

# STATE OF FLORIDA AUDITOR GENERAL

## Operational Audit

Report No. 2025-016  
September 2024

### CHIPOLA COLLEGE



Sherrill F. Norman, CPA  
Auditor General

## Board of Trustees and President

During the period January through December 2023, Dr. Sarah Clemmons served as President of Chipola College and the following individuals served as Members of the Board of Trustees:

	<u>County</u>
Daniel E. Ryals III, Chair from 6-20-23 Vice Chair through 6-19-23	Calhoun
Thomas S. Lassmann, Vice Chair from 6-20-23 Chair through 6-19-23	Jackson
Melissa Cauley	Washington
Dell Corbin	Washington
James R. Dean	Jackson
Joel F. Paul Jr.	Holmes
Karla Worley	Holmes

Note: Two Trustee positions were vacant for the entire period.

The team leader was Chris Washington, CPA, and the audit was supervised by Shelly G. Curti, 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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# CHIPOLA COLLEGE

## SUMMARY

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This operational audit of Chipola College (College) focused on selected College processes and administrative activities and included a follow-up on findings noted in our report No. 2022-017. Our operational audit disclosed the following:

**Finding 1:** Some unnecessary information technology user access privileges existed, increasing the risk for unauthorized disclosure of student social security numbers to occur.

## BACKGROUND

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Chipola 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 a campus in Marianna, Florida. Additionally, credit and noncredit classes are offered in public schools and other locations throughout Calhoun, Holmes, Jackson, Liberty, and Washington Counties.

## FINDING AND RECOMMENDATION

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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 sensitive personal information unnecessary for their assigned duties and provide for documented, periodic evaluations of employee access privileges to help prevent personnel from accessing sensitive personal information inconsistent with their duties.

According to College personnel and records, the College established a unique identifier, other than the SSN, to identify each student. However, the College collects and uses SSNs for various purposes, such as to register newly enrolled students, Federal tax reporting purposes, and to comply with Federal and State requirements related to financial and academic assistance. Designated College officials and personnel are provided access to sensitive personal student information to perform an administrative, supervisory, or instructional responsibility that serves a legitimate education purpose. In addition, employee supervisors and department administrators are required to approve information technology (IT)

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

user access privileges based on a demonstrated need for that access. However, College procedures do not provide for the periodic evaluation of user access privileges to the College IT system.

As of May 2024, the College IT system contained SSNs for 86,483 students, including 80,652 former, 2,925 prospective, and 2,906 current students, and 20 employees had access to that information. As part of our audit, we confirmed that the 20 employees had a legitimate educational purpose to access certain student SSNs; however, 8 of the 20 employees did not need access to former and prospective student SSNs, and the College IT system did not have a mechanism to differentiate employee access privileges to former, prospective, and current student SSNs. The existence of unnecessary access privileges increases the risk of unauthorized disclosure of student SSNs and the possibility that sensitive personal information may be used to commit a fraud against College students or others.

**Recommendation: To ensure access to confidential and sensitive personal information is properly safeguarded, the College should:**

- **Upgrade the College IT system to include a mechanism to differentiate IT user access privileges to former, prospective, and current student information and limit access to that information based on employee responsibilities.**
- **Enhance procedures to require and ensure documented periodic evaluations of assigned IT user access privileges to determine whether such privileges remain necessary and timely remove any inappropriate or unnecessary access privileges detected.**

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

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The College had taken corrective actions for finding included in our report No. 2022-017.

## ***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 2024 through July 2024 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 selected College 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. 2022-017.
- 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 the selection and examination of transactions and records, as well as events and conditions, occurring during the audit period of January 2023 through December 2023. 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, College policies and procedures, and other guidelines, and interviewed College personnel to obtain an understanding of applicable processes and administrative activities and the related requirements.
- Evaluated College procedures for protecting sensitive personal information of students, including social security numbers. From the population of 20 employees who had access to sensitive personal information of students during the audit period, we examined College records supporting the access privileges granted to all 20 employees to determine the appropriateness and necessity of the access privileges based on the employees' assigned job responsibilities.

