

**STATE OF FLORIDA AUDITOR GENERAL**

**Operational Audit**

Report No. 2022-043  
November 2021

**FLORIDA SOUTHWESTERN STATE  
COLLEGE**



Sherrill F. Norman, CPA  
Auditor General

## **Board of Trustees and President**

During the period January through December 2020, Dr. Jeffery S. Allbritten served as President of Florida SouthWestern State College and the following individuals served as Members of the Board of Trustees:

	<u>County</u>
Danny Nix Jr., Chair	Charlotte
Christian Cunningham, Vice Chair	Collier
David Ciccarello	Lee
Julia du Plooy	Hendry
Bruce Laishley	Charlotte
Jonathan A. Martin J.D.	Lee
Laura Perry	Glades
Marjorie Starnes-Bilotti J.D.	Lee

Note: One Trustee position was vacant during the entire period.

The team leader was Claudia A. Salgado, and the audit was supervised by Ramon L. Bover, 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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# FLORIDA SOUTHWESTERN STATE COLLEGE

## **SUMMARY**

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This operational audit of Florida SouthWestern State College (College) focused on selected College processes and administrative activities and included a follow-up on findings noted in our report No. 2019-066. Our operational audit disclosed the following:

**Finding 1:** Some unnecessary information technology user access privileges existed that increase the risk for unauthorized disclosure of sensitive personal information to occur.

**Finding 2:** College records were not maintained to demonstrate that required background screenings for College employees at the charter schools were obtained at least once every 5 years, evaluated, and used to make applicable personnel decisions.

## **BACKGROUND**

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

The College has campuses in Fort Myers, LaBelle, Naples, and Punta Gorda. Additionally, credit and noncredit classes are offered in public schools and other locations throughout Charlotte, Collier, Glades, Hendry, and Lee Counties.

## **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 duties and provide for documented, periodic evaluations of information technology (IT) user access privileges.

The College collects and uses student SSNs for various purposes, such as to register newly enrolled students, comply with Federal and State requirements related to financial and academic assistance, and perform other College responsibilities. Additionally, the College maintains former students' SSNs to

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

provide student transcripts to colleges, universities, and potential employers based on authorized requests.

As of August 2021, the College student records system contained the sensitive personal information, including SSNs, of 435,878 students, including former, current, and prospective students, and 34 IT users had continuous access to that information. College procedures require the Information Technology Security Officer to periodically evaluate IT user access privileges to ensure access is necessary for the IT users to perform their job duties and, according to College records, as of August 2021, the most recent evaluation was in October 2020.

As part of our procedures, we examined College records supporting the access privileges granted to 18 employees to determine the appropriateness and necessity of the access privileges based on the employees' assigned job duties. We found that 14 financial aid personnel had continuous access to the sensitive personal information of current students and the access was needed to comply with certain Federal and State reporting requirements. However, the 14 users also had unnecessary access to sensitive personal information of prospective students because the College student records system did not differentiate access to the information of former, current, and prospective students.

In response to our inquiries, College personnel indicated that the College student records system indefinitely keeps the sensitive personal information of prospective students to ensure that, should prospective students choose to reapply at the College, all the personal information is readily available. Although we agree that the College should retain certain prospective student records for at least 5 years to comply with the State *General Records Schedules*,<sup>2</sup> the College did not document the public purpose served for maintaining sensitive personal information of those individuals beyond the required 5 years.

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

**Recommendation: To ensure that sensitive student personal information, including SSNs, is properly safeguarded, the College should:**

- **Upgrade the College student records system to include a mechanism to differentiate IT user access privileges to former, current, and prospective student information and limit access privileges to only that information required for users to perform their assigned job duties.**
- **Document the public purpose served by maintaining the sensitive personal information of prospective students who apply but do not enroll in the College, establish a reasonable time frame for maintaining that information, and remove the information when the time frame expires.**

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<sup>2</sup> The Florida Department of State, Division of Library and Information Services - *General Records Schedule GS5 For Public Universities and College*, Item #97, requires a minimum retention period of 5 years for certain records of prospective students who apply for admission to the College but are denied or who did not register.

