time, OSFA contacted me with answers to several follow-up questions posed during training including fund return rules. The OSFA trainer stated unused BF funds must be returned each term, but due to the issues with training and timing, I could include \$4,850 along with my unused spring funds return. However, when I completed the spring 2017 Reconciliation on 1/21/17, OSFA owed FKCC \$85 for spring so there was no spring return. I therefore requested the fall \$4,850 be returned at this time (1/21/17).

The instruction occurred verbally; I have no written documentation pertaining to this portion.

Corrective Action:

The FKCC Financial Aid Office created an in-house OSFA calendar for all State funds (including Bright Futures) beginning spring 2017 that prompts staff to complete all actions associated with each award. Since implementation, all unused fund returns have occurred on time.

Beryl Morgan

Beryl Morgan
Director of Financial Aid

May 9, 2018

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

Dear Ms. Norman:

Let me express our sincere appreciation for the professional manner in which your staff conducted the audit. Following are the College's responses to the preliminary and tentative findings to be included in the bright futures audit report for the fiscal years ended June 30, 2016 and June 30, 2017.

Finding No. 1: Remittance of Undisbursed Advances

Recommendation: Management should establish or enhance procedures to ensure that undisbursed program funds are timely remitted to the FDOE. Such enhancements could include appropriate training to ensure that institution personnel understand the statutory requirement to timely remit the funds within 60 days after the end of the regular registration period.

Response: The use of multiple registration periods in one semester to provide classes at times that meet student needs has increased the complexity of complying with this requirement. The College will review and implement the appropriate procedures to ensure that undisbursed program funds are timely remitted.

Should you have any questions or concerns, please feel free to call me.

Sincerely,



Albert P. Little
Vice President, Business Services
Florida State College at Jacksonville



Hillsborough Community College

Office of the President
Dr. Ken Atwater

www.hccfl.edu

39 Columbia Drive
Tampa, FL 33606
813.253.7050
Fax 813.253.7183

June 4, 2018

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

RE: Audit Finding—Florida Bright Futures Scholarship

Dear Ms. Norman,

Please find our response to the preliminary and tentative findings related to the audit of Florida Bright Futures Scholarship for the fiscal years ended June 30, 2016 and June 30, 2017.

Finding: Untimely remittance of undisbursed advances.

Recommendation: Management at the applicable institutions should implement or enhance procedures to ensure that undisbursed Program funds are timely returned to the Florida Department of Education.

Response: Hillsborough Community College concurs with this finding. The College has enhanced procedures to ensure that funds are returned within the required timeframe of sixty (60) days.

Please feel free to contact Dr. Kenneth Ray, Vice President of Student Service and Enrollment Management, with any questions at 813-253-7054, or at kray6@hccfl.edu.

Sincerely,


Dr. Ken Atwater
President

cc: District Board of Trustees
Mr. Al Erdman
Dr. Kenneth Ray



May 21, 2018

Sherrill F. Norman, CPA
Auditor in General
Claude Denson Pepper Building, Suite G74
111 West Madison Street
Tallahassee, Florida 32399-1450

RE: Florida Bright Futures Scholarship Program Audit for Fiscal Years ending June 30, 2016 and June 30, 2017

Dear Ms. Norman:

Please see below an explanation and corrective action in response to the finding revealed during your recent audit of Polk State College's Student Financial Services office:

Finding:

Untimely Remittance of Undisbursed Advances

Explanation:

The untimely remittance of undisbursed advances to the Florida Department of Education occurred because there was a change in staff employment, which created the oversight.

Corrective Action:

The Director and Assistant Director of Student Financial Services will ensure all deadlines are met and refunds returned timely. There will be a departmental calendar with all state and federal deadlines to assist with timely reporting.

Please don't hesitate to contact me if you need further information or have any questions and/or concerns.

Sincerely,

A handwritten signature in black ink that reads 'Angela M. Garcia Falconetti'.

Dr. Angela M. Garcia Falconetti
President

Polk State Office of the President

999 Avenue H, N.E.
Winter Haven, FL
33881-4299
o 863.297.1098

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May 24, 2018

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

Dear Ms. Norman:

We are providing this letter in response to the preliminary and tentative findings and recommendations from the operational audit of the Administration of the Florida Bright Futures Scholarship Program for the Fiscal Years Ended June 30, 2016 and June 30, 2017. Our actual and proposed corrective actions for Finding 1 are detailed below:

In response to Audit Finding 1: Remittance of Undisbursed Advances –

Seminole State College has created a separate State Reporting and Refund Calendar that is now monitored by a minimum of two staff members in order to ensure that the return of funds will take place prior to the established deadlines.