- Evaluated the effectiveness of College controls during the audit period to ensure that students who had not paid fees in an approved manner were not considered in calculating full-time equivalent enrollments for State funding purposes pursuant to Sections 1009.22(11) and 1009.23(9), Florida Statutes.
- Examined College records supporting payments totaling \$3,304 to its direct-support organization to determine whether the transactions were authorized by Section 1004.70(1)(a)2.,(3), and (4), Florida Statutes.
- Reviewed the College's 5-year capital improvement plan for the 2022-23 through 2026-27 fiscal years to determine whether the College properly reported the capital outlay project funding sources in accordance with Division of Florida Colleges instructions.
- Determined whether certain student fees (i.e., financial aid, student activity and service, technology, capital improvement, and other fees) totaling \$638,021 and assessed during the 2022-23 fiscal year pursuant to Section 1009.23, Florida Statutes, were within amounts authorized, paid into appropriate accounts to maintain accountability, and used as required by State law.
- From the population of student fee revenue totaling \$3.2 million for the audit period, examined College records supporting selected fee revenue totaling \$29,815 to determine whether the College properly assessed, separately accounted for the revenue, adequately documented waivers or deferments, and if applicable properly canceled registration for nonpayment.
- From the population of 23 student fee waivers totaling \$25,687 for the audit period, examined College records supporting 5 student fee waivers totaling \$2,343 to determine whether College procedures complied with Section 1009.26, Florida Statutes, and applicable College policies.
- From the population of 92 students issued refunds totaling \$47,623 for the audit period, examined College records supporting 23 student fee refunds totaling \$13,730 to determine whether the refund was correctly calculated, properly recorded, and adequately supported.
- Determined whether the College had established adequate policies and procedures to identify students enrolled more than twice in the same College class and either assessed the appropriate fee or documented that the student had a financial hardship. From the population of 86 students enrolled more than twice in the same College class, we examined College records supporting 24 selected students to determine whether the students either paid 100 percent of the full cost of instruction of the class or that a financial hardship was properly documented pursuant to Section 1009.285, Florida Statutes.
- Evaluated College policies and procedures for compliance with Section 1012.8551, Florida Statutes, regarding employee background screening and investigations.
- Examined records supporting the Deferred Building Maintenance Program expenses totaling \$623,245 during the audit period to determine whether use of the funds was consistent with the restrictions imposed on the resources pursuant to Chapter 2022-156, Laws of Florida, General Appropriations Act, Section 197.
- From the population of 213 industry certifications reported for performance funding that were attained by students during the 2022-23 fiscal year, examined 25 industry certifications for 25 students to determine whether the College maintained documentation for student attainment of the industry certifications.
- Determined whether the College's unencumbered balance in the General Fund was below the threshold established in Section 1011.84, Florida Statutes, and whether the College prepared a spending plan for its excess carryforward balance pursuant to Section 1013.841, Florida Statutes.
- Examined College records to determine whether selected expenses were reasonable, correctly recorded, and adequately documented; for a valid College purpose; properly authorized and

approved; and complied with applicable laws, contract terms, and College policies. Specifically, from the population of expenses totaling \$15.1 million for the audit period, we examined College records supporting 30 selected payments for general expenses totaling \$14,422.

- Inquired whether the College had any expenses or entered into any contracts under the authority granted by a state of emergency, declared or renewed during the audit period.
- Examined College records for the audit period to determine whether the College had appropriate controls in place to ensure vendor information changes in its information system are appropriate and verified.
- Communicated on an interim basis with applicable officials to ensure the timely resolution of issues involving controls and noncompliance.
- Performed various other auditing procedures, including analytical procedures, as necessary, to accomplish the objectives of the audit.
- Prepared and submitted for management response the findings and recommendations that are included in this report and which describe the matters requiring corrective actions. Management's response is included in this report under the heading **MANAGEMENT'S RESPONSE**.

## ***AUTHORITY***

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



Sherrill F. Norman, CPA  
Auditor General

# MANAGEMENT'S RESPONSE

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Re: Chipola College Response to Operational Audit Preliminary & Tentative Finding

Dear Ms. Norman,

The following is Chipola College's response to the Preliminary & Tentative Finding from the recent Operational Audit.

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

**Recommendation:** To ensure access to confidential and sensitive personal information is properly safeguarded, the College should: 1) Upgrade the College IT system to include a mechanism to differentiate IT user access privileges to former, prospective, and current student information and limit access to that information based on employee responsibilities. 2) Enhance procedures to require and ensure documented periodic evaluations of assigned IT user access privileges to determine whether such privileges remain necessary and timely remove any inappropriate or unnecessary access privileges detected.

**Response:** The College acknowledges the importance of safeguarding sensitive personal information, including Social Security Numbers (SSNs), and appreciates the auditor's recommendations. As one of the smaller State Colleges in Florida, we face unique challenges in managing our information technology resources while ensuring the confidentiality and security of student data. Our current Jenzabar ERP system does not have the capability to differentiate access between current, former, and prospective students, and our staff often perform cross-functional duties necessitating a careful balance between operational needs and data access restrictions.

In response to the audit findings, the College will take several steps to enhance our data protection measures. We will work with Jenzabar to determine the cost and feasibility of upgrading our ERP system to allow for differentiated access based on student status. Additionally, we will implement a formal, documented periodic review process for user access privileges, complementing our existing practices of reviewing access when granted, when an employee changes role, and upon separation. The College is committed to further reducing the number of employees with access to full SSNs. These efforts aim to balance our operational needs with the critical task of protecting sensitive student information.

Sincerely,

A handwritten signature in blue ink that reads "Dr. Sarah Clemmons".

Dr. Sarah Clemmons  
President