## Finding 2: Background Screenings

State law<sup>3</sup> requires colleges to designate the positions of special trust or responsibility subject to a level 2 background screening.<sup>4</sup> State law<sup>5</sup> also requires personnel who are hired or contracted to fill positions in any charter school to undergo a background screening by filing a complete set of fingerprints with the district school board for the school district in which the charter school is located at least once every 5 years. In addition, College Operating Procedures<sup>6</sup> provide that, for a safe and secure student and employee environment, all new employees will be required to consent to a level 2 background screening and current employees are required to consent to a level 2 background screening every 5 years.

The College operates a charter school in Lee County and a charter school in Charlotte County.<sup>7</sup> The College employed all staff at the schools, including the 36 charter school personnel<sup>8</sup> as of December 2020 who were subject to the required background screening. As part of our audit, we requested for examination College records supporting the background screenings for 21 selected employees at the charter schools.<sup>9</sup> However, College records were not provided to evidence the background screenings of College employees at the charter schools because College procedures did not require College personnel to verify that the screenings were timely, evaluate the screenings, or use the screenings to make applicable personnel decisions.

In response to our inquiry, College personnel indicated that the background screenings were performed by the school district in the county the charter school was located and requested the screenings from the respective school districts. School district personnel responded that the backgrounds of the 21 individuals were suitable for employment and identified the background screening dates. However, because the background screenings were sensitive personal information, the school districts would not provide the actual screening results to the College. According to the screening dates provided by the districts, screenings were performed within the past 5 years for 13 employees<sup>10</sup> but screenings for 8 employees<sup>11</sup> were performed 3 to 32 months after the applicable 5-year employment period had elapsed.

Absent effective controls to demonstrate that level 2 background screenings for College employees at the charter schools are timely obtained and evaluated, and used to make applicable personnel decisions, there is an increased risk that the College will employ individuals with unsuitable backgrounds.

**Recommendation: The College should establish procedures to ensure that background screenings of College employees at the two charter schools are timely obtained and evaluated,**

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<sup>3</sup> Section 1012.8551, Florida Statutes, effective July 1, 2019.

<sup>4</sup> A level 2 background screening includes fingerprinting for Statewide criminal history records checks through the Florida Department of Law Enforcement (FDLE), national criminal history records checks through the Federal Bureau of Investigation and may include local criminal records check through law enforcement agencies.

<sup>5</sup> Section 1012.32(2)(b)1., Florida Statutes.

<sup>6</sup> College Operating Procedures 05-0305, *Employment Background Checks*.

<sup>7</sup> The Florida SouthWestern State College Collegiate High School - Lee Campus in Lee County and the Florida SouthWestern State College Collegiate High School - Charlotte Campus in Charlotte County.

<sup>8</sup> 24 instructional and 12 noninstructional charter school employees.

<sup>9</sup> 14 instructional and 7 noninstructional charter school employees.

<sup>10</sup> 9 instructional and 4 noninstructional charter school employees.

<sup>11</sup> 5 instructional and 3 noninstructional employees at the charter school in Charlotte County.

and used to make applicable personnel decisions. Such procedures should include College management or legal staff contact with the school districts performing the background screenings to ensure that the school districts timely provide the screening results for the College's evaluation.

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

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The College had taken corrective actions for findings included in our report No. 2019-066.

## ***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 April 2021 through August 2021 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.

This operational audit focused on information technology resources and related controls; direct-support organizations; student and user fees; textbook affordability; industry certifications; and other processes and administrative activities. For those areas, our audit objectives were to:

- Evaluate management's performance in establishing and maintaining internal controls, including controls designed to prevent and detect fraud, waste, and abuse, and in administering assigned responsibilities in accordance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines.
- Examine internal controls designed and placed in operation to promote and encourage the achievement of management's control objectives in the categories of compliance, economic and efficient operations, reliability of records and reports, and safeguarding of assets, and identify weaknesses in those controls.
- Determine whether management had taken corrective actions for findings included in our report No. 2019-066.
- 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 areas included within the scope of the audit, weaknesses in management's internal controls significant to our audit objectives; 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; identifying and evaluating internal controls significant to our audit objectives; 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 2020 through December 2020 and selected College actions taken prior and subsequent thereto. Unless otherwise indicated in this report, these records and transactions were not selected with the intent of statistically projecting the results, although we have presented for perspective, where practicable, information concerning relevant population value or size and quantifications relative to the items selected for examination.

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

In conducting our audit, we:

- Reviewed applicable laws, rules, Board policies and College procedures, and other guidelines, and interviewed College personnel to obtain an understanding of applicable processes and administrative activities.
- Reviewed College information technology (IT) policies and procedures to determine whether the policies and procedures addressed certain important IT control functions, such as security and disaster recovery.
- Evaluated College procedures for protecting sensitive personal information of students, including social security numbers. From the population of 34 employees who had access to sensitive personal information of students during the audit period, we examined College records supporting the access privileges granted to 18 employees to determine the appropriateness and necessity of the access privileges based on the employees' assigned job responsibilities.
- Evaluated Board security policies and College procedures for the audit period governing the classification, management, and protection of sensitive and confidential information.
- 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 accounting records to determine whether the College's unencumbered balance in the general fund as of June 30, 2020, was above the threshold established in Section 1011.84, Florida Statutes.
- Examined College records to determine whether student receivables were properly authorized, adequately documented, and properly recorded. Specifically, we examined:

- From the population of 2,427 student receivables totaling \$2,309,036 as of December 31, 2020, documentation relating to 30 selected student receivables totaling \$130,938.
- From the population of 611 delinquent student receivables totaling \$569,625 as of June 30, 2020, documentation relating to 30 selected delinquent student receivables totaling \$108,773, and evaluated the adequacy of the College's collection efforts. Specifically, we determined whether restrictions on student records and holds on transcripts and diplomas were appropriate and enforced in accordance with Board policies established pursuant to Section 1010.03, Florida Statutes.
- Evaluated College procedures for canceling the registration of students who did not timely pay fees and recording deferred fees as a receivable.
- From the population of 332 course sections offered during the Fall 2020 Semester, examined College records supporting textbook adoptions to determine whether the College textbook affordability procedures complied with Section 1004.085, Florida Statutes.
- To determine whether student fees totaling \$43,987,234 during the audit period were properly assessed and authorized, accurately calculated, and correctly recorded in accordance with Board policies and statutory and State Board requirements, examined College records for 30 selected students and their related fees totaling \$39,021. We also determined whether the College documented Florida residency and correctly assessed tuition in compliance with Section 1009.21 and 1009.23, Florida Statutes.
- Examined College records supporting the payments totaling \$1,083,217 during the audit period from the College to its direct-support organizations (DSOs) to determine whether the transactions were authorized as described in Section 1004.70(1)(a)2., (3), and (4), 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 DSOs must comply in order to use College property, facilities, and personal services.
  - Documented consideration and approval of anticipated property, facilities, and personal services provided to DSOs and the related costs.
- From the population of contracted services expenses totaling \$4.3 million for the audit period, examined College records supporting 30 selected payments totaling \$547,890 to determine whether applicable vendors were competitively selected as required.
- From the population of 322 industry certifications reported for performance funding that were attained by students during the 2019-20 fiscal year, examined 30 industry certifications to determine whether the College maintained documentation for student attainment of the industry certifications.
- Evaluated Board policies to determine if the College prohibited gifts from vendors.
- 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.

A handwritten signature in blue ink that reads "Sherrill F. Norman". The signature is written in a cursive style with a large initial 'S'.

Sherrill F. Norman, CPA  
Auditor General

# MANAGEMENT'S RESPONSE

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October 27, 2021

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

Dear Ms. Norman:

Pursuant to Florida Statutes Section 11.45(4)(d), Florida SouthWestern State College is submitting to you a written response, including our proposed corrective actions to the preliminary and tentative findings of the operational audit dated September 30, 2021.

**Finding 1: To ensure that sensitive student personal information, including SSN's, is properly safeguarded, the College should:**

- Upgrade the College student records system to include a mechanism to differentiate IT user access privileges to former, current, and prospective student information and limit access privileges to only that information required for users to perform their assigned job duties.
- Document the public purpose served by maintaining the sensitive personal information of prospective students who apply but do not enroll in the College, establish a reasonable time frame for maintaining that information, and remove the information when the time frame expires.

**College Response:**

In 2015, FSW stopped using the Banner to intake Prospective Students. Prospective Students are held in a separate database using the College's CRM, Recruit. Students and SSN's are not moved into the SIS (student information system) Banner until we have all their information and they are ready to be admitted to the institution. Once this information moves over to Banner, they are now admitted students. User access is controlled to Recruit outside of Banner and users have to be added to access this application, it is not inherited from Banner.

8099 College Parkway  
Ft. Myers, FL 33919

P: 239-432-7313

[www.FSW.edu](http://www.FSW.edu)

*Florida SouthWestern State College is an equal access, equal opportunity organization*

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The college will be enhancing the use of Banner FGAC (Fine-Grained Access Controls) to mask SSN's from FSW employees as they go through the student life cycle at FSW. Prospective students' sensitive information will only be seen by those FSW employees who have a need to see it in order to complete their job, current and former students will follow the same access to their respective departments at FSW.

The college documents the use of sensitive information and informs students why we collect this information (<https://www.fsw.edu/ssncompliance>). We will review this website to determine any changes that need to be made to inform the prospective student the business needs to maintaining SSN's beyond the 5 years stated in the finding.

The college holds all sensitive information in an encrypted database with limited access. We will continue to enhance the masking of this information to FSW employees as they go through the student life cycle. However, we will not be removing this information from the database for a number of reasons, first, it will cause students to encounter issues when these students are transient students, or if they take some time off between attending classes at FSW. By keeping their SSN's on file, we are saving the students the costs associated with getting their transcripts required for college applications and costs associated with testing. In addition, it creates duplicate records in the student information system, posting academic information on two records, which is confusing to the students and staff at FSW.

FSW believes with the enhanced masking abilities we are putting in place and the database encryption, we are providing sufficient access controls to prospective, current and former students.

**Finding 2: The College should establish procedures to ensure that background screenings of College employees at the two charter schools are timely obtained and evaluated, and used to make applicable personnel decisions. Such procedures should include College management or legal staff contact with the school districts performing the background screenings to ensure that the school districts timely provide the screening results for the College's evaluation.**

*College Response:*

**New Hires**

All new employees of the charter school are provided the background check form and instructions to complete the process by the principal of the high school once an offer of employment has been extended.

Once the new employee's fingerprints have been processed through the school district, the

summary form indicating that the background check is complete is returned to the principal of the Charter School and the report will be kept on file at the high school. In the event that a report comes back with any findings, the principal will inform either the Chief HR Officer or the HR Manager of Operations at FSW. These individuals have completed required DCJ training and are able to discuss the results of the background check with a district liaison. The Chief HR Officer at FSW will determine if clearance for employment is appropriate.

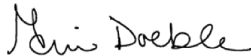
The employee's name and date of hire is entered on a spreadsheet along with the date of the next 5-year review.

**Five year rechecks**

At least one month prior to the due date for the five year review the FSW Human Resources Office will send a notification form to the employee along with instructions for completing the required background check.

Two weeks prior to the five-year anniversary if the results are not received by FSW from the School District the employee will receive another notification and the principal of the charter school will be made aware.

Sincerely,



Gina Doeble

Vice President of Operations/CFO