Additional training has been provided to staff to ensure compliance. Due to our 12 week and B session add/drop dates being much later into the term, our final disbursements for a term happen after the deadline to return funds. The College has changed its procedure to return funds in compliance with the deadline, regardless of when that occurs relative to the final disbursements for 12 week or B term schedule. We did not have any late returns after the Fall of 2016 when the revised procedure was implemented.

If you have any further questions regarding this matter, please contact Judith Cooper, Associate Vice President, Financial Services, cooperja@seminolestate.edu or at (407) 708-2138.

Sincerely,

A handwritten signature in blue ink that reads 'Richard L. Collins'.

Richard L. Collins
Interim Vice President and Chief Financial Officer

Altamonte Springs | Geneva | Heathrow | Oviedo | Sanford/Lake Mary
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STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA

OFFICE OF THE PRESIDENT
Carol F. Probstfeld, Ed.D.

May 30, 2018

Sherrill F. Norman, CPA
Auditor General
State of Florida
3505 East Frontage Rd, Suite 350
Tampa, FL 33607

Dear Ms. Norman:

Enclosed is our response to the Preliminary and Tentative Findings and Recommendations on our Bright Futures Scholarship Program audit for the State College of Florida, Manatee-Sarasota for the fiscal year ended June 30, 2016 and June 30, 2017

Please let me know if you have questions or need additional information.

Sincerely,

Dr. Carol F. Probstfeld, President
State College of Florida-Manatee-Sarasota

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7131 Professional Parkway East • 941-363-7000

SCF VENICE
8000 South Tamiami Trail • 941-408-1300

**RESPONSE TO THE PRELIMINARY AND TENTATIVE AUDIT FINDING
AND RECOMMENDATION
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA**

OPERATIONAL AUDIT
FOR THE FISCAL YEARS ENDED JUNE 30, 2016 and JUNE 30, 2017

The following is the State College of Florida, Manatee-Sarasota response to the finding identified in the State Auditor General's Operational Audit Report for the Fiscal Year Ended June 30, 2016 and June 30, 2017.

RESPONSE TO FINDING AND RECOMMENDATION

Finding No. 1: Remittance of Undisbursed Advances.

Recommendation: Management should establish or enhance procedures to ensure that undisbursed Program funds are timely returned to the FDOE.

College Response:

The College has taken steps to ensure timely return of funds within 60 days after the end of the regular registration period. Specifically, the Office of Financial Aid has:

- Provided training for staff specifically responsible for reviewing reports and processing returns.
- Developed a calendar with specific dates for reconciliation and return of funds.



ST. JOHNS RIVER
STATE COLLEGE

JOE H. PICKENS, J.D., PRESIDENT
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May 15, 2018

Ms. Sherrill F. Norman, CPA
Auditor General
330 Crossing Blvd., Suite 210
Orange Park, Florida 32073

Dear Ms. Norman:

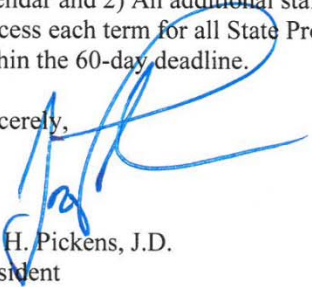
We are providing this letter in connection with the preliminary and tentative audit finding and recommendation on the operational audit of the Administration of the Florida Bright Futures Scholarship Program by Florida's Public Universities and Colleges for the fiscal years ended June 30, 2016 and June 30, 2017.

Recommendation: Management at the applicable institutions should establish or enhance procedures to ensure that undisbursed Program funds are timely remitted to the FDOE. Such enhancements could include appropriate training to ensure that institution personnel understand the statutory requirement to timely remit the funds within 60 days after the end of the regular registration period.

St. Johns River State College Response and Corrective Action Plan:

St. Johns River State College recognizes the importance and the requirements of timely remittance of undisbursed Program funds. During the fiscal year 2016, staff turnover and restructuring of duties within the Financial Aid Department led to the delay in remitting funds to the FDOE. The corrective action plan includes adding staff and completion of training to ensure that appropriate personnel understand and abide by statutory requirements related to the timely remittance of the funds within 60 days after the end of the regular registration period. Management will provide oversight to the staff in two ways: 1) the creation of a Department Calendar to be located on the Financial Aid Shared Drive in which the OSFA Calendar deadlines are integrated into our working calendar and 2) An additional staff member will be responsible for assisting with the reconciliation process each term for all State Programs and ensure the requisition and refund of aid is returned within the 60-day deadline.

Sincerely,


Joe H. Pickens, J.D.